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State and Local Individual Income Tax Collections Per Capita.

The individual income tax is one of the most significant sources of revenue for state and local governments. In fiscal year (FY) 2016, the most recent year of data available, individual income taxes generated 23.5 percent of state and local tax collections, just less than general sales taxes (23.6 percent).

The map below shows combined state and local individual income tax collections per capita for each state in FY 2016. Forty-one states and the District of Columbia levy broad-based taxes on wage income and investment income, while two states—New Hampshire and Tennessee—tax investment income but not wage income. Tennessee's tax on investment income—known as the "Hall tax"—is being phased out and will be fully repealed by tax year 2021. Seven states do not levy an individual income tax: Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming.

Continue reading.

The Tax Foundation

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