

Tax Incidence Including Federal Income Tax

The following tables show tax incidence for households at different income levels. The first table shows state and local taxes as a percentage of income for hypothetical households in Washington State compared to average taxes for 50 states plus the District of Columbia. (This data is from the study, Tax Rates and Tax Burdens In the District of Columbia - A Nationwide Comparison, 2000.) The second table shows state and local taxes plus federal income tax as a percentage of income. (Federal income taxes for the hypothetical households were calculated using data provided in the DC study.)

State and local taxes in Washington are regressive. They are also more regressive than the average taxes for all states. When federal income taxes are added, the total tax burden in Washington is progressive. Although the total Washington tax burden is not as progressive as the total average tax burden for all states, the differences between Washington and the U.S. average is not as great when federal taxes are added as when only state and local taxes are included.

State and Local Taxes as a Percentage of Household Income Washington State Compared to the Mean of All 50 States Plus District of Columbia

	\$25,000 HH Income	\$50,000 HH Income	\$75,000 HH Income	\$100,000 HH Income	\$150,000 HH Income
State and Local Taxes for Washington State	8.5%	6.3%	6.3%	6.0%	5.8%
Mean State and Local Taxes for 50 States and DC	8.0%	8.0%	8.8%	9.0%	9.1%

**State and Local Taxes Plus Federal Income Tax as a Percentage of Household Income
Washington State Compared to the Mean of All 50 States Plus District of Columbia**

	\$25,000 HH Income	\$50,000 HH Income	\$75,000 HH Income	\$100,000 HH Income	\$150,000 HH Income
State, Local and Federal Taxes for Washington State	12.3%	15.5%	17.8%	20.5%	23.3%
Mean State, Local and Federal Taxes for 50 States and DC	11.9%	17.2%	20.2%	23.4%	26.6%