



**FISCAL
FACT**
No. 750
Feb. 2021

State Individual Income Tax Rates and Brackets for 2021

Katherine Loughhead

Senior Policy Analyst

Key Findings

- Individual income taxes are a major source of state government revenue, accounting for 38 percent of state tax collections in fiscal year 2018, the latest year of data available.
- Forty-two states levy individual income taxes. Forty-one tax wage and salary income, while one state—New Hampshire—exclusively taxes dividend and interest income. Eight states levy no individual income tax at all.
- Of those states taxing wages, nine have single-rate tax structures, with one rate applying to all taxable income. Conversely, 32 states and the District of Columbia levy graduated-rate income taxes, with the number of brackets varying widely by state. Hawaii has 12 brackets, the most in the country.
- States' approaches to income taxes vary in other details as well. Some states double their single-bracket widths for married filers to avoid a "marriage penalty." Some states index tax brackets, exemptions, and deductions for inflation; many others do not. Some states tie their standard deductions and personal exemptions to the federal tax code, while others set their own or offer none at all.

The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our research, analysis, and experts have informed smarter tax policy at the federal, state, and global levels. We are a 501(c)(3) nonprofit organization.

©2021 Tax Foundation
Distributed under
Creative Commons CC-BY-NC 4.0

Editor, Rachel Shuster
Designer, Dan Carvajal

Tax Foundation
1325 G Street, NW, Suite 950
Washington, DC 20005

202.464.6200

taxfoundation.org

Individual income taxes are a major source of state government revenue, accounting for 38 percent of state tax collections.¹ Their prominence in public policy considerations is further enhanced in that individuals are actively responsible for filing their income taxes, in contrast to the indirect payment of sales and excise taxes.

Forty-two states levy individual income taxes. Forty-one tax wage and salary income, while one state—New Hampshire—exclusively taxes dividend and interest income. Eight states levy no individual income tax at all.

Of those states taxing wages, nine have single-rate tax structures, with one rate applying to all taxable income. Conversely, 32 states and the District of Columbia levy graduated-rate income taxes, with the number of brackets varying widely by state. Kansas, for example, is one of several states imposing a three-bracket income tax system. At the other end of the spectrum, Hawaii has 12 brackets. Top marginal rates range from North Dakota's 2.9 percent to California's 13.3 percent.

In some states, a large number of brackets are clustered within a narrow income band. For example, Georgia's taxpayers reach the state's sixth and highest bracket at \$7,000 in taxable income. In other states, the top rate kicks in at a much higher level of marginal income. For example, the top rate kicks in at \$1 million or more in California (when the "millionaire's tax" surcharge is included), as well as in New Jersey, New York, and the District of Columbia.

Table 1 on the following page shows how each state's individual income tax is structured.

States' approaches to income taxes vary in other details as well. Some states double their single filer bracket widths for married filers to avoid imposing a "marriage penalty." Some states index tax brackets, exemptions, and deductions for inflation, while many others do not.² Some states tie their standard deductions and personal exemptions to the federal tax code, while others set their own or offer none at all.

The federal Tax Cuts and Jobs Act of 2017 (TCJA) increased the standard deduction (set at \$12,550 for single filers and \$25,100 for joint filers in 2021), while suspending the personal exemption by reducing it to \$0 through 2025. Because many states use the federal tax code as the starting point for their own standard deduction and personal exemption calculations, some states that previously coupled to these provisions in the federal tax code have updated their conformity statutes in recent years to either adopt federal changes, retain their previous deduction and exemption amounts, or retain their own separate system but increase the state-provided deduction or exemption amounts.

In the table spanning pages 6-12 shows the most up-to-date, we provide the most up-to-date data available on state individual income tax rates, brackets, standard deductions, and personal exemptions for both single and joint filers.

1 U.S. Census Bureau, "State & Local Government Finance," Fiscal Year 2018, <https://www.census.gov/data/datasets/2018/econ/local/public-use-datasets.html>.

2 See Jared Walczak, "Inflation Adjusting State Tax Codes: A Primer," Tax Foundation, Oct. 29, 2019, <https://taxfoundation.org/inflation-adjusting-state-tax-codes/>.

TABLE 1.**Individual Income Tax Structure by State, 2021**

No Tax	Single-rate	Graduated-rate
Alaska	Colorado	Alabama
Florida	Illinois	Arizona
Nevada	Indiana	Arkansas
South Dakota	Kentucky	California
Tennessee	Massachusetts	Connecticut
Texas	Michigan	Delaware
Washington	New Hampshire*	Georgia
Wyoming	North Carolina	Hawaii
	Pennsylvania	Idaho
	Utah	Iowa
		Kansas
		Louisiana
		Maine
		Maryland
		Minnesota
		Mississippi
		Missouri
		Montana
		Nebraska
		New Jersey
		New Mexico
		New York
		North Dakota
		Ohio
		Oklahoma
		Oregon
		Rhode Island
		South Carolina
		Vermont
		Virginia
		West Virginia
		Wisconsin
		District of Columbia

Note: *Applies to interest and dividends income only.

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg BNA.

Notable Individual Income Tax Changes in 2021

Several states changed key features of their individual income tax codes going into tax year 2021. In addition, some states adopted legislation in 2020 that changed various individual income tax provisions and made those changes retroactive to the beginning of tax year 2020. Notable changes include the following:

- In November 2020, Arizona voters adopted Proposition 208, which created an individual income tax surcharge of 3.5 percent for taxpayers with marginal income above \$250,000 (single filers) or \$500,000 (joint filers). This effectively creates a fifth individual income tax bracket, with revenue generated from the surcharge dedicated to education rather than the general fund. While Arizona's first four individual income tax brackets are adjusted annually for inflation, the amount at which the surcharge kicks in will not be adjusted.³
- Arkansas is unique among states in that it has three entirely different individual income tax rate schedules depending on a taxpayer's total taxable income. As taxpayers' incomes rise, they not only face higher marginal rates but also shift into an entirely different rate schedule. For taxpayers subject to the highest rate schedule, starting in tax year 2021, Arkansas's top marginal rate has been reduced from 6.6 to 5.9 percent, which was accomplished by eliminating the top income tax bracket. This rate reduction is the result of a 2019 tax reform law that also reduced the top marginal corporate income tax rate, among other provisions.⁴ In addition, beginning in tax year 2020, the state now offers a bracket adjustment providing a scaled deduction for taxpayers with income of more than \$79,300 but less than or equal to \$84,600.
- Proposition 116, adopted by Colorado voters in November 2020, resulted in the permanent reduction of Colorado's flat individual and corporate income tax rates from 4.63 to 4.55 percent, retroactive to the beginning of tax year 2020.⁵
- Michigan is continuing to phase in an increase to its personal exemption under Senate Bill 748, which was adopted in 2018. For tax year 2021, Michigan's personal exemption has increased to \$4,900, up from \$4,750 in 2020.⁶
- In New Jersey, A10 was enacted in September 2020, expanding the state's so-called "millionaire's tax." This law raised income taxes by reducing the kick-in for the state's top marginal individual income tax rate. Previously, New Jersey's top rate of 10.75 percent kicked in at \$5 million in income for both single and joint filers, but now that rate kicks in at \$1 million in income. This tax increase was retroactive to January 1, 2020.⁷

3 Janelle Cammenga and Jared Walczak, "Arizona Proposition 208 Threatens Arizona's Status as a Destination for Interstate Migration," Tax Foundation, Oct. 14, 2020, <https://taxfoundation.org/arizona-proposition-208-education-funding/>.

4 Nicole Kaeding and Jeremy Horpedahl, "Recapping the 2019 Arkansas Tax Reform," Tax Foundation, Apr. 11, 2019, <https://taxfoundation.org/recapping-2019-arkansas-tax-reform/>.

5 Katherine Loughhead, "Colorado Proposition 116: Will Voters Reduce the State Income Tax Rate?" Tax Foundation, Oct. 5, 2020, <https://taxfoundation.org/colorado-proposition-116-state-income-tax/>.

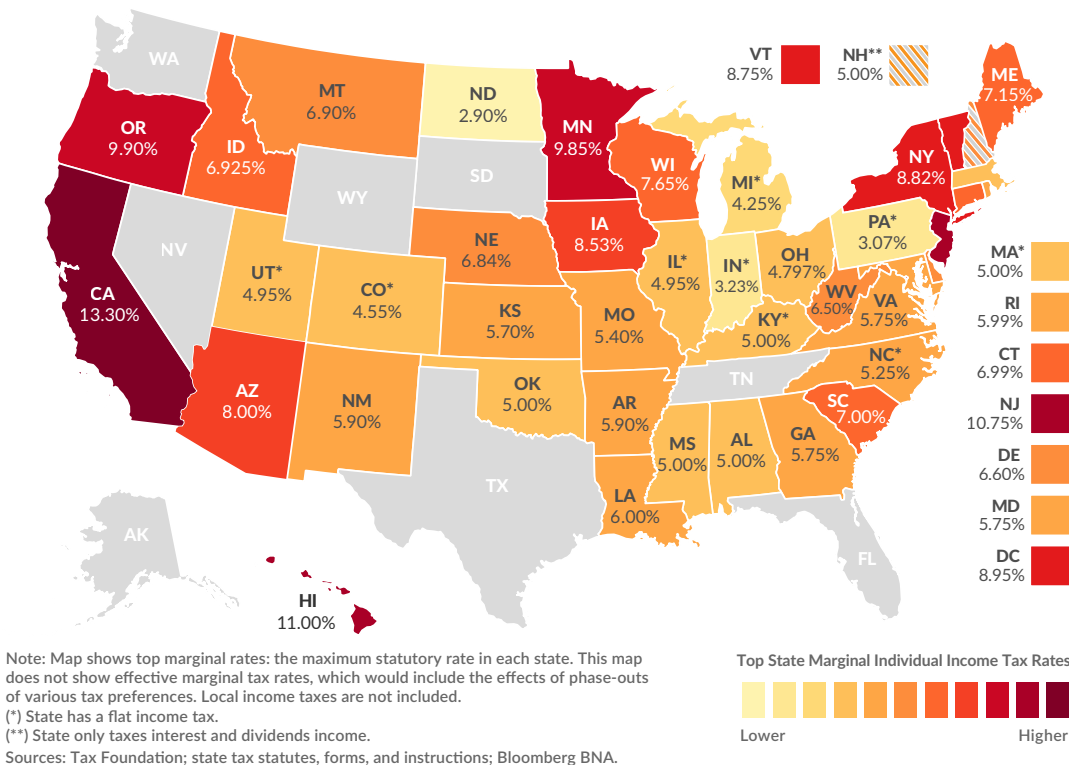
6 Katherine Loughhead, "State Individual Income Tax Rates and Brackets for 2020," Tax Foundation, Feb. 4, 2020, <https://taxfoundation.org/publications/state-individual-income-tax-rates-and-brackets/>.

7 Janelle Cammenga, "Seventh Time's the Charm: New Jersey Passes Millionaires Tax," Tax Foundation, Sept. 30, 2020, <https://taxfoundation.org/new-jersey-millionaires-tax-fy-2021/>.

- New Mexico's top marginal individual income tax rate has permanently increased from 4.9 to 5.9 percent with the addition of a new bracket. This tax increase took effect as a result of a contingency clause in House Bill 6, enacted in April 2019, which specified that the new bracket would take effect starting in 2021 if revenues for fiscal year 2020 did not exceed revenues for fiscal year 2019 by at least 5 percent.⁸
- New York is continuing to phase in a reduction to its fifth and sixth marginal individual income tax rates. This year, the fifth rate dropped from 6.09 to 5.97 percent, and the sixth rate dropped from 6.41 to 6.33 percent.⁹
- Starting this year, Tennessee has joined seven other states that do not levy any individual income tax. The Hall Tax, which previously taxed interest and dividend income but not wage income, was phased out by one percentage point per year, dropping from 6 percent in 2015 to 1 percent by 2020. As of 2021, the tax is no longer levied.¹⁰

How High Are Individual Income Tax Rates in Your State?

Top State Marginal Individual Income Tax Rates, 2021



8 Katherine Loughhead, "State Tax Changes Effective January 1, 2021," Tax Foundation, Jan. 5, 2021, <https://taxfoundation.org/2021-state-tax-changes/>.

9 Jared Walczak, "Taxes and New York's Fiscal Crisis: Evaluating Revenue Proposals to Close the State's Budget Gap," Tax Foundation, Dec. 8, 2020, 30, <https://taxfoundation.org/new-york-budget-gap-new-york-revenue-shortfall/>.

10 Katherine Loughhead, "State Tax Changes Effective January 1, 2021."

State Individual Income Tax Rates and Brackets for 2021

State	Single Filer			Married Filing Jointly			Standard Deduction		Personal Exemption		
	Rates		Brackets	Rates		Brackets	Single	Couple	Single	Couple	Dependent
Ala.	2.00%	>	\$0	2.00%	>	\$0	\$2,500	\$7,500	\$1,500	\$3,000	\$1,000
(a, b, c)	4.00%	>	\$500	4.00%	>	\$1,000					
	5.00%	>	\$3,000	5.00%	>	\$6,000					
Alaska	none			none			n.a.	n.a.	n.a.	n.a.	n.a.
Ariz.	2.59%	>	\$0	2.59%	>	\$0	\$12,550	\$25,100	n.a.	n.a.	\$100 credit
(d, f, g, w, pp)	3.34%	>	\$27,272	3.34%	>	\$54,544					
	4.17%	>	\$54,544	4.17%	>	\$109,088					
	4.50%	>	\$163,632	4.50%	>	\$327,263					
	8.00%	>	\$250,000	8.00%	>	\$500,000					
Ark.	2.00%	>	\$0	2.00%	>	\$0	\$2,200	\$4,400	\$29 credit	\$58 credit	\$29 credit
(h, i, o, dd, oo)	4.00%	>	\$4,000	4.00%	>	\$4,000					
	5.90%	>	\$8,000	5.90%	>	\$8,000					
Calif.	1.00%	>	\$0	1.00%	>	\$0	\$4,601	\$9,202	\$124 credit	\$248 credit	\$383 credit
(a, i, k, l, m, n, o)	2.00%	>	\$8,932	2.00%	>	\$17,864					
	4.00%	>	\$21,175	4.00%	>	\$42,350					
	6.00%	>	\$33,421	6.00%	>	\$66,842					
	8.00%	>	\$46,394	8.00%	>	\$92,788					
	9.30%	>	\$58,634	9.30%	>	\$117,268					
	10.30%	>	\$299,508	10.30%	>	\$599,016					
	11.30%	>	\$359,407	11.30%	>	\$718,814					
	12.30%	>	\$599,012	12.30%	>	\$1,000,000					
	13.30%	>	\$1,000,000	13.30%	>	\$1,198,024					
Colo. (a, p)	4.55%	>	\$0	4.55%	>	\$0	\$12,550	\$25,100	n.a.	n.a.	n.a.
Conn.	3.00%	>	\$0	3.00%	>	\$0	n.a.	n.a.	\$15,000	\$24,000	\$0
(j, q, r, s)	5.00%	>	\$10,000	5.00%	>	\$20,000					
	5.50%	>	\$50,000	5.50%	>	\$100,000					
	6.00%	>	\$100,000	6.00%	>	\$200,000					
	6.50%	>	\$200,000	6.50%	>	\$400,000					
	6.90%	>	\$250,000	6.90%	>	\$500,000					
	6.99%	>	\$500,000	6.99%	>	\$1,000,000					
Del.	2.20%	>	\$2,000	2.20%	>	\$2,000	\$3,250	\$6,500	\$110 credit	\$220 credit	\$110 credit
(a, i, n, t)	3.90%	>	\$5,000	3.90%	>	\$5,000					
	4.80%	>	\$10,000	4.80%	>	\$10,000					
	5.20%	>	\$20,000	5.20%	>	\$20,000					
	5.55%	>	\$25,000	5.55%	>	\$25,000					
	6.60%	>	\$60,000	6.60%	>	\$60,000					

State Individual Income Tax Rates and Brackets for 2021, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Fla.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Ga. (u)	1.00%	> \$0	1.00%	> \$0	\$4,600	\$6,000	\$2,700	\$7,400	\$3,000
	2.00%	> \$750	2.00%	> \$1,000					
	3.00%	> \$2,250	3.00%	> \$3,000					
	4.00%	> \$3,750	4.00%	> \$5,000					
	5.00%	> \$5,250	5.00%	> \$7,000					
	5.75%	> \$7,000	5.75%	> \$10,000					
Hawaii (n, v)	1.40%	> \$0	1.40%	> \$0	\$2,200	\$4,400	\$1,144	\$2,288	\$1,144
	3.20%	> \$2,400	3.20%	> \$4,800					
	5.50%	> \$4,800	5.50%	> \$9,600					
	6.40%	> \$9,600	6.40%	> \$19,200					
	6.80%	> \$14,400	6.80%	> \$28,800					
	7.20%	> \$19,200	7.20%	> \$38,400					
	7.60%	> \$24,000	7.60%	> \$48,000					
	7.90%	> \$36,000	7.90%	> \$72,000					
	8.25%	> \$48,000	8.25%	> \$96,000					
	9.00%	> \$150,000	9.00%	> \$300,000					
	10.00%	> \$175,000	10.00%	> \$350,000					
	11.00%	> \$200,000	11.00%	> \$400,000					
Idaho (k, n, w)	1.125%	> \$0	1.125%	> \$0	\$12,550	\$25,100	n.a.	n.a.	n.a.
	3.125%	> \$1,568	3.125%	> \$3,136					
	3.625%	> \$3,136	3.625%	> \$6,272					
	4.625%	> \$4,704	4.625%	> \$9,408					
	5.625%	> \$6,272	5.625%	> \$12,544					
	6.625%	> \$7,840	6.625%	> \$15,680					
Ill. (n, o, x)	6.925%	> \$11,760	6.925%	> \$23,520					
	4.95%	> \$0	4.95%	> \$0	n.a.	n.a.	\$2,325	\$4,650	\$2,325
Ind. (a, n, y)	3.23%	> \$0	3.23%	> \$0	n.a.	n.a.	\$1,000	\$2,000	\$1,000
Iowa (a, b, e, i, dd)	0.33%	> \$0	0.33%	> \$0	\$2,130	\$5,240	\$40 credit	\$80 credit	\$40 credit
	0.67%	> \$1,676	0.67%	> \$1,676					
	2.25%	> \$3,352	2.25%	> \$3,352					
	4.14%	> \$6,704	4.14%	> \$6,704					
	5.63%	> \$15,084	5.63%	> \$15,084					
	5.96%	> \$25,140	5.96%	> \$25,140					
	6.25%	> \$33,520	6.25%	> \$33,520					
	7.44%	> \$50,280	7.44%	> \$50,280					
Kans. (a, n)	8.53%	> \$75,420	8.53%	> \$75,420					
	3.10%	> \$0	3.10%	> \$0	\$3,000	\$7,500	\$2,250	\$4,500	\$2,250
	5.25%	> \$15,000	5.25%	> \$30,000					
	5.70%	> \$30,000	5.70%	> \$60,000					

State Individual Income Tax Rates and Brackets for 2021, *Continued*

	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
State	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ky. (a, e)	5.00%	> \$0	5.00%	> \$0	\$2,690	\$5,380	n.a.	n.a.	n.a.
La.	2.00%	> \$0	2.00%	> \$0	n.a.	n.a.	\$4,500	\$9,000	\$1,000
(b, z)	4.00%	> \$12,500	4.00%	> \$25,000					
	6.00%	> \$50,000	6.00%	> \$100,000					
Maine	5.80%	> \$0	5.80%	> \$0	\$12,550	\$25,100	\$4,300	\$8,600	\$300 credit
(w, aa, dd)	6.75%	> \$22,450	6.75%	> \$44,950					
	7.15%	> \$53,150	7.15%	> \$106,350					
Md.	2.00%	> \$0	2.00%	> \$0	\$2,300	\$4,650	\$3,200	\$6,400	\$3,200
(a, n, o, bb, cc)	3.00%	> \$1,000	3.00%	> \$1,000					
	4.00%	> \$2,000	4.00%	> \$2,000					
	4.75%	> \$3,000	4.75%	> \$3,000					
	5.00%	> \$100,000	5.00%	> \$150,000					
	5.25%	> \$125,000	5.25%	> \$175,000					
	5.50%	> \$150,000	5.50%	> \$225,000					
	5.75%	> \$250,000	5.75%	> \$300,000					
Mass.	5.00%	> \$0	5.00%	> \$0	n.a.	n.a.	\$4,400	\$8,800	\$1,000
Mich. (a, n)	4.25%	> \$0	4.25%	> \$0	n.a.	n.a.	\$4,900	\$9,800	\$4,900
Minn.	5.35%	> \$0	5.35%	> \$0	\$12,525	\$25,050	n.a.	n.a.	\$4,350
(e, dd, ee)	6.80%	> \$27,230	6.80%	> \$39,810					
	7.85%	> \$89,440	7.85%	> \$158,140					
	9.85%	> \$166,040	9.85%	> \$276,200					
Miss.	3.00%	> \$4,000	3.00%	> \$4,000	\$2,300	\$4,600	\$6,000	\$12,000	\$1,500
	4.00%	> \$5,000	4.00%	> \$5,000					
	5.00%	> \$10,000	5.00%	> \$10,000					
Mo.	1.50%	> \$107	1.50%	> \$107	\$12,550	\$25,100	n.a	n.a	n.a
(a, b, k, n, w)	2.00%	> \$1,073	2.00%	> \$1,073					
	2.50%	> \$2,146	2.50%	> \$2,146					
	3.00%	> \$3,219	3.00%	> \$3,219					
	3.50%	> \$4,292	3.50%	> \$4,292					
	4.00%	> \$5,365	4.00%	> \$5,365					
	4.50%	> \$6,438	4.50%	> \$6,438					
	5.00%	> \$7,511	5.00%	> \$7,511					
	5.40%	> \$8,584	5.40%	> \$8,584					

State Individual Income Tax Rates and Brackets for 2021, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Mont. (b, k, o, ff)	1.00%	> \$0	1.00%	> \$0	\$4,790	\$9,580	\$2,560	\$5,120	\$2,560
	2.00%	> \$3,100	2.00%	> \$3,100					
	3.00%	> \$5,500	3.00%	> \$5,500					
	4.00%	> \$8,400	4.00%	> \$8,400					
	5.00%	> \$11,300	5.00%	> \$11,300					
	6.00%	> \$14,500	6.00%	> \$14,500					
	6.90%	> \$18,700	6.90%	> \$18,700					
Nebr. (e, i, n, dd)	2.46%	> \$0	2.46%	> \$0	\$7,100	\$14,200	\$142 credit	\$284 credit	\$142 credit
	3.51%	> \$3,340	3.51%	> \$6,660					
	5.01%	> \$19,990	5.01%	> \$39,990					
	6.84%	> \$32,210	6.84%	> \$64,430					
Nev.		none		none	n.a.	n.a.	n.a.	n.a.	n.a.
N.H. (gg)	5.00%	> \$0	5.00%	> \$0	n.a.	n.a.	\$2,400	\$4,800	n.a.
N.J. (a)	1.400%	> \$0	1.400%	> \$0	n.a.	n.a.	\$1,000	\$2,000	\$1,500
	1.750%	> \$20,000	1.750%	> \$20,000					
	3.500%	> \$35,000	2.450%	> \$50,000					
	5.525%	> \$40,000	3.500%	> \$70,000					
	6.370%	> \$75,000	5.525%	> \$80,000					
	8.970%	> \$500,000	6.370%	> \$150,000					
	10.750%	> \$1,000,000	8.970%	> \$500,000					
			10.750%	> \$1,000,000					
N.M. (n, nn)	1.70%	> \$0	1.70%	> \$0	\$12,550	\$25,100	n.a.	n.a.	\$4,000
	3.20%	> \$5,500	3.20%	> \$8,000					
	4.70%	> \$11,000	4.70%	> \$16,000					
	4.90%	> \$16,000	4.90%	> \$24,000					
	5.90%	> \$210,000	5.90%	> \$315,000					
N.Y. (a, j)	4.00%	> \$0	4.00%	> \$0	\$8,000	\$16,050	n.a.	n.a.	\$1,000
	4.50%	> \$8,500	4.50%	> \$17,150					
	5.25%	> \$11,700	5.25%	> \$23,600					
	5.90%	> \$13,900	5.90%	> \$27,900					
	5.97%	> \$21,400	5.97%	> \$43,000					
	6.33%	> \$80,650	6.33%	> \$161,550					
	6.85%	> \$215,400	6.85%	> \$323,200					
	8.82%	> \$1,077,550	8.82%	> \$2,155,350					
N.C.	5.25%	> \$0	5.25%	> \$0	\$10,750	\$21,500	n.a.	n.a.	n.a.
N.D. (k, p, w)	1.10%	> \$0	1.10%	> \$0	\$12,550	\$25,100	n.a.	n.a.	n.a.
	2.04%	> \$40,125	2.04%	> \$67,050					
	2.27%	> \$97,150	2.27%	> \$161,950					
	2.64%	> \$202,650	2.64%	> \$246,700					
	2.90%	> \$440,600	2.90%	> \$440,600					

State Individual Income Tax Rates and Brackets for 2021, *Continued*

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
Ohio	2.850%	> \$22,150	2.850%	> \$22,150	n.a.	n.a.	\$2,400	\$4,800	\$2,400
(a, k, o, hh)	3.326%	> \$44,250	3.326%	> \$44,250					
	3.802%	> \$88,450	3.802%	> \$88,450					
	4.413%	> \$110,650	4.413%	> \$110,650					
	4.797%	> \$221,300	4.797%	> \$221,300					
Okla. (n)	0.50%	> \$0	0.50%	> \$0	\$6,350	\$12,700	\$1,000	\$2,000	\$1,000
	1.00%	> \$1,000	1.00%	> \$2,000					
	2.00%	> \$2,500	2.00%	> \$5,000					
	3.00%	> \$3,750	3.00%	> \$7,500					
	4.00%	> \$4,900	4.00%	> \$9,800					
	5.00%	> \$7,200	5.00%	> \$12,200					
Ore.	4.75%	> \$0	4.75%	> \$0	\$2,315	\$4,630	\$210 credit	\$420 credit	\$210 credit
(a, b, i, n, o, ii, dd)	6.75%	> \$3,650	6.75%	> \$7,300					
	8.75%	> \$9,200	8.75%	> \$18,400					
	9.90%	> \$125,000	9.90%	> \$250,000					
Pa. (a)	3.07%	> \$0	3.07%	> \$0	n.a.	n.a.	n.a.	n.a.	n.a.
R.I.	3.75%	> \$0	3.75%	> \$0	\$9,050	\$18,100	\$4,250	\$8,500	\$4,250
(e, dd, jj)	4.75%	> \$66,200	4.75%	> \$66,200					
	5.99%	> \$150,550	5.99%	> \$150,550					
S.C.	0.00%	> \$0	0.00%	> \$0	\$12,550	\$25,100	n.a.	n.a.	\$4,260
(k, o, p, w)	3.00%	> \$3,070	3.00%	> \$3,070					
	4.00%	> \$6,150	4.00%	> \$6,150					
	5.00%	> \$9,230	5.00%	> \$9,230					
	6.00%	> \$12,310	6.00%	> \$12,310					
	7.00%	> \$15,400	7.00%	> \$15,400					
S.D.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Tenn.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Tex.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
Utah (i, o, kk)	4.95%	> \$0	4.95%	> \$0	\$753 credit	\$1,506 credit	n.a.	n.a.	\$590 credit
Vt.	3.35%	> \$0	3.35%	> \$0	\$6,250	\$12,500	\$4,350	\$8,700	\$4,350
(k, o, ll)	6.60%	> \$40,350	6.60%	> \$67,450					
	7.60%	> \$97,800	7.60%	> \$163,000					
	8.75%	> \$204,000	8.75%	> \$248,350					
Va. (n)	2.00%	> \$0	2.00%	> \$0	\$4,500	\$9,000	\$930	\$1,860	\$930
	3.00%	> \$3,000	3.00%	> \$3,000					
	5.00%	> \$5,000	5.00%	> \$5,000					
	5.75%	> \$17,000	5.75%	> \$17,000					
Wash.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.

State Individual Income Tax Rates and Brackets for 2021, Continued

State	Single Filer		Married Filing Jointly		Standard Deduction		Personal Exemption		
	Rates	Brackets	Rates	Brackets	Single	Couple	Single	Couple	Dependent
W.Va. (a, n)	3.00%	> \$0	3.00%	> \$0	n.a.	n.a.	\$2,000	\$4,000	\$2,000
	4.00%	> \$10,000	4.00%	> \$10,000					
	4.50%	> \$25,000	4.50%	> \$25,000					
	6.00%	> \$40,000	6.00%	> \$40,000					
	6.50%	> \$60,000	6.50%	> \$60,000					
Wis. (n, o, dd, mm)	3.54%	> \$0	3.54%	> \$0	\$11,050	\$20,470	\$700	\$1,400	\$700
	4.65%	> \$12,120	4.65%	> \$16,160					
	6.27%	> \$24,250	6.27%	> \$32,330					
	7.65%	> \$266,930	7.65%	> \$355,910					
Wyo.	none		none		n.a.	n.a.	n.a.	n.a.	n.a.
D.C. (w)	4.00%	> \$0	4.00%	> \$0	\$12,550	\$25,100	n.a.	n.a.	n.a.
	6.00%	> \$10,000	6.00%	> \$10,000					
	6.50%	> \$40,000	6.50%	> \$40,000					
	8.50%	> \$60,000	8.50%	> \$60,000					
	8.75%	> \$350,000	8.75%	> \$350,000					
	8.95%	> \$1,000,000	8.95%	> \$1,000,000					

- (a) Local income taxes are excluded. Eleven states have county- or city-level income taxes; the average rates expressed as a percentage of AGI within each jurisdiction are: 0.10% in Alabama; 0.36% in Indiana; 0.11% in Iowa; 1.29% in Kentucky; 2.18% in Maryland; 0.17% in Michigan; 0.22% in Missouri; 1.47% in New York; 1.59% in Ohio; and 1.15% in Pennsylvania. Data are not available in Delaware, where Wilmington imposes a municipal income tax. In California, Colorado, Kansas, New Jersey, Oregon, and West Virginia, some jurisdictions have payroll taxes, flat-rate wage taxes, or interest and dividend income taxes. See Jared Walczak, "Local Income Taxes in 2019," Tax Foundation, July 30, 2019, <https://taxfoundation.org/local-income-taxes-2019/>.
- (b) These states allow some or all of federal income tax paid to be deducted from state taxable income.
- (c) For single taxpayers with AGI below \$23,500, the standard deduction is \$2,500. This standard deduction amount is reduced by \$25 for every additional \$500 of AGI, not to fall below \$2,000. For Married Filing Joint (MFJ) taxpayers with AGI below \$23,500, the standard deduction is \$7,500. This standard deduction amount is reduced by \$175 for every additional \$500 of AGI, not to fall below \$4,000. For all taxpayers with AGI of \$20,000 or less and claiming a dependent, the dependent exemption is \$1,000. This amount is reduced to \$500 per dependent for taxpayers with AGI above \$20,000 and equal to or less than \$100,000. For taxpayers with more than \$100,000 in AGI, the dependent exemption is \$300 per dependent.
- (d) Statutory rates and brackets for 2021 are shown. Brackets are adjusted annually for inflation, but 2021 inflation adjustments were not available as of publication, so inflation-adjusted amounts for tax year 2020 are shown.
- (e) Standard deduction and/or personal exemption is adjusted annually for inflation. Inflation-adjusted amounts for tax year 2021 are shown.
- (f) Arizona's standard deduction can be adjusted upward by an amount equal to 25 percent of the amount the taxpayer would have claimed in charitable deductions if the taxpayer had claimed itemized deductions.
- (g) In lieu of a dependent exemption, Arizona offers a child tax credit of \$100 per dependent under the age of 17 and \$25 per dependent age 17 and older. The credit begins to phase out for taxpayers with federal adjusted gross income (FAGI) above \$200,000 (single filers) or \$400,000 (MFJ).
- (h) Rates apply to individuals earning more than \$79,300. Two special tax tables exist for low- and middle-income individuals: one for individuals with below \$22,200 in income, and one for those with income greater than or equal to \$22,200 but less than or equal to \$79,300.
- (i) Standard deduction or personal exemption is structured as a tax credit.
- (j) Connecticut and New York have "tax benefit recapture," by which many high-income taxpayers pay their top tax rate on all income, not just on amounts above the benefit threshold.
- (k) Bracket levels adjusted for inflation each year. Inflation-adjusted bracket widths for 2021 were not available as of publication, so table reflects 2020 inflation-adjusted bracket widths.
- (l) Exemption credits phase out for single taxpayers by \$6 for each \$2,500 of federal AGI above \$203,341 and for MFJ filers by \$12 for each \$2,500 of federal AGI above \$406,687. The credit cannot be reduced to below zero.
- (m) Rates include the additional tax at the rate of 1 percent on taxable income in excess of \$1 million.
- (n) State provides a state-defined personal exemption amount for each exemption available and/or deductible under the Internal Revenue Code. Under the Tax Cuts and Jobs Act, the personal exemption is set at \$0 until 2026 but not eliminated. Because it is still available, these state-defined personal exemptions remain available in some states but are set to \$0 in other states.
- (o) Standard deduction and/or personal exemption adjusted annually for inflation, but the 2021 inflation adjustment was not available at time of publication, so table reflects actual 2020 amount(s).

- (p) Colorado, North Dakota, and South Carolina include the federal standard deduction in their income starting point.
- (q) Connecticut has a complex set of phaseout provisions. For each single taxpayer whose Connecticut AGI exceeds \$56,500, the amount of the taxpayer's Connecticut taxable income to which the 3 percent tax rate applies shall be reduced by \$1,000 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds said amount. Any such amount will have a tax rate of 5 percent instead of 3 percent. Additionally, each single taxpayer whose Connecticut AGI exceeds \$200,000 shall pay an amount equal to \$90 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$200,000 but is less than \$500,000, and by an additional \$50 for each \$5,000, or fraction thereof, by which the taxpayer's AGI exceeds \$500,000, up to a maximum payment of \$3,150. For each MFJ taxpayer whose Connecticut AGI exceeds \$100,500, the amount of the taxpayer's Connecticut taxable income to which the 3 percent tax rate applies shall be reduced by \$2,000 for each \$5,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds said amount. Any such amount of Connecticut taxable income to which, as provided in the preceding sentence, the 3 percent tax rate does not apply shall be an amount to which the 5 percent tax rate shall apply. Each MFJ taxpayer whose Connecticut AGI exceeds \$400,000 shall pay, in addition to the amount above, an amount equal to \$180 for each \$10,000, or fraction thereof, by which the taxpayer's Connecticut AGI exceeds \$400,000, up to a maximum of \$5,400, and a further \$100 for each \$10,000, or fraction thereof, by which Connecticut AGI exceeds \$1 million, up to a combined maximum payment of \$6,300.
- (r) Connecticut taxpayers are also given personal tax credits (1-75%) based upon adjusted gross income.
- (s) Connecticut's personal exemption phases out by \$1,000 for each \$1,000, or fraction thereof, by which a single filer's Connecticut AGI exceeds \$30,000 and a MFJ filer's Connecticut AGI exceeds \$48,000.
- (t) In addition to the personal income tax rates, Delaware imposes a tax on lump-sum distributions.
- (u) Ga. Code Ann. §48-7-20(b) provides that Georgia's top marginal individual income tax rate will be reduced to 5.5 percent for tax years beginning January 1, 2020 or later, and expiring on December 31, 2025, if a joint resolution to reduce the rate is ratified by both chambers of the General Assembly and the governor on or after Jan. 13, 2020. As of this writing, no such resolution has been adopted, so the top marginal individual income tax rate remains at 5.75 percent.
- (v) Additionally, Hawaii allows any taxpayer, other than a corporation, acting as a business entity in more than one state and required by law to file a return, to report and pay a tax of 0.5 percent of its annual gross sales (1) where the taxpayer's only activities in Hawaii consist of sales, (2) when the taxpayer does not own or rent real estate or tangible personal property, and (3) when the taxpayer's annual gross sales in or into Hawaii do not exceed \$100,000. Haw. Rev. Stat. § 235-51 (2015).
- (w) Deduction and/or exemption tied to federal tax system. Federal deductions and exemptions are indexed for inflation, and where applicable, the tax year 2021 inflation-adjusted amounts are shown.
- (x) As of June 1, 2017, taxpayers cannot claim the personal exemption if their adjusted gross income exceeds \$250,000 (single filers) or \$500,000 (MFJ).
- (y) \$1,000 is a base exemption. If dependents meet certain conditions, filers can take an additional \$1,500 exemption for each.
- (z) Standard deduction and personal exemptions are combined: \$4,500 for single and married filing separately; \$9,000 MFJ and head of household.
- (aa) Maine's dependent personal exemption is structured as a tax credit and begins to phase out for taxpayers with income exceeding \$200,000 (head of household) or \$400,000 (married filing jointly).
- (bb) The standard deduction is 15 percent of income with a minimum of \$1,550 and a cap of \$2,300 for single filers and married filing separately filers. The standard deduction is a minimum of \$3,100 and capped at \$4,650 for MFJ filers, head of household filers, and qualifying widows/ widowers. The minimum and maximum standard deduction amounts are adjusted annually for inflation. 2021 inflation-adjusted amounts were not announced as of publication, so 2020 inflation-adjusted amounts are shown.
- (cc) The exemption amount has the following phaseout schedule: If AGI is above \$100,000 for single filers and above \$150,000 for married filers, the \$3,200 exemption begins to be phased out. If AGI is above \$150,000 for single filers and above \$200,000 for married filers, the exemption is phased out entirely.
- (dd) Bracket levels adjusted for inflation each year. Inflation-adjusted bracket levels for 2021 are shown.
- (ee) For taxpayers whose AGI exceeds \$99,925 (married filing separately) or \$199,850 (all other filers), Minnesota's standard deduction is reduced by the lesser of 3 percent of the excess of the taxpayer's federal AGI over the applicable amount or 80 percent of the standard deduction otherwise allowable.
- (ff) Montana filers' standard deduction is 20 percent of AGI. For single taxpayers, the deduction must be between \$2,130 and \$4,790. For joint taxpayers, the deduction must be between \$4,260 and \$9,580.
- (gg) Applies to interest and dividend income only.
- (hh) Ohio's personal and dependent exemptions are \$2,400 for an AGI of \$40,000 or less, \$2,150 if AGI is more than \$40,000 but less than or equal to \$80,000, and \$1,900 if AGI is greater than \$80,000.
- (ii) The personal exemption credit is not allowed if federal AGI exceeds \$100,000 for single filers or \$200,000 for MFJ.
- (jj) The phaseout range for the standard deduction, personal exemption, and dependency exemption is \$210,750-\$234,750. For taxpayers with modified Federal AGI exceeding \$234,750, no standard deduction, personal exemption, or dependency exemption is available.
- (kk) The standard deduction is taken in the form of a nonrefundable credit of 6 percent of the federal standard or itemized deduction amount, excluding the deduction for state or local income tax. This credit phases out at 1.3 cents per dollar of AGI above \$14,879 (\$29,758 for married couples).
- (ll) For taxpayers with federal AGI that exceeds \$150,000, the taxpayer will pay the greater of state income tax or 3 percent of federal AGI.
- (mm) The standard deduction begins to phase out at \$16,000 in income for single filers and \$23,000 in income for joint filers. The standard deduction phases out to zero at \$108,000 for single filers and \$126,499 for joint filers.
- (nn) In lieu of the suspended personal exemption, New Mexico offers a deduction of \$4,000 for all but one of a taxpayer's dependents.
- (oo) Taxpayers with income of more than \$79,300 but less than or equal to \$84,600 shall reduce the amount of tax due by deducting an additional amount equal to \$40 for income exceeding \$83,600 but less than or equal to \$84,600, plus an additional \$100 for every \$1,000 by which income exceeds \$79,300 but remains less than or equal to \$83,600.
- (pp) Rates shown include Arizona's 3.5 percentage-point surcharge on marginal income above \$250,000 (single filers) or \$500,000 (joint filers). Unlike Arizona's base income tax rate schedule, the surcharge threshold is not adjusted for inflation. The ballot measure that created the surcharge, Proposition 208, takes

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.