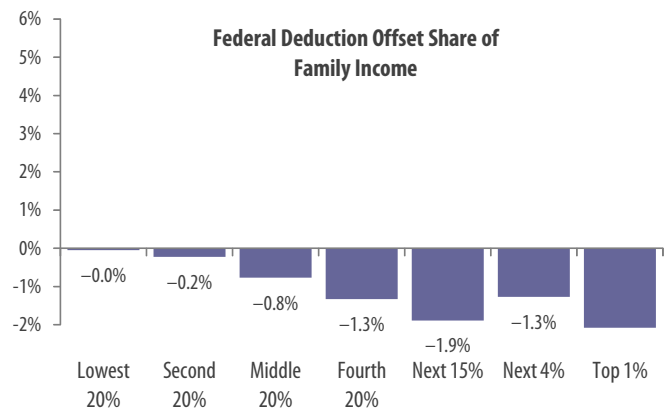
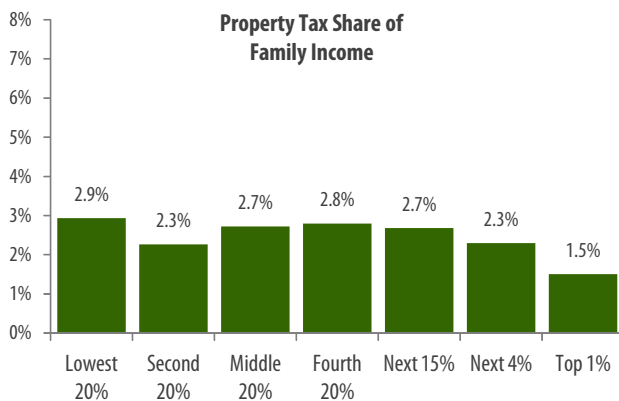
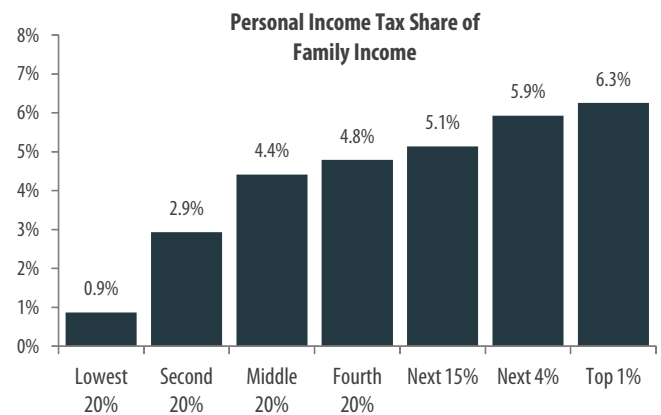
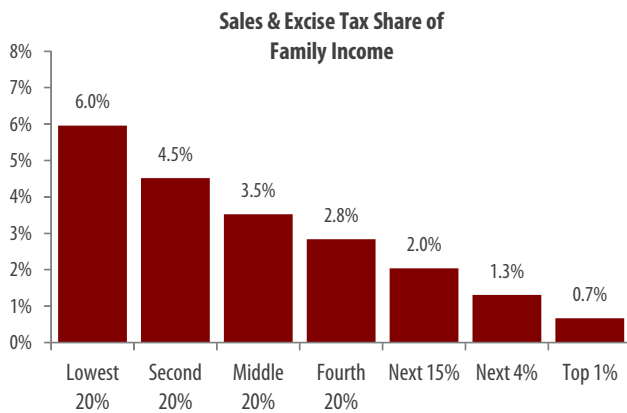
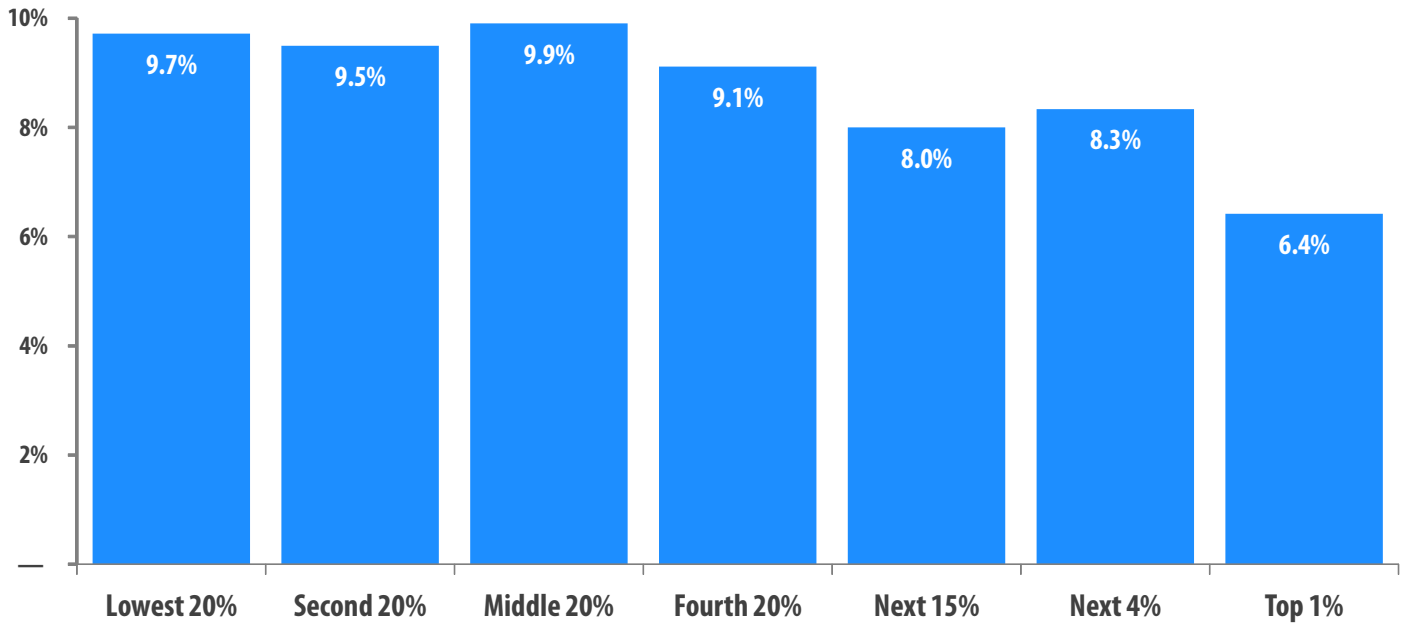


Maryland State & Local Taxes

Shares of family income for non-elderly taxpayers



Note: Figures show permanent law in Maryland enacted through January 2, 2013 at 2010 income levels. Top figure represents total state and local taxes as a share of personal income, post- federal offset.

Maryland State & Local Taxes

Details, Tax Code Features, & Recent Developments

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$23,000	\$23,000 – \$42,000	\$42,000 – \$65,000	\$65,000 – \$108,000	\$108,000 – \$202,000	\$202,000 – \$444,000	\$444,000 or more
Average Income in Group	\$12,600	\$32,400	\$52,500	\$83,800	\$142,600	\$292,300	\$1,437,300
Sales & Excise Taxes	6.0%	4.5%	3.5%	2.8%	2.0%	1.3%	0.7%
General Sales—Individuals	2.4%	2.0%	1.7%	1.5%	1.1%	0.7%	0.4%
Other Sales & Excise—Ind.	1.7%	1.1%	0.8%	0.6%	0.4%	0.2%	0.1%
Sales & Excise on Business	1.8%	1.4%	1.0%	0.8%	0.6%	0.4%	0.2%
Property Taxes	2.9%	2.3%	2.7%	2.8%	2.7%	2.3%	1.5%
Property Taxes on Families	2.9%	2.2%	2.7%	2.7%	2.5%	2.0%	0.8%
Other Property Taxes	0.0%	0.1%	0.0%	0.1%	0.1%	0.3%	0.7%
Income Taxes	0.9%	2.9%	4.4%	4.8%	5.2%	6.0%	6.4%
Personal Income Tax (State and Local)	0.9%	2.9%	4.4%	4.8%	5.1%	5.9%	6.3%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Total Taxes	9.8%	9.7%	10.7%	10.4%	9.9%	9.6%	8.6%
Federal Deduction Offset	0.0%	-0.2%	-0.8%	-1.3%	-1.9%	-1.3%	-2.2%
OVERALL TOTAL	9.7%	9.5%	9.9%	9.1%	8.0%	8.3%	6.4%

Note: Table shows detailed breakout of data on previous page.

Progressive Features

- ✓ Income tax uses a graduated rate structure
- ✓ Provides a partially refundable earned income tax credit (EITC)
- ✓ Sales tax base excludes groceries

Regressive Features

- ✗ Fails to index income tax provisions to inflation
- ✗ Fails to use combined reporting as part of its corporate income tax

Recent Developments

- ▲ Increased personal income tax rates starting at taxable income of \$100,000 (Single) and \$150,000 (Married). New top rate is 5.75 percent
- ▲ Enacted a phase-out of the personal exemption between taxable income of \$150,000 and \$200,000
- ▲ Increased the sales tax on alcohol from 6 to 9 percent
- ▲ Increased tax on tobacco products

High-End Income Tax Increases in Maryland Enacted in 2012 are a Modest Step Toward Reduced Tax Regressivity

