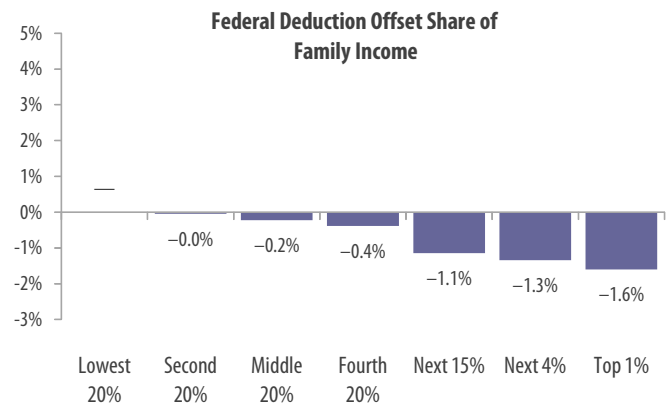
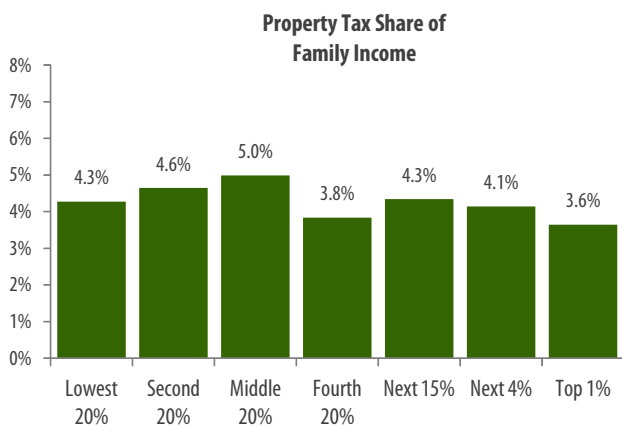
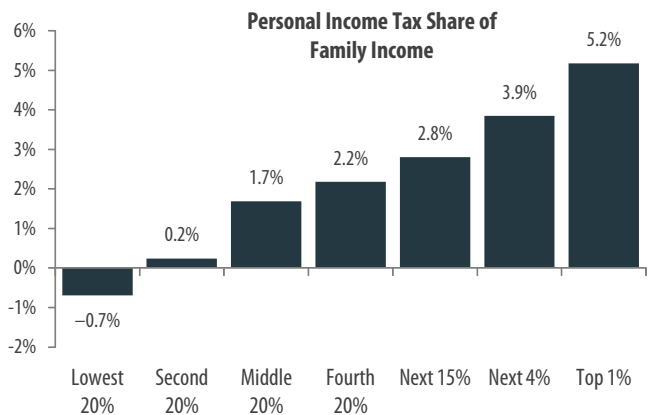
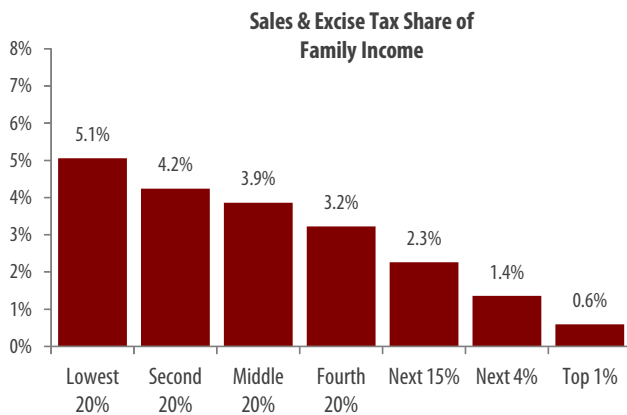
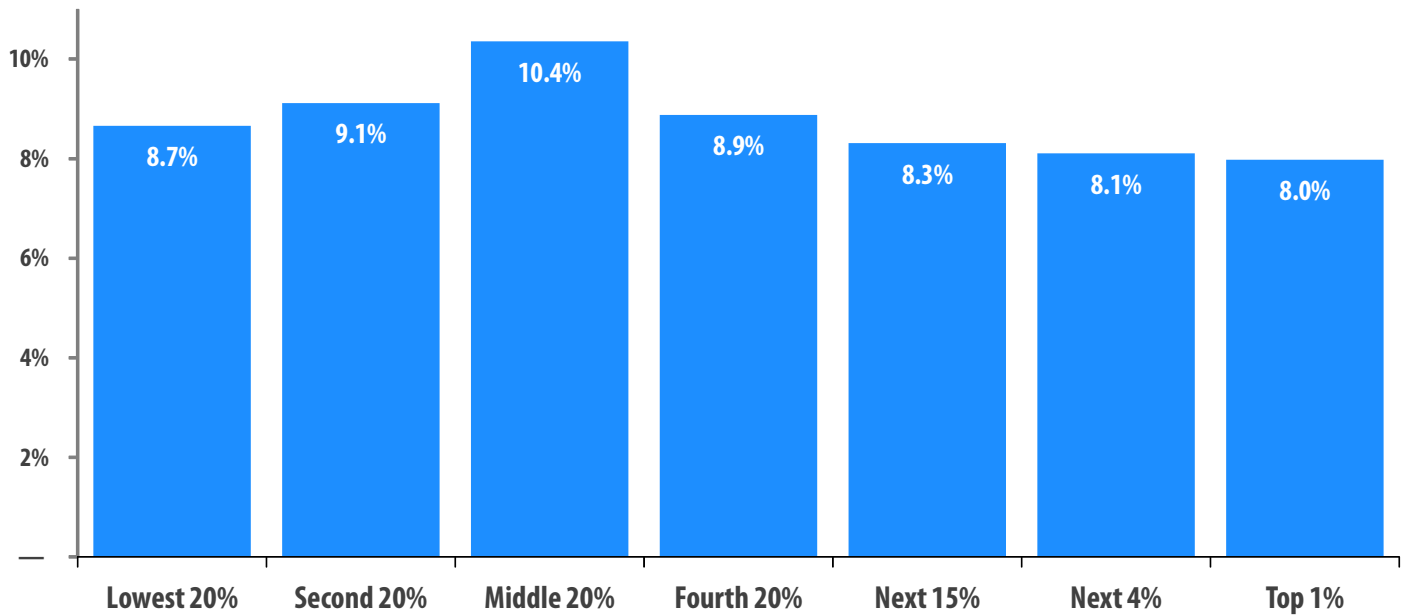


Vermont State & Local Taxes

Shares of family income for non-elderly taxpayers



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

Vermont 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 \$19,000	\$19,000 – \$36,000	\$36,000 – \$54,000	\$54,000 – \$83,000	\$83,000 – \$154,000	\$154,000 – \$338,000	\$338,000 or more
Average Income in Group	\$11,300	\$27,300	\$43,600	\$65,800	\$107,400	\$214,100	\$776,000
Sales & Excise Taxes	5.1%	4.2%	3.9%	3.2%	2.3%	1.4%	0.6%
General Sales—Individuals	2.1%	2.1%	2.0%	1.8%	1.3%	0.8%	0.4%
Other Sales & Excise—Ind.	1.7%	1.0%	0.9%	0.6%	0.4%	0.2%	0.1%
Sales & Excise on Business	1.2%	1.1%	0.9%	0.8%	0.5%	0.3%	0.2%
Property Taxes	4.3%	4.6%	5.0%	3.8%	4.3%	4.1%	3.6%
Property Taxes on Families	4.0%	4.2%	4.5%	3.5%	3.8%	3.1%	1.5%
Other Property Taxes	0.3%	0.4%	0.5%	0.3%	0.5%	1.0%	2.2%
Income Taxes	-0.7%	0.3%	1.7%	2.2%	2.9%	3.9%	5.3%
Personal Income Tax	-0.7%	0.2%	1.7%	2.2%	2.8%	3.9%	5.2%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
Total Taxes	8.7%	9.2%	10.6%	9.3%	9.5%	9.4%	9.6%
Federal Deduction Offset	0.0%	0.0%	-0.2%	-0.4%	-1.1%	-1.3%	-1.6%
OVERALL TOTAL	8.7%	9.1%	10.4%	8.9%	8.3%	8.1%	8.0%

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

Progressive Features

- ✓ Income tax uses a graduated rate structure
- ✓ Provides a large, refundable earned income tax credit (EITC)
- ✓ Offers a refundable property tax “circuit breaker” credit to low-income taxpayers
- ✓ Many resident homeowners pay school taxes based on income rather than property value

Regressive Features

- ✗ Comparatively high cigarette tax rate
- ✗ Small capital gains tax break

Recent Developments

- ▲ Reinstated 40 percent exclusion for certain capital gains; all other gains subject to \$5,000 exclusion

Vermont's EITC Improves Tax Fairness

