

State and Local Taxes

A Comparison Across States



DECEMBER 2018

Independent Fiscal Office

About the Independent Fiscal Office

The Independent Fiscal Office (IFO) provides revenue projections for use in the state budget process along with impartial and timely analysis of fiscal, economic and budgetary issues to assist Commonwealth residents and the General Assembly in their evaluation of policy decisions. In that capacity, the IFO does not support or oppose any policies it analyzes, and will disclose the methodologies, data sources and assumptions used in published reports and estimates.

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INDEPENDENT FISCAL OFFICE

December 3, 2018

The Honorable Members of the Pennsylvania General Assembly:

State and local taxes are necessary to fund the many services provided by governments such as education, law enforcement, healthcare, the building and maintenance of public roads and highways, and the management of natural resources. State and local governments utilize different taxes, fees, tolls and assessments to generate the funds necessary to provide those services and meet the needs of residents.

This report uses the latest data published by the U.S. Census Bureau to compare how states generate revenues. Based on tax or fee type, the report ranks states in descending order based on the ratio of tax revenue to state personal income. This simple ratio is often referred to as a measure of tax burden or an effective tax rate. These measures are best used to compare a state's relative reliance on a particular revenue source. For example, a state may rely heavily on sales tax, which may be more volatile than other revenue sources. Alternatively, states rich in natural resources may receive significant severance tax revenue, while many others receive no revenue from that source.

The report also ranks states based on the ratio of total state and local tax revenue to state personal income. By themselves, high or low rankings should not be construed as a favorable or unfavorable outcome. States that have a high ranking may provide more services to residents. The relative rankings do not imply that a state operates in a more or less efficient manner than other states. More detailed data would be required to make that determination.

All questions and comments on this report can be submitted to contact@ifo.state.pa.us.

Sincerely,

MATTHEW J. KNITTEL
Director

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Methodology and Data Sources

This report uses data from the U.S. Census Bureau, the Internal Revenue Service (IRS), the U.S. Bureau of Economic Analysis and the Federation of Tax Administrators to facilitate a comparison of state and local tax systems across the fifty states. The report examines (1) the relative state and local tax burden across states, (2) the distribution of state and local taxes across revenue sources (e.g., income, sales and property) and (3) state debt levels. For this analysis, the term “tax burden” equals the ratio of tax revenues to state personal income. Although the term tax burden is often used in these types of studies, it does not imply that a certain level of taxation is too high or too low; that determination is a subjective judgment and this report does not address that issue.

All state and local taxes are compared to state personal income. State personal income is the summation of all sources of income such as wages, business income, interest, dividends, rents, royalties, employer contributions to pension and health plans, unemployment compensation and transfer income (e.g., Social Security, various medical and income maintenance benefits). Similar to other published tax burden studies, the analysis includes certain adjustments to state personal income as computed by the U.S. Bureau of Economic Analysis.¹ The analysis adds capital gains income, IRA withdrawals and pension distributions to state personal income and deducts employer contributions to pension and health plans and imputed interest income.² Overall, these adjustments decrease personal income by 1.3 percent for the U.S. and 1.0 percent for Pennsylvania. Despite the fact that a modified income measure is used, the term personal income is used throughout this analysis.

For tabulations of state and local tax revenues, the U.S. Census Bureau includes net lottery profits with non-tax revenue sources, not tax revenues. This report includes those amounts with tax revenues so that net lottery profits are treated the same as tax revenues from table games and slots, since all three are forms of recreational gaming. Liquor store profits are also included with tax revenues. In order to generate liquor store profits, states apply mark-ups that function similar to a tax. Lottery and liquor store profits are similar to sales taxes because they are generated by the voluntary consumption of a good or service.

¹ See “Effective Federal Tax Rates, 1979 to 1997” Congressional Budget Office (October 2001) and “Tax Foundation State-Local Tax Burden Estimates: An Overview of Methodology” Tax Foundation, Working Paper 10 (March 2014). The adjustments are based on data from state tax returns (published by the IRS) and Tables SA4 and SA40 from the National Income and Product Accounts. The U.S. Bureau of Economic Analysis publishes state personal income data.

² Capital gains, IRA withdrawals and pension data are from the “SOI Tax Stats – Historic Table 2” (IRS). Those amounts are grossed-up for amounts not reported on the federal income tax return due to non-taxability or misreporting. For more information on misreporting on the federal income tax return, see “Federal Tax Compliance Research: Tax Gap Estimates for Tax Years 2008–2010” (IRS, April 2016).

The U.S. Census Bureau compiles annual data on state and local tax revenue. However, the local tax data generally lag the state tax data by one fiscal year. For this analysis, state tax data are from *2017 State Government Tax Collections* which represents fiscal year (FY) 2016-17.³ Local tax data are from *2016 State and Local Government Finances*, which represent FY 2015-16. Although these tax data span two fiscal years, they represent the most recent data available and the same years are used across all states. In order to maximize overlap with the two fiscal years, state personal income and all income adjustments are from calendar year (CY) 2016. Therefore, both the state (FY 2016-17) and local (FY 2015-16) tax revenue data share a six-month overlap with the state personal income (CY 2016) measure to which they are compared.

In general, the state rankings in this analysis do not control for the export of certain state and local taxes. For some states, much tax revenue is paid by non-residents. For example, states with significant tourism generate substantial sales tax from non-residents.⁴ Many business taxes, such as the corporate net income tax, are also shifted to consumers and shareholders who reside in other states. In addition, the analysis does not control for the deductibility of state and local income and real estate taxes from the federal income tax. Those deductions reduce the state and local tax burden and would disproportionately benefit states with higher tax rates. However, the impact of that deduction will be much smaller after the implementation of the Tax Cuts and Jobs Act of 2017.

³ Tax data for state liquor store profits and outstanding debt are from *2017 State Government Finances*.

⁴ A tourism adjustment for sales tax was made for two states: Hawaii and Nevada. For those states, the ratio of the dollar amounts for the "Food Service and Accommodations" sector for state gross domestic product versus state personal consumption expenditures was much higher than the overall U.S. average. That outcome implies that state production of those services is much higher than the personal consumption of those services by state residents, compared to the U.S. average. Therefore, a higher share of sector output is attributable to tourism. Based on the state data published by the U.S. Bureau of Economic Analysis, Hawaii's sales tax is reduced by 16 percent and Nevada by 38 percent to account for each state's unusually large share of sales tax likely attributable to tourism. Similar adjustments were not made for other states because their ratio of production to consumption for that sector was much more similar to the U.S. average.

State and Local Tax Rankings

Table 1 ranks states based on the ratio of the personal income tax (PIT) to personal income.⁵ States may levy PIT on wages, business income, capital income (e.g., interest, dividends and capital gains), pensions, IRA withdrawals and transfer income (e.g., Social Security, unemployment compensation). Pennsylvania ranked 17th for PIT, and the ratio was higher than both the U.S. average (2.18 percent) and weighted average (2.44 percent).⁶ Although the Commonwealth levies a relatively low PIT rate (3.07 percent) and exempts Social Security and pension income, the local PIT rate is high compared to other states. (See Table 12 for a comparison of state tax rates levied for CY 2018.)

Table 1 Personal Income Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
New York	1	\$56,226	4.87%	Indiana	26	\$6,757	2.42%
Oregon	2	\$8,379	4.47%	Vermont	27	\$744	2.41%
Maryland	3	\$14,260	4.21%	Arkansas	28	\$2,768	2.37%
Minnesota	4	\$10,956	3.89%	Rhode Island	29	\$1,239	2.37%
California	5	\$84,197	3.85%	Colorado	30	\$6,792	2.34%
Massachusetts	6	\$14,724	3.38%	Michigan	31	\$9,979	2.27%
Kentucky	7	\$5,752	3.38%	South Carolina	32	\$4,142	2.11%
Connecticut	8	\$7,959	3.23%	Alabama	33	\$3,744	2.02%
Hawaii	9	\$2,096	3.03%	Illinois	34	\$13,257	2.02%
Utah	10	\$3,621	3.01%	Oklahoma	35	\$3,123	1.92%
Virginia	11	\$13,053	3.00%	Mississippi	36	\$1,835	1.77%
Wisconsin	12	\$7,793	2.95%	Kansas	37	\$2,329	1.75%
North Carolina	13	\$12,086	2.87%	New Mexico	38	\$1,339	1.69%
West Virginia	14	\$1,814	2.74%	Louisiana	39	\$2,950	1.54%
Delaware	15	\$1,239	2.73%	Arizona	40	\$3,446	1.22%
Iowa	16	\$3,759	2.72%	North Dakota	41	\$320	0.82%
Pennsylvania	17	\$17,047	2.66%	Tennessee	42	\$250	0.09%
Ohio	18	\$13,531	2.65%	New Hampshire	43	\$65	0.09%
Maine	19	\$1,535	2.64%	Alaska	44	\$0	0.00%
Montana	20	\$1,178	2.62%	Florida	44	\$0	0.00%
Georgia	21	\$10,978	2.60%	Nevada	44	\$0	0.00%
New Jersey	22	\$13,958	2.56%	South Dakota	44	\$0	0.00%
Missouri	23	\$6,539	2.53%	Texas	44	\$0	0.00%
Idaho	24	\$1,660	2.49%	Washington	44	\$0	0.00%
Nebraska	25	\$2,228	2.44%	Wyoming	44	\$0	0.00%
				U.S. Weighted Avg.			2.44%
				U.S. Average			2.18%

Note: dollar amounts are in millions.

⁵ All amounts are net of refunds.

⁶ The U.S. average is an unweighted average so that all states have an equal impact on the U.S. average computation. The weighted average allows large states (e.g., California) to have a greater impact compared to small states (e.g., Rhode Island).

Table 2 ranks states based on the ratio of corporate net income tax (CNIT) to personal income.⁷ States levy CNIT on the net income of C corporations. For this analysis, the CNIT measure also includes revenues from corporate license fees.⁸ Pennsylvania ranked 10th for CNIT, and the ratio was higher than the U.S. average (0.38 percent) and weighted average (0.37 percent). Pennsylvania levies the second highest tax rate in the U.S. (9.99 percent), but the sales-only factor used in the apportionment formula reduces the overall tax burden.

Table 2 Corporate Net Income Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
Delaware	1	\$1,557	3.44%	Montana	26	\$130	0.29%
Tennessee	2	\$2,597	0.91%	Michigan	27	\$1,220	0.28%
New York	3	\$10,485	0.91%	Vermont	28	\$85	0.28%
New Hampshire	4	\$637	0.85%	Utah	29	\$330	0.27%
Mississippi	5	\$535	0.52%	Florida	30	\$2,622	0.27%
Massachusetts	6	\$2,223	0.51%	Hawaii	31	\$187	0.27%
Illinois	7	\$3,242	0.49%	Rhode Island	32	\$135	0.26%
California	8	\$10,187	0.47%	Georgia	33	\$1,029	0.24%
Kentucky	9	\$751	0.44%	Alaska	34	\$88	0.23%
Pennsylvania	10	\$2,823	0.44%	South Carolina	35	\$444	0.23%
Minnesota	11	\$1,236	0.44%	Louisiana	36	\$417	0.22%
New Jersey	12	\$2,344	0.43%	Virginia	37	\$890	0.20%
Oregon	13	\$751	0.40%	Colorado	38	\$546	0.19%
North Carolina	14	\$1,584	0.38%	West Virginia	39	\$117	0.18%
Connecticut	15	\$927	0.38%	North Dakota	40	\$61	0.16%
Alabama	16	\$693	0.37%	New Mexico	41	\$122	0.15%
Wisconsin	17	\$982	0.37%	Missouri	42	\$386	0.15%
Indiana	18	\$1,035	0.37%	Arizona	43	\$409	0.15%
Arkansas	19	\$425	0.36%	Oklahoma	44	\$211	0.13%
Iowa	20	\$478	0.35%	Ohio	45	\$536	0.11%
Idaho	21	\$219	0.33%	South Dakota	46	\$36	0.09%
Maryland	22	\$1,112	0.33%	Nevada	47	\$77	0.06%
Maine	23	\$186	0.32%	Wyoming	48	\$14	0.04%
Kansas	24	\$407	0.31%	Texas	49	\$141	0.01%
Nebraska	25	\$271	0.30%	Washington	50	\$40	0.01%
				U.S. Weighted Avg.			0.37%
				U.S. Average			0.38%

Note: dollar amounts are in millions.

⁷ All amounts are net of refunds.

⁸ Per the U.S. Census Bureau's documentation guide, corporate license fees include: franchise license taxes, organization, filing and entrance fees, taxes on property (measured by amount of corporate stock, debt or other basis besides assessed value of property), and other licenses applicable with few, specified exceptions to all corporations.

Table 3 ranks states based on the ratio of sales and use tax (SUT) to personal income. Sales and use taxes include taxes on general sales, gross receipts taxes collected by utilities and any sales tax levied by local units. For Pennsylvania, SUT includes the local sales tax levied by Allegheny County (1 percent) and Philadelphia County (2 percent). Pennsylvania ranked 39th for SUT, and the ratio is lower than the U.S. average (2.50 percent) and weighted average (2.61 percent). Pennsylvania relies on SUT relatively less than other states due to broad exemptions for most clothing and food purchased for home consumption. Moreover, some states levy sales tax on gasoline in addition to an excise tax, whereas Pennsylvania does not.

Table 3 Sales and Use Tax							
<u>State</u>	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>	<u>State</u>	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>
Washington	1	\$19,334	4.80%	Illinois	26	\$16,580	2.52%
Hawaii	2	\$3,214	4.65%	Wyoming	27	\$793	2.51%
Louisiana	3	\$8,681	4.53%	North Carolina	28	\$10,489	2.49%
New Mexico	4	\$3,325	4.19%	Colorado	29	\$7,071	2.43%
Arkansas	5	\$4,653	3.98%	California	30	\$52,379	2.40%
South Dakota	6	\$1,451	3.58%	Georgia	31	\$9,678	2.29%
Mississippi	7	\$3,593	3.47%	West Virginia	32	\$1,506	2.28%
Arizona	8	\$9,712	3.44%	Kentucky	33	\$3,863	2.27%
Texas	9	\$42,049	3.36%	Wisconsin	34	\$5,982	2.26%
Tennessee	10	\$9,545	3.36%	Minnesota	35	\$6,165	2.19%
Ohio	11	\$16,930	3.32%	Michigan	36	\$9,311	2.12%
Kansas	12	\$4,383	3.29%	Rhode Island	37	\$1,094	2.09%
Florida	13	\$31,591	3.26%	South Carolina	38	\$3,880	1.98%
North Dakota	14	\$1,193	3.04%	Pennsylvania	39	\$12,617	1.97%
Alabama	15	\$5,607	3.03%	New Jersey	40	\$10,649	1.96%
Nevada	16	\$3,921	2.96%	Connecticut	41	\$4,520	1.83%
Utah	17	\$3,513	2.92%	Maryland	42	\$5,201	1.54%
Oklahoma	18	\$4,683	2.88%	Massachusetts	43	\$6,268	1.44%
Indiana	19	\$7,815	2.80%	Virginia	44	\$6,005	1.38%
New York	20	\$31,979	2.77%	Vermont	45	\$400	1.30%
Iowa	21	\$3,762	2.73%	Alaska	46	\$241	0.64%
Nebraska	22	\$2,352	2.57%	Oregon	47	\$409	0.22%
Idaho	23	\$1,705	2.56%	Delaware	48	\$58	0.13%
Missouri	24	\$6,590	2.55%	Montana	49	\$44	0.10%
Maine	25	\$1,474	2.54%	New Hampshire	50	\$57	0.08%
				U.S. Weighted Avg.			2.61%
				U.S. Average			2.50%

Note: dollar amounts are in millions.

Table 4 ranks states based on the ratio of property tax to personal income. Property tax includes levies by the state, county, municipality, school district or special purpose entity. For Pennsylvania, nearly all property taxes are levied at the local level. Pennsylvania ranked 24th for property tax, and the ratio is lower than the U.S. average (3.10 percent) and weighted average (3.20 percent).

Table 4 Property Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
New Hampshire	1	\$4,158	5.55%	Mississippi	26	\$2,952	2.85%
Vermont	2	\$1,617	5.25%	Georgia	27	\$11,985	2.84%
New Jersey	3	\$28,079	5.16%	California	28	\$61,435	2.81%
Rhode Island	4	\$2,554	4.88%	Maryland	29	\$9,348	2.76%
Maine	5	\$2,828	4.87%	Colorado	30	\$7,880	2.71%
New York	6	\$55,176	4.78%	Florida	31	\$26,098	2.69%
Connecticut	7	\$10,501	4.26%	Arizona	32	\$7,386	2.62%
Wyoming	8	\$1,335	4.22%	Washington	33	\$10,494	2.60%
Illinois	9	\$27,213	4.14%	Utah	34	\$3,102	2.58%
Alaska	10	\$1,527	4.04%	West Virginia	35	\$1,674	2.53%
Nebraska	11	\$3,642	3.99%	North Dakota	36	\$980	2.50%
Texas	12	\$49,167	3.93%	Idaho	37	\$1,586	2.38%
Massachusetts	13	\$16,092	3.69%	Hawaii	38	\$1,629	2.36%
Iowa	14	\$4,956	3.59%	North Carolina	39	\$9,906	2.35%
Wisconsin	15	\$9,406	3.56%	Indiana	40	\$6,419	2.30%
Montana	16	\$1,572	3.49%	Missouri	41	\$5,917	2.29%
Kansas	17	\$4,351	3.27%	Nevada	42	\$2,943	2.22%
Michigan	18	\$14,129	3.21%	Louisiana	43	\$4,163	2.17%
Oregon	19	\$5,901	3.15%	Kentucky	44	\$3,570	2.10%
Minnesota	20	\$8,664	3.07%	New Mexico	45	\$1,578	1.99%
Virginia	21	\$13,002	2.99%	Tennessee	46	\$5,560	1.95%
South Dakota	22	\$1,201	2.96%	Arkansas	47	\$2,144	1.84%
South Carolina	23	\$5,773	2.95%	Delaware	48	\$820	1.81%
Pennsylvania	24	\$18,892	2.94%	Oklahoma	49	\$2,741	1.69%
Ohio	25	\$14,690	2.88%	Alabama	50	\$2,700	1.46%
				U.S. Weighted Avg.			3.20%
				U.S. Average			3.10%

Note: dollar amounts are in millions.

Table 5 ranks states based on the ratio of gaming-liquor-other taxes to personal income. Gaming-liquor-other revenues include taxes on alcoholic beverages (but not sales tax levied on those items), casino gaming, pari-mutuels, tobacco, licenses for amusements, licenses for alcoholic beverages, liquor store profits and net lottery profits. Pennsylvania ranked 6th for gaming-liquor-other, and the ratio was higher than the U.S. average (0.44 percent) and weighted average (0.38 percent). For states that have legalized casino gaming, Pennsylvania imposes a relatively high tax rate on slot (maximum tax rate of 55 percent) and table games (16 percent) gross revenues.⁹ Those rates drive much of the ranking for the gaming-liquor-other category. For CY 2018, Pennsylvania levies the 11th highest cigarette tax rate in the U.S. (\$2.60 per pack), and the City of Philadelphia levies the 2nd highest cigarette tax rate (\$4.60 per pack).

Table 5 Gaming-Liquor-Other Taxes							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
West Virginia	1	\$785	1.19%	Mississippi	26	\$406	0.39%
Rhode Island	2	\$532	1.02%	New Jersey	27	\$2,099	0.39%
Nevada	3	\$1,245	0.94%	Kentucky	28	\$652	0.38%
Delaware	4	\$376	0.83%	Arkansas	29	\$446	0.38%
Maine	5	\$481	0.83%	Minnesota	30	\$1,021	0.36%
Pennsylvania	6	\$4,617	0.72%	North Carolina	31	\$1,523	0.36%
New Hampshire	7	\$456	0.61%	Florida	32	\$3,457	0.36%
Oregon	8	\$1,130	0.60%	Wisconsin	33	\$915	0.35%
Louisiana	9	\$1,135	0.59%	South Carolina	34	\$665	0.34%
Iowa	10	\$773	0.56%	Missouri	35	\$875	0.34%
Maryland	11	\$1,884	0.56%	Texas	36	\$4,222	0.34%
Ohio	12	\$2,793	0.55%	New Mexico	37	\$263	0.33%
Michigan	13	\$2,373	0.54%	Washington	38	\$1,118	0.28%
South Dakota	14	\$216	0.53%	Virginia	39	\$1,201	0.28%
Montana	15	\$218	0.48%	Kansas	40	\$361	0.27%
Massachusetts	16	\$2,079	0.48%	Alabama	41	\$491	0.27%
Connecticut	17	\$1,115	0.45%	Hawaii	42	\$175	0.25%
Indiana	18	\$1,262	0.45%	Utah	43	\$276	0.23%
Tennessee	19	\$1,264	0.44%	Arizona	44	\$555	0.20%
Illinois	20	\$2,903	0.44%	Idaho	45	\$125	0.19%
Alaska	21	\$167	0.44%	Colorado	46	\$495	0.17%
New York	22	\$4,998	0.43%	Wyoming	47	\$49	0.15%
Vermont	23	\$132	0.43%	Nebraska	48	\$139	0.15%
Oklahoma	24	\$690	0.42%	California	49	\$3,298	0.15%
Georgia	25	\$1,657	0.39%	North Dakota	50	\$54	0.14%
Note: dollar amounts are in millions.				U.S. Weighted Avg.			0.38%
				U.S. Average			0.44%

⁹ The 16 percent table games tax rate includes the temporary 2 percent surtax.

Table 6 ranks states based on the ratio of motor vehicle taxes to personal income. The motor vehicle category includes tax revenues from motor fuels (e.g., gasoline excise), fees (e.g., registration and license fees) and miscellaneous taxes on motor vehicle operators. For Pennsylvania, the motor vehicle category includes the oil company franchise tax. Pennsylvania ranked 11th for motor vehicle taxes, and the ratio is higher than the U.S. average (0.55 percent) and weighted average (0.49 percent). For gasoline, Pennsylvania currently levies the highest tax rate in the U.S. (\$0.576 per gallon).

Table 6 Motor Vehicle Tax							
	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>	<u>State</u>	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>
Iowa	1	\$1,348	0.98%	Kentucky	26	\$937	0.55%
Idaho	2	\$561	0.84%	Vermont	27	\$167	0.54%
North Dakota	3	\$316	0.81%	Georgia	28	\$2,218	0.53%
Hawaii	4	\$545	0.79%	Illinois	29	\$3,416	0.52%
Oklahoma	5	\$1,263	0.78%	Florida	30	\$5,038	0.52%
Montana	6	\$349	0.78%	Tennessee	31	\$1,457	0.51%
West Virginia	7	\$502	0.76%	Alabama	32	\$945	0.51%
South Dakota	8	\$292	0.72%	Indiana	33	\$1,415	0.51%
North Carolina	9	\$2,966	0.70%	Texas	34	\$6,279	0.50%
Wyoming	10	\$213	0.67%	Maryland	35	\$1,617	0.48%
Pennsylvania	11	\$4,142	0.65%	South Carolina	36	\$898	0.46%
Maine	12	\$374	0.64%	Colorado	37	\$1,320	0.45%
Washington	13	\$2,550	0.63%	California	38	\$9,397	0.43%
Nebraska	14	\$573	0.63%	Delaware	39	\$194	0.43%
Minnesota	15	\$1,759	0.62%	Missouri	40	\$1,040	0.40%
Oregon	16	\$1,138	0.61%	Virginia	41	\$1,749	0.40%
Mississippi	17	\$622	0.60%	Arizona	42	\$1,106	0.39%
Wisconsin	18	\$1,582	0.60%	Louisiana	43	\$735	0.38%
Ohio	19	\$3,009	0.59%	New Hampshire	44	\$263	0.35%
Utah	20	\$708	0.59%	Connecticut	45	\$766	0.31%
New Mexico	21	\$460	0.58%	Massachusetts	46	\$1,305	0.30%
Arkansas	22	\$672	0.57%	New York	47	\$3,332	0.29%
Nevada	23	\$755	0.57%	Alaska	48	\$108	0.29%
Michigan	24	\$2,461	0.56%	Rhode Island	49	\$122	0.23%
Kansas	25	\$740	0.56%	New Jersey	50	\$1,258	0.23%
				U.S. Weighted Avg.			0.49%
				U.S. Average			0.55%

Note: dollar amounts are in millions.

Table 7 ranks states based on the ratio of all other taxes to personal income. The all other category includes taxes on other selective sales (e.g., realty transfer taxes), hunting and public utility licenses, occupation and business licenses, severance, other licenses and other miscellaneous taxes (e.g., insurance premiums, inheritance and financial institutions). For Pennsylvania, the impact fee is counted as a severance tax.¹⁰ Pennsylvania ranked 22nd for all other taxes, and the ratio was slightly lower than the U.S. average (1.09 percent) and higher than the weighted average (0.95 percent). Because severance taxes are included with all other taxes and can be significant, Pennsylvania ranked lower than natural resource exporters such as North Dakota, Wyoming and West Virginia. As noted, this analysis does not control for the export of taxes. Research finds that existing severance taxes are generally pushed forward into prices and borne by final consumers, most of whom reside in other states.

Table 7 All Other Taxes							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
North Dakota	1	\$1,852	4.72%	Virginia	26	\$4,199	0.97%
Alaska	2	\$847	2.24%	California	27	\$20,293	0.93%
Vermont	3	\$606	1.97%	Tennessee	28	\$2,533	0.89%
Wyoming	4	\$597	1.89%	Illinois	29	\$5,753	0.88%
West Virginia	5	\$1,246	1.89%	Florida	30	\$7,314	0.75%
Nevada	6	\$2,422	1.83%	Michigan	31	\$3,307	0.75%
New Mexico	7	\$1,390	1.75%	Maine	32	\$432	0.74%
Minnesota	8	\$4,433	1.57%	Arkansas	33	\$869	0.74%
New York	9	\$17,118	1.48%	Colorado	34	\$1,996	0.69%
Hawaii	10	\$985	1.42%	Massachusetts	35	\$2,981	0.68%
Delaware	11	\$596	1.32%	New Jersey	36	\$3,624	0.67%
Oregon	12	\$2,437	1.30%	Missouri	37	\$1,682	0.65%
Washington	13	\$5,133	1.27%	Ohio	38	\$3,313	0.65%
Maryland	14	\$4,206	1.24%	Wisconsin	39	\$1,695	0.64%
Montana	15	\$539	1.20%	Connecticut	40	\$1,574	0.64%
New Hampshire	16	\$872	1.16%	North Carolina	41	\$2,646	0.63%
Louisiana	17	\$2,110	1.10%	Idaho	42	\$414	0.62%
Rhode Island	18	\$576	1.10%	Indiana	43	\$1,732	0.62%
Kentucky	19	\$1,812	1.06%	Oklahoma	44	\$995	0.61%
Texas	20	\$13,206	1.05%	Utah	45	\$702	0.58%
Alabama	21	\$1,892	1.02%	Nebraska	46	\$530	0.58%
Pennsylvania	22	\$6,439	1.00%	Georgia	47	\$2,263	0.54%
Mississippi	23	\$1,024	0.99%	Arizona	48	\$1,503	0.53%
South Dakota	24	\$398	0.98%	Kansas	49	\$686	0.52%
South Carolina	25	\$1,910	0.97%	Iowa	50	\$591	0.43%
				U.S. Weighted Avg.			0.95%
				U.S. Average			1.09%

Note: dollar amounts are in millions.

¹⁰ The fees for CY 2016 were remitted in April 2017 and totaled \$173.3 million.

Table 8 ranks states based on the ratio of total taxes to personal income. The total tax category is equal to the sum of all previous categories. Pennsylvania ranked 24th for total taxes, and the ratio was higher than the U.S average (10.23 percent), but slightly lower than the weighted average (10.44 percent). Pennsylvania ranks lower than the adjacent states of New York (1st), West Virginia (8th), New Jersey (9th), Maryland (11th), Ohio (16th) and Delaware (19th) in total state and local taxes as a share of personal income.

Table 8 Total Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
New York	1	\$179,314	15.53%	Utah	26	\$12,251	10.18%
Hawaii	2	\$8,831	12.77%	Kentucky	27	\$17,336	10.18%
Maine	3	\$7,310	12.59%	Kansas	28	\$13,257	9.96%
North Dakota	4	\$4,775	12.18%	North Carolina	29	\$41,199	9.79%
Vermont	5	\$3,751	12.18%	Michigan	30	\$42,780	9.73%
Minnesota	6	\$34,233	12.14%	Washington	31	\$38,669	9.59%
Rhode Island	7	\$6,252	11.95%	Wyoming	32	\$3,000	9.49%
West Virginia	8	\$7,645	11.57%	Indiana	33	\$26,433	9.46%
New Jersey	9	\$62,010	11.39%	Georgia	34	\$39,808	9.44%
Iowa	10	\$15,667	11.35%	Idaho	35	\$6,270	9.42%
Maryland	11	\$37,628	11.11%	Virginia	36	\$40,099	9.22%
Connecticut	12	\$27,363	11.10%	Texas	37	\$115,063	9.19%
California	13	\$241,185	11.04%	South Carolina	38	\$17,711	9.04%
Illinois	14	\$72,364	11.02%	Colorado	39	\$26,102	8.98%
Oregon	15	\$20,146	10.75%	Montana	40	\$4,029	8.95%
Ohio	16	\$54,802	10.75%	Missouri	41	\$23,030	8.92%
Wisconsin	17	\$28,355	10.73%	South Dakota	42	\$3,594	8.87%
New Mexico	18	\$8,477	10.69%	New Hampshire	43	\$6,508	8.69%
Delaware	19	\$4,839	10.68%	Alabama	44	\$16,073	8.69%
Nebraska	20	\$9,734	10.66%	Nevada	45	\$11,363	8.58%
Mississippi	21	\$10,967	10.58%	Arizona	46	\$24,117	8.54%
Louisiana	22	\$20,192	10.54%	Oklahoma	47	\$13,706	8.44%
Massachusetts	23	\$45,672	10.48%	Tennessee	48	\$23,206	8.16%
Pennsylvania	24	\$66,577	10.37%	Alaska	49	\$2,978	7.87%
Arkansas	25	\$11,977	10.25%	Florida	50	\$76,120	7.86%
				U.S. Weighted Avg.			10.44%
				U.S. Average			10.23%

Note: dollar amounts are in millions.

Certain states collect significant severance tax revenues. For FY 2016-17, the top five states included Texas (\$3.3 billion), North Dakota (\$1.5 billion), New Mexico (\$887 million), Alaska (\$583 million) and Wyoming (\$446 million). A significant portion of severance taxes is likely exported to other states; therefore, it is useful to examine tax burden rankings without those taxes included.

Table 9 reproduces Table 7, but excludes severance taxes. When those taxes are excluded, Pennsylvania’s ranking increases to 15th for all other taxes, and the ratio is higher than both the U.S. average and weighted average (0.89 percent).

Table 9 All Other Taxes - Excludes Severance Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
Vermont	1	\$606	1.97%	Texas	26	\$9,923	0.79%
Nevada	2	\$2,353	1.78%	Florida	27	\$7,280	0.75%
Minnesota	3	\$4,387	1.56%	Michigan	28	\$3,278	0.75%
New York	4	\$17,118	1.48%	Maine	29	\$432	0.74%
Hawaii	5	\$985	1.42%	Alaska	30	\$263	0.70%
West Virginia	6	\$925	1.40%	Arkansas	31	\$813	0.70%
Delaware	7	\$596	1.32%	Colorado	32	\$1,996	0.69%
Oregon	8	\$2,422	1.29%	Massachusetts	33	\$2,981	0.68%
Washington	9	\$5,098	1.26%	New Jersey	34	\$3,624	0.67%
Maryland	10	\$4,206	1.24%	Missouri	35	\$1,682	0.65%
New Hampshire	11	\$872	1.16%	Ohio	36	\$3,267	0.64%
Rhode Island	12	\$576	1.10%	Connecticut	37	\$1,574	0.64%
Alabama	13	\$1,838	0.99%	Wisconsin	38	\$1,685	0.64%
Kentucky	14	\$1,667	0.98%	New Mexico	39	\$503	0.63%
Pennsylvania	15	\$6,265	0.98%	North Carolina	40	\$2,644	0.63%
South Carolina	16	\$1,910	0.97%	Indiana	41	\$1,731	0.62%
Virginia	17	\$4,196	0.97%	Idaho	42	\$408	0.61%
South Dakota	18	\$388	0.96%	Nebraska	43	\$527	0.58%
Mississippi	19	\$982	0.95%	Utah	44	\$672	0.56%
California	20	\$20,199	0.92%	Georgia	45	\$2,263	0.54%
Tennessee	21	\$2,532	0.89%	Arizona	46	\$1,484	0.53%
Louisiana	22	\$1,700	0.89%	Kansas	47	\$633	0.48%
Illinois	23	\$5,753	0.88%	Wyoming	48	\$150	0.48%
North Dakota	24	\$335	0.85%	Iowa	49	\$591	0.43%
Montana	25	\$372	0.83%	Oklahoma	50	\$553	0.34%
				U.S. Weighted Avg.			0.89%
				U.S. Average			0.89%

Note: dollar amounts are in millions.

Table 10 reproduces Table 8, but excludes severance taxes. Pennsylvania ranks lower than the adjacent states of New York (1st), New Jersey (7th), Maryland (9th), West Virginia (11th), Ohio (15th) and Delaware (17th) in total state and local taxes as a share of personal income. Because a significant portion of most severance taxes is likely exported, Table 10 may provide a more accurate depiction of the relative state and local tax burden compared to Table 8.

Table 10							
Total Tax - Excludes Severance Tax							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
New York	1	\$179,314	15.53%	Kansas	26	\$13,204	9.92%
Hawaii	2	\$8,831	12.77%	North Carolina	27	\$41,197	9.79%
Maine	3	\$7,310	12.59%	Michigan	28	\$42,751	9.72%
Vermont	4	\$3,751	12.18%	Washington	29	\$38,634	9.58%
Minnesota	5	\$34,186	12.13%	New Mexico	30	\$7,590	9.57%
Rhode Island	6	\$6,252	11.95%	Indiana	31	\$26,432	9.46%
New Jersey	7	\$62,010	11.39%	Georgia	32	\$39,808	9.44%
Iowa	8	\$15,667	11.35%	Idaho	33	\$6,265	9.41%
Maryland	9	\$37,628	11.11%	Virginia	34	\$40,096	9.22%
Connecticut	10	\$27,363	11.10%	South Carolina	35	\$17,711	9.04%
West Virginia	11	\$7,324	11.08%	Colorado	36	\$26,102	8.98%
California	12	\$241,091	11.04%	Texas	37	\$111,781	8.93%
Illinois	13	\$72,364	11.02%	Missouri	38	\$23,030	8.92%
Oregon	14	\$20,131	10.75%	South Dakota	39	\$3,584	8.84%
Ohio	15	\$54,757	10.74%	New Hampshire	40	\$6,508	8.69%
Wisconsin	16	\$28,345	10.72%	Alabama	41	\$16,018	8.66%
Delaware	17	\$4,839	10.68%	Montana	42	\$3,861	8.58%
Nebraska	18	\$9,731	10.66%	Arizona	43	\$24,098	8.54%
Mississippi	19	\$10,924	10.54%	Nevada	44	\$11,295	8.53%
Massachusetts	20	\$45,672	10.48%	North Dakota	45	\$3,258	8.31%
Pennsylvania	21	\$66,404	10.34%	Oklahoma	46	\$13,264	8.16%
Louisiana	22	\$19,782	10.33%	Tennessee	47	\$23,205	8.16%
Arkansas	23	\$11,922	10.20%	Wyoming	48	\$2,554	8.08%
Utah	24	\$12,222	10.15%	Florida	49	\$76,086	7.85%
Kentucky	25	\$17,191	10.09%	Alaska	50	\$2,394	6.33%
				U.S. Weighted Avg.			10.38%
				U.S. Average			10.03%
Note: dollar amounts are in millions.							

Table 11 (next page) displays the share of total state and local tax revenue by revenue source (includes severance taxes). Pennsylvania’s largest revenue source was property taxes (28.4 percent), followed by PIT (25.6 percent), SUT (19.0 percent), gaming-liquor-other (6.9 percent) and CNIT (4.2 percent). By comparison, the weighted average shares across all states were as follows: property (30.6 percent), PIT (23.3 percent), SUT (25.1 percent), gaming-liquor-other (3.7 percent) and CNIT (3.5 percent).

Table 12 (page 15) displays rates for sales, personal income, corporate net income, cigarette and gasoline taxes. Data are from the Federation of Tax Administrators and the Tax Foundation for CY 2018.¹¹ For personal income, the tax rate represents the marginal tax rate for a couple that earns \$75,000, files a joint return, claims two exemptions and a standard deduction (if applicable).¹² For corporate net income, the tax rate represents the highest marginal tax rate.¹³ Sales and use tax rates do not include any levies by local units.¹⁴ Gasoline and cigarette excise taxes do not include any sales taxes that might also be levied on those products by state or local governments.

¹¹ See “State Tax Rates”, Federation of Tax Administrators.

¹² For personal income tax, New Hampshire and Tennessee only tax dividends and interest. Because the great majority of income is exempt, they are listed as not having a personal income tax.

¹³ Ohio, Texas and Washington levy a gross receipts or margins tax. They are denoted as “GRT” in the table.

¹⁴ However, the Utah (1.25 percent) and Virginia (1.0 percent) tax rates include statewide local levies.

Table 11
Composition of Total State and Local Taxes

State	PIT	CNIT	SUT	Gaming-Other	Property	Motor	All Other
Alabama	23.3%	4.3%	34.9%	3.1%	16.8%	5.9%	11.8%
Alaska	0.0%	2.9%	8.1%	5.6%	51.3%	3.6%	28.4%
Arizona	14.3%	1.7%	40.3%	2.3%	30.6%	4.6%	6.2%
Arkansas	23.1%	3.5%	38.9%	3.7%	17.9%	5.6%	7.3%
California	34.9%	4.2%	21.7%	1.4%	25.5%	3.9%	8.4%
Colorado	26.0%	2.1%	27.1%	1.9%	30.2%	5.1%	7.6%
Connecticut	29.1%	3.4%	16.5%	4.1%	38.4%	2.8%	5.8%
Delaware	25.6%	32.2%	1.2%	7.8%	16.9%	4.0%	12.3%
Florida	0.0%	3.4%	41.5%	4.5%	34.3%	6.6%	9.6%
Georgia	27.6%	2.6%	24.3%	4.2%	30.1%	5.6%	5.7%
Hawaii	22.4%	2.0%	39.9%	1.9%	17.4%	5.8%	10.5%
Idaho	26.5%	3.5%	27.2%	2.0%	25.3%	8.9%	6.6%
Illinois	18.3%	4.5%	22.9%	4.0%	37.6%	4.7%	7.9%
Indiana	25.6%	3.9%	29.6%	4.8%	24.3%	5.4%	6.6%
Iowa	24.0%	3.0%	24.0%	4.9%	31.6%	8.6%	3.8%
Kansas	17.6%	3.1%	33.1%	2.7%	32.8%	5.6%	5.2%
Kentucky	33.2%	4.3%	22.3%	3.8%	20.6%	5.4%	10.5%
Louisiana	14.6%	2.1%	43.0%	5.6%	20.6%	3.6%	10.5%
Maine	21.0%	2.5%	20.2%	6.6%	38.7%	5.1%	5.9%
Maryland	37.9%	3.0%	13.8%	5.0%	24.8%	4.3%	11.2%
Massachusetts	32.2%	4.9%	13.7%	4.6%	35.2%	2.9%	6.5%
Michigan	23.3%	2.9%	21.8%	5.5%	33.0%	5.8%	7.7%
Minnesota	32.0%	3.6%	18.0%	3.0%	25.3%	5.1%	12.9%
Mississippi	16.7%	4.9%	32.8%	3.7%	26.9%	5.7%	9.3%
Missouri	28.4%	1.7%	28.6%	3.8%	25.7%	4.5%	7.3%
Montana	29.2%	3.2%	1.1%	5.4%	39.0%	8.7%	13.4%
Nebraska	22.9%	2.8%	24.2%	1.4%	37.4%	5.9%	5.4%
Nevada	0.0%	0.6%	43.5%	9.5%	22.3%	5.7%	18.4%
New Hampshire	1.0%	9.8%	0.9%	7.0%	63.9%	4.0%	13.4%
New Jersey	22.5%	3.8%	17.2%	3.4%	45.3%	2.0%	5.8%
New Mexico	15.8%	1.4%	39.2%	3.1%	18.6%	5.4%	16.4%
New York	31.4%	5.8%	17.8%	2.8%	30.8%	1.9%	9.5%
North Carolina	29.3%	3.8%	25.5%	3.7%	24.0%	7.2%	6.4%
North Dakota	6.7%	1.3%	25.0%	1.1%	20.5%	6.6%	38.8%
Ohio	24.7%	1.0%	30.9%	5.1%	26.8%	5.5%	6.0%
Oklahoma	22.8%	1.5%	34.2%	5.0%	20.0%	9.2%	7.3%
Oregon	41.6%	3.7%	2.0%	5.6%	29.3%	5.6%	12.1%
Pennsylvania	25.6%	4.2%	19.0%	6.9%	28.4%	6.2%	9.7%
Rhode Island	19.8%	2.2%	17.5%	8.5%	40.9%	2.0%	9.2%
South Carolina	23.4%	2.5%	21.9%	3.8%	32.6%	5.1%	10.8%
South Dakota	0.0%	1.0%	40.4%	6.0%	33.4%	8.1%	11.1%
Tennessee	1.1%	11.2%	41.1%	5.4%	24.0%	6.3%	10.9%
Texas	0.0%	0.1%	36.5%	3.7%	42.7%	5.5%	11.5%
Utah	29.6%	2.7%	28.7%	2.2%	25.3%	5.8%	5.7%
Vermont	19.8%	2.3%	10.7%	3.5%	43.1%	4.4%	16.2%
Virginia	32.6%	2.2%	15.0%	3.0%	32.4%	4.4%	10.5%
Washington	0.0%	0.1%	50.0%	2.9%	27.1%	6.6%	13.3%
West Virginia	23.7%	1.5%	19.7%	10.3%	21.9%	6.6%	16.3%
Wisconsin	27.5%	3.5%	21.1%	3.2%	33.2%	5.6%	6.0%
Wyoming	0.0%	0.5%	26.4%	1.6%	44.5%	7.1%	19.9%
U.S. Weighted Avg.	23.3%	3.5%	25.1%	3.7%	30.6%	4.7%	9.1%
U.S. Average	20.6%	3.7%	25.1%	4.3%	30.4%	5.4%	10.6%

Table 12
Select State Tax Rates, Calendar Year 2018

State	PIT	CNIT	SUT	Gasoline (¢ per gallon)	Cigarettes (¢ per pack)
Alabama	5.00%	6.50%	4.00%	18.0	67.5
Alaska	None	9.40%	None	9.0	200.0
Arizona	4.24%	4.90%	5.60%	19.0	200.0
Arkansas	6.90%	6.50%	6.50%	21.8	115.0
California	9.30%	8.84%	7.25%	46.7	287.0
Colorado	4.63%	4.63%	2.90%	22.0	84.0
Connecticut	5.50%	8.25%	6.35%	25.0	435.0
Delaware	6.60%	8.70%	None	23.0	210.0
Florida	None	5.50%	6.00%	31.4	133.9
Georgia	6.00%	6.00%	4.00%	26.8	37.0
Hawaii	8.25%	6.40%	4.00%	16.0	320.0
Idaho	7.40%	7.40%	6.00%	33.0	57.0
Illinois	4.95%	9.50%	6.25%	20.1	198.0
Indiana	3.23%	5.75%	7.00%	28.0	99.5
Iowa	8.98%	12.00%	6.00%	30.5	136.0
Kansas	5.70%	7.00%	6.50%	25.0	129.0
Kentucky	5.80%	6.00%	6.00%	26.0	60.0
Louisiana	6.00%	8.00%	5.00%	20.1	108.0
Maine	7.15%	8.93%	5.50%	30.0	200.0
Maryland	4.75%	8.25%	6.00%	33.8	200.0
Massachusetts	5.10%	8.00%	6.25%	24.0	351.0
Michigan	4.25%	6.00%	6.00%	26.3	200.0
Minnesota	7.05%	9.80%	6.88%	28.6	304.0
Mississippi	5.00%	5.00%	7.00%	18.4	68.0
Missouri	5.90%	6.25%	4.23%	17.3	17.0
Montana	6.90%	6.75%	None	31.5	170.0
Nebraska	6.84%	7.81%	5.50%	29.3	64.0
Nevada	None	None	6.85%	23.8	180.0
New Hampshire	5.00%	8.20%	None	23.8	178.0
New Jersey	5.53%	9.00%	6.63%	37.1	270.0
New Mexico	4.90%	5.90%	5.13%	18.9	166.0
New York	6.33%	6.50%	4.00%	24.9	435.0
North Carolina	5.50%	3.00%	4.75%	35.4	45.0
North Dakota	2.04%	4.31%	5.00%	23.0	44.0
Ohio	3.47%	GRT	5.75%	28.0	160.0
Oklahoma	5.00%	6.00%	4.50%	17.0	103.0
Oregon	9.00%	7.60%	None	34.0	133.0
Pennsylvania	3.07%	9.99%	6.00%	57.6	260.0
Rhode Island	4.75%	7.00%	7.00%	34.0	425.0
South Carolina	7.00%	5.00%	6.00%	16.8	57.0
South Dakota	None	None	4.50%	30.0	153.0
Tennessee	3.00%	6.50%	7.00%	25.4	62.0
Texas	None	GRT	6.25%	20.0	141.0
Utah	5.00%	5.00%	5.95%	29.4	170.0
Vermont	6.80%	8.50%	6.00%	30.7	308.0
Virginia	5.75%	6.00%	5.30%	16.2	30.0
Washington	None	GRT	6.50%	49.4	302.5
West Virginia	6.50%	6.50%	6.00%	35.7	120.0
Wisconsin	6.27%	7.90%	5.00%	32.9	252.0
Wyoming	None	None	4.00%	24.0	60.0

Note: PIT is personal income tax, SUT is sales and use tax and CNIT is corporate net income tax.

Table 13 displays federal income tax liability as a share of state personal income. Data from CY 2016 show that Pennsylvania residents remitted \$55.7 billion in federal income tax. That amount has not been reduced for the approximately \$2.1 billion of refundable credits paid to Pennsylvania residents, such as the Earned Income Tax Credit and the Education Credit. Due to the progressive federal rate structure, state rankings for federal income tax will be a function of the income dispersion within a particular state.

Table 13							
Federal Income Tax Liability							
<u>State</u>	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>	<u>State</u>	<u>Rank</u>	<u>Amount</u>	<u>Ratio</u>
Massachusetts	1	\$49,146	11.27%	North Dakota	26	\$3,244	8.28%
Connecticut	2	\$27,543	11.18%	Georgia	27	\$34,690	8.22%
New York	3	\$125,742	10.89%	Tennessee	28	\$23,285	8.19%
New Jersey	4	\$58,453	10.74%	Missouri	29	\$21,072	8.16%
Washington	5	\$41,033	10.18%	North Carolina	30	\$34,270	8.14%
New Hampshire	6	\$7,407	9.89%	Arizona	31	\$22,948	8.13%
Nevada	7	\$12,971	9.79%	Ohio	32	\$41,135	8.07%
California	8	\$213,762	9.79%	Kansas	33	\$10,713	8.05%
Illinois	9	\$64,139	9.76%	Indiana	34	\$21,770	7.79%
Colorado	10	\$27,785	9.56%	Iowa	35	\$10,594	7.68%
Minnesota	11	\$26,692	9.47%	South Carolina	36	\$14,990	7.65%
Virginia	12	\$40,907	9.41%	Louisiana	37	\$14,531	7.59%
Maryland	13	\$31,133	9.19%	Hawaii	38	\$5,211	7.54%
Florida	14	\$87,771	9.06%	Vermont	39	\$2,317	7.52%
Texas	15	\$110,136	8.79%	Maine	40	\$4,351	7.50%
Pennsylvania	16	\$55,697	8.68%	Nebraska	41	\$6,829	7.48%
Michigan	17	\$38,085	8.66%	Montana	42	\$3,331	7.40%
Alaska	18	\$3,272	8.65%	Alabama	43	\$13,639	7.37%
Rhode Island	19	\$4,511	8.62%	Idaho	44	\$4,800	7.21%
Wisconsin	20	\$22,769	8.61%	Kentucky	45	\$12,113	7.11%
Wyoming	21	\$2,699	8.54%	Arkansas	46	\$8,147	6.97%
South Dakota	22	\$3,426	8.45%	Oklahoma	47	\$11,142	6.86%
Utah	23	\$10,126	8.41%	New Mexico	48	\$5,355	6.75%
Oregon	24	\$15,620	8.34%	West Virginia	49	\$4,153	6.28%
Delaware	25	\$3,757	8.29%	Mississippi	50	\$6,447	6.22%
				U.S. Weighted Avg.			9.10%
				U.S. Average			8.45%

Note: dollar amounts are in millions.

Table 14 displays amounts for state debt outstanding at the end of FY 2016-17. These amounts include general obligation debt that is and is not subject to constitutional limits, but exclude any unfunded pension liabilities. For Pennsylvania, debt includes any outstanding debt of state agencies and authorities, such as the Pennsylvania Turnpike Commission. Pennsylvania ranked 25th in the ratio of state debt to personal income (7.34 percent).

Table 14							
Outstanding Long and Short Term Debt							
State	Rank	Amount	Ratio	State	Rank	Amount	Ratio
Massachusetts	1	\$76,861	17.63%	Kansas	26	\$9,538	7.17%
Rhode Island	2	\$9,052	17.30%	Oregon	27	\$13,356	7.13%
Alaska	3	\$5,954	15.74%	Mississippi	28	\$7,283	7.03%
Connecticut	4	\$37,025	15.02%	California	29	\$151,308	6.93%
Hawaii	5	\$9,217	13.33%	Montana	30	\$3,052	6.78%
New Jersey	6	\$66,722	12.26%	Virginia	31	\$28,628	6.59%
New York	7	\$137,480	11.91%	Ohio	32	\$33,165	6.51%
Delaware	8	\$5,045	11.14%	North Dakota	33	\$2,356	6.01%
West Virginia	9	\$7,224	10.93%	Utah	34	\$7,014	5.83%
New Hampshire	10	\$7,869	10.51%	Minnesota	35	\$16,213	5.75%
Illinois	11	\$65,792	10.01%	Colorado	36	\$16,687	5.74%
Louisiana	12	\$17,913	9.35%	Oklahoma	37	\$8,703	5.36%
New Mexico	13	\$6,952	8.77%	Idaho	38	\$3,543	5.32%
Wisconsin	14	\$23,052	8.72%	Arizona	39	\$14,400	5.10%
Kentucky	15	\$14,453	8.48%	Alabama	40	\$8,667	4.68%
Maine	16	\$4,845	8.35%	Iowa	41	\$5,956	4.32%
South Dakota	17	\$3,366	8.31%	Arkansas	42	\$4,829	4.13%
South Carolina	18	\$16,228	8.28%	North Carolina	43	\$16,919	4.02%
Maryland	19	\$27,871	8.23%	Texas	44	\$49,357	3.94%
Washington	20	\$33,060	8.20%	Florida	45	\$33,469	3.45%
Vermont	21	\$2,492	8.09%	Georgia	46	\$13,131	3.11%
Indiana	22	\$22,471	8.04%	Wyoming	47	\$776	2.45%
Michigan	23	\$33,745	7.67%	Nevada	48	\$3,222	2.43%
Missouri	24	\$19,103	7.40%	Tennessee	49	\$6,076	2.14%
Pennsylvania	25	\$47,099	7.34%	Nebraska	50	\$1,951	2.14%
				U.S. Weighted Avg.			7.41%
				U.S. Average			7.70%

Note: dollar amounts are in millions.