

The Committees requested the Department of Revenue compare Illinois taxes to surrounding states, top manufacturing states, and certain sunbelt states.

- Arizona
- Florida
- Illinois
- Indiana
- Iowa
- Kentucky
- Louisiana
- Minnesota
- Missouri
- North Carolina
- Ohio
- Oregon
- South Carolina
- Texas
- Wisconsin



Individual Income Tax

Of the 15 states surveyed:

- Two have no individual income tax: Florida and Texas
- Two have a flat rate: Illinois and Indiana
- The remainder have graduated rates.

In addition, some of the states permit local income taxes (may be designated wage taxes, income taxes, payroll taxes, local services taxes, and occupational privilege taxes):

In Tax Year 2011:

- In Kentucky 75 counties and 143 municipalities (largest -2.5%)
- In Ohio, 593 of Ohio's 932 municipalities and 181 of Ohio's 611 school districts Examples: Columbus 2.5%, Youngstown 2.75%
- In Missouri, Kansas City and St. Louis had 1% income tax rates.
- In Oregon, two transit districts imposed an income tax on employers (0.0067% and 0.6918%)

Source: Tax Foundation

Calculating the individual income tax



In general:

- State determines starting tax base
 - Taxpayer applies applicable exemptions and deductions. If starting from the taxpayer's federal adjusted gross income (AGI), the state may require the taxpayer add back certain sources of income. Final result is taxable income.
 - Taxpayer applies state tax rate
 - Taxpayer takes applicable tax credits
- =tax liability**

Illinois Individual Income Tax

The state imposes the individual income tax on every individual, trust and estate earning or receiving income in Illinois.

Enacted in 1969 (the Illinois Supreme Court declared an attempt to establish a state income tax in 1932 unconstitutional), the tax rate now stands at 5.00%.

The rate is scheduled to go to:

- 3.75% for income earned or received after December 31, 2014, and to
- 3.25% for income earned or received after December 31, 2024.

Use your mouse or Tab key to move through the fields. Use your mouse or space bar to enable check boxes.

Illinois Department of Revenue
2012 Form IL-1040
 Individual Income Tax Return or for fiscal year ending ___/___/___

WebFile
 See instructions.pdf

Step 1: Personal Information Do not write above this line

A Social Security numbers in the order they appear on your federal return
 Your Social Security number _____ Spouse's Social Security number _____

B Personal information
 Your first name and initial _____ Your last name _____
 Spouse's first name and initial _____ Spouse's last name _____
 Mailing address (See instructions if foreign address) _____ Apartment number _____
 City _____ State _____ ZIP or Postal Code _____
Foreign flag, if not United States (do not abbreviate)

C Filing status (see instructions)
 Single or head of household Married filing jointly Married filing separately Widowed

D Check if same-sex civil union return (see instructions)

Step 2: Income

1	Federal adjusted gross income from your U.S. 1040, Line 37; U.S. 1040A, Line 21, or U.S. 1040EZ, Line 4	(Whole dollars only)	1	_____
2	Federally tax-exempt interest and dividend income from your U.S. 1040 or 1040A, Line 8b, or U.S. 1040EZ		2	_____
3	Other additions. Attach Schedule M		3	_____
4	Total income. Add Lines 1 through 3.		4	_____

Step 3: Base Income

5	Social Security benefits and certain retirement plan income received if included in Line 1. Attach Page 1 of federal return		5	_____
6	Illinois Income Tax overpayment included in U.S. 1040, Line 10		6	_____
7	Other subtractions. Attach Schedule M. Check if Line 7 includes any amount from Schedule 1299-C. <input type="checkbox"/>		7	_____
8	Add Lines 5, 6, and 7. This is the total of your subtractions.		8	_____
9	Illinois base income. Subtract Line 8 from Line 4.		9	_____

Step 4: Exemptions

10 a	Number of exemptions from your federal return	<input type="checkbox"/> X \$2,050	a	_____
b	If someone can claim you as a dependent, see instructions.	<input type="checkbox"/> X \$2,050	b	_____
c	Check if 65 or older: You <input type="checkbox"/> Spouse <input type="checkbox"/>	<input type="checkbox"/> X \$1,000	c	_____
d	Check if legally blind: You <input type="checkbox"/> Spouse <input type="checkbox"/>	<input type="checkbox"/> X \$1,000	d	_____
	Exemption allowance. Add Lines a through d.		10	_____

Step 5: Net Income

11	Residents: Net income. Subtract Line 10 from Line 9. Skip Line 12.		11	_____
12	Nonresidents and part-year residents: Check the box that applies to you during 2012: <input type="checkbox"/> Nonresident <input type="checkbox"/> Part-year resident, and write the Illinois base income from Schedule NR. Attach Schedule NR-12.			_____

Step 6: Tax

13	Residents: Multiply Line 11 by 5% (.05).		13	_____
14	Nonresidents and part-year residents: Write the tax from Schedule NR.		14	_____
15	Recapture of investment tax credits. Attach Schedule 4255.		15	_____
	Income tax. Add Lines 13 and 14. Cannot be less than zero.		16	_____

Step 7: Tax After Non-refundable Credits

16	Income tax paid to another state while an Illinois resident. Attach Schedule CR.		16	_____
17	Property tax and K-12 education expense credit amount from Schedule ICR. Attach Schedule ICR.		17	_____
18	Credit amount from Schedule 1299-C. Attach Schedule 1299-C.		18	_____
19	Add Lines 16, 17, and 18. This is the total of your credits. Cannot exceed the tax amount on Line 15.		19	_____
20	Tax after nonrefundable credits. Subtract Line 19 from Line 15.		20	_____

L-1040 form (R-13) (12) This form is authorized as indicated under the Illinois Income Tax Act. Disclosure of this information is required. Failure to provide information could result in a penalty.

Calculating the Illinois Individual Income Tax

Federal adjusted gross income (all income minus federally-allowed deductions but prior to federal standard or itemized deductions)

Plus/minus state additions (e.g., federally tax-exempt interest income) or subtractions (e.g., federally taxed retirement and Social Security income)

=Illinois Base Income

Minus-state allowed exemption

Standard exemption : For Tax Year 2013-\$2,100 (to be adjusted in subsequent years by the rate of inflation)

For taxpayer and/or spouse –legally blind: Additional \$1,000 (each)

For taxpayer or spouse who 65 years of age or older: Additional \$1,000 (each)

=Net income

Note: Net income of nonresidents includes only income from Illinois sources, minus exemptions pro-rated between Illinois and non-Illinois income

	21	Tax after nonrefundable credits from Page 1, Line 20	21	_____	.00
Step 8:	22	Household employment tax. See instructions	22	_____	.00
Other Taxes	23	Use tax on internet, mail order, or other out-of-state purchases from UT Worksheet or UT Table in the instructions. Do not leave blank.	23	_____	.00
	24	Total Tax. Add Lines 21, 22, and 23	24	_____	.00
Step 9:	25	Illinois Income Tax withheld. Attach W-2 and 1099 forms	25	_____	.00
Payments and Refundable Credit	26	Estimated payments from Forms IL-1040-EG and IL-505-I, including overpayment applied from 2011 return	26	_____	.00
	27	Pass-through entity tax payments. Attach Schedule K-1-P or K-1-T	27	_____	.00
	28	Earned Income Credit from Schedule ICR. Attach Schedule ICR	28	_____	.00
	29	Total payments and refundable credit. Add Lines 25 through 28	29	_____	.00
Step 10:	30	Overpayment. If Line 29 is greater than Line 24, subtract Line 24 from Line 29	30	_____	.00
Result	31	Underpayment. If Line 24 is greater than Line 29, subtract Line 29 from Line 24	31	_____	.00
Step 11:	32	Late-payment penalty for underpayment of estimated tax	32	_____	.00
Underpayment of Estimated Tax Penalty and Donations		a Check if at least two-thirds of your federal gross income is from farming <input type="checkbox"/>			
		b Check if you or your spouse are 65 or older and permanently living in a nursing home <input type="checkbox"/>			
		c Check if your income was not received evenly during the year and you annualized your income on Form IL-2210. Attach Form IL-2210. <input type="checkbox"/>			
		d Check if you were not required to file an Illinois Individual Income Tax return in the previous tax year <input type="checkbox"/>			
	33	Voluntary charitable donations. Attach Schedule G	33	_____	.00
	34	Total penalty and donations. Add Lines 32 and 33	34	_____	.00
Step 12:	35	If you have an overpayment on Line 30 and this amount is greater than Line 34, subtract Line 34 from Line 30. This is your remaining overpayment	35	_____	.00
Refund or Amount You Owe	36	Amount from Line 35 you want refunded to you . If you want to deposit your refund directly into your checking or savings account, complete the direct deposit information on Line 37	36	_____	.00
	37	Complete to direct deposit your refund Routing number: <input type="text"/> <input type="checkbox"/> Checking or <input type="checkbox"/> Savings Account number: <input type="text"/>			
	38	Subtract Line 36 from Line 35. This amount will be applied to your 2013 estimated tax .	38	_____	.00
	39	If you have an underpayment on Line 31, add Lines 31 and 34. OR If you have an overpayment on Line 30 and this amount is less than Line 34, subtract Line 30 from Line 34. This is the amount you owe . See instructions	39	_____	.00
Step 13:		Under penalties of perjury, I state that I have examined this return, and, to the best of my knowledge, it is true, correct, and complete			
Sign and Date		Your signature _____ Date _____ Daytime phone number _____ Your spouse's signature _____ Date _____			
		Field preparer's signature _____ Date _____ Preparer's phone number _____ Preparer's FEIN, SSN, or PTIN _____			
Third Party Designee		<input type="checkbox"/> Check, and complete below, to allow another person to discuss this return with the Illinois Department of Revenue Designee's Name (please print): _____ Designee's Phone number: _____			
Form 1099-G Information		<input type="checkbox"/> We no longer automatically mail 1099-G forms. Instead, we ask that you get this information from our website. Check the box if you still want us to mail you a paper Form 1099-G next year.			
		If no payment enclosed, mail to: ILLINOIS DEPARTMENT OF REVENUE PO BOX 1040 GALESBURG IL 61402-1040			
		If payment enclosed, mail to: ILLINOIS DEPARTMENT OF REVENUE SPRINGFIELD IL 62726-0001			

Net income multiplied by individual tax rate

Plus- any applicable recapture of investment tax credits

Minus- credits (includes credits for taxes paid to other states, property tax credit, and education expense credits, and the earned income tax credit)

Plus- late payment penalty for underpayment of estimated tax, voluntary donations

=Tax liability (may be negative because of the Earned Income Tax Credit)_

2013 Minnesota Individual Income Tax Forms and Instructions

Inside This Booklet

- Form M1 Minnesota Income Tax Return
- Schedule M1W Minnesota Income Tax Withheld
- Schedule M1MA Marriage Credit
- Schedule M1M Income Additions and Subtractions
- Schedule M1ED K-12 Education Credit
- Schedule M1WFC Minnesota Working Family Credit
- Schedule M1NR Nonresidents/Part Year Residents
- Form M50 Return Payment Voucher



COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
FRANKFORT, KENTUCKY 40620
42AT40PKT1 (10-13)

2013 Kentucky Individual Income Tax Forms

Do you qualify for a Refund? SEE THE MINNESOTA

Do not use staples.

Ohio Department of Taxation

Use only black ink.

33000102

Taxable year beginning in **2013**

IT 1040 Individual Income Tax Return

Use only black ink.

Taxpayer Social Security no. (required) If deceased Spouse's Social Security no. (only if joint return) If deceased Enter school district # for this return (see pages 43-44) **SD#**

Use **UPPERCASE** letters. M.I. Last name **SD#**

Your first name M.I. Last name

Spouse's first name (only if married filing jointly) M.I. Last name

Mailing address (for faster processing, use a street address)

City State ZIP code Ohio county (first four letters)

Home address (if different from mailing address) - do NOT show city or state ZIP code County (first four letters)

Foreign country (provide this information if the mailing address is outside the U.S.) Foreign postal code

E-mail address

Ohio Residency Status - Check applicable box

Full-year resident Part-year resident Nonresident indicate state

Check applicable box for spouse (only if married filing jointly)

Full-year resident Part-year resident Nonresident indicate state

Filing Status - Check one (as reported on federal income tax return, with limited exceptions - see instructions on page 14)

Single, head of household or qualifying widow(er)

Married filing jointly

Married filing separately (enter spouse's SSN)

Do not use staples, tape or glue. Place your W-2(s), check (payable to Ohio Treasurer of State) and Ohio form IT 40P after the last page of your return. Include forms W-2G and 1099-R if tax was withheld. Place any other supporting documents or statements after the last page of your return.

Go paperless. It's FREE!
Visit tax.ohio.gov to try Ohio I-File.
Most electronic filers receive their refunds in 5-7 business days by direct deposit!

INCOME AND TAX INFORMATION - If amount is negative, shade the negative sign (-) in the box provided.

1. Federal adjusted gross income (from IRS form 1040, line 37; 1040A, line 21; 1040EZ, line 4; 1040NR, line 36; 1040NR-EZ, line 10; or Ohio form IT 5, line 31)	1	0	0
2. Adjustments from line 50 on page 3 of Ohio form IT 1040 (enclose page 3)	2	0	0
3. Ohio adjusted gross income (line 2 added to or subtracted from line 1)	3	0	0
4. Personal exemption and dependent exemption deduction - multiply your personal and dependent exemptions _____ times \$1,700 and enter the result here	4	0	0
5. Ohio taxable income (line 3 minus line 4; enter -0- if line 3 is less than line 4)	5	0	0
6. Tax on line 5 (see tax tables on pages 35-41 of the instructions)	6	0	0
7. Schedule B credits from line 59 on page 4 of Ohio form IT 1040 (enclose page 4)	7	0	0
8. Ohio tax less Schedule B credits (line 6 minus line 7; enter -0- if line 6 is less than line 7)	8	0	0
9. Income-based exemption credit (see instructions on page 19)	9	0	0
10. Ohio tax less exemption credit (line 8 minus line 9; enter -0- if line 8 is less than line 9)	10	0	0

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easy methods!
Ohio income tax return
are your refund in just a
rogram, but you prepare

Those states with graduate rates differ in the number of brackets and income ranges for each bracket. In one state, the highest income tax rate may apply at a relatively low income threshold while it can be much higher in another.

STATE INDIVIDUAL INCOME TAXES										
		(Tax rates for tax year 2013 -- as of January 1, 2013)								
		TAX RATE RANGE			Number					
	Federal Tax Base Used as	(in percents)			of	INCOME BRACKETS (single)				
	Starting Point to Calculate	Low		High	Brackets	Lowest			Highest	
	State Taxable Income									
ARIZONA	adjusted gross income	2.590	-	4.540	5	0-10,000	(b)	-	15,0001 or above (b)	
FLORIDA		No State Income Tax								
ILLINOIS	adjusted gross income	5.000			1	-----Flat rate-----				
INDIANA	adjusted gross income	3.400			1	-----Flat rate-----				
IOWA (a)	adjusted gross income	0.360	-	8.980	9	0-1,494		-	above 67,230	
KENTUCKY	adjusted gross income	2.000	-	6.000	6	0-3,000		-	above 75,000	
LOUISIANA	adjusted gross income	2.000	-	6.000	3	0-12,500	(b)	-	above 50,000 (b)	
MINNESOTA (a)	taxable income	5.350	-	9.850	4	0-24,270	(l)	-	150,000 or above (l)	
MISSOURI	adjusted gross income	1.500	-	6.000	10	0-1,000		-	9001 or above	
NORTH CAROLINA	taxable income	6.000	-	7.750	3	12,750	(p)	-	60,000 (p)	
OHIO (a)	adjusted gross income	0.537		5.421	9	0-5,200		-	208,500 or above	
OREGON (a)	taxable income	5.000	-	9.900	4	0-3,250	(b)	-	125,000 or above (b)	
SOUTH CAROLINA (a)	taxable income	0.000	-	7.000	6	0-2,850		-	14,250 or above	
TEXAS		No State Income Tax								
WISCONSIN (a)	adjusted gross income	4.600	-	7.750	5	0-10,750	(v)	-	236,600 or above (v)	

Sources for all tables: Federation of Tax Administrators, Taxpayers Foundation, CCH State Tax Handbook, Thomson Reuters/Tax & Accounting, Retirement Living Information Center, Inc., National Conference of State Legislatures, <http://www.taxcreditsforworkingfamilies.org/>, Individual state tax and revenue departments,

(a) 17 states have statutory provision for automatically adjusting to the rate of inflation the dollar values of the income tax brackets, standard deductions, and/or personal exemptions. Massachusetts, Michigan, and Nebraska index the personal exemption only. Oregon

(b) For joint returns, taxes are twice the tax on half the couple's income.

(l) The income brackets reported for Minnesota are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$35,480, to \$140,961.

(p) The income brackets reported for North Carolina are for single individuals. For married taxpayers filing jointly, the same tax rates apply to income brackets ranging from \$21,250, to \$100,000.

(q) The income brackets reported for North Dakota are for single individuals. For married couples filing jointly, the same tax rates apply to income brackets ranging from \$60,650 to \$398,350.

(r) Ohio provides an additional tax credit of \$20 per exemption.

(v) The Wisconsin income brackets reported are for single individuals. For married taxpayers filing jointly, the same tax rates apply income brackets ranging from \$14,330, to \$315,460.

(w) For federal purposes, wages of military personel are generally taxable with an exclusion for certain pay related to a combat zone.

A number of states exclude some or all of certain types of income from taxation, Examples include retirement income, military pay, or unemployment benefits. Two of the surveyed states exempt a percentage of certain capital gains from taxation.

As with the federal individual income tax, some states allow taxpayers itemized deductions (taking all or part of the total) versus taking a standard deduction.

While a state may not specifically allow itemized deductions, it may have a list of permitted deductions for specific purposes. Such purposes may include contributions to college savings plans, contributions to long-term care plans, unreimbursed medical expenses, investments in small business incubators, and contributions to a family education account.

Deduction -amount subtracted from gross income subject to taxation;

Exemption-also an amount that reduces gross include subject to taxation; generally based on a status or circumstance rather than economic standing.

<http://www.investopedia.com/terms/>

	Federal		
	Income Tax		
	Deductible	social security income	pension income
ARIZONA		not taxed	Individual taxpayer's pension income is generally taxable
FLORIDA			
ILLINOIS		not taxed	Income from a federally qualified retirement plan and an IRA, as well as retirement payments to a retired partner, are excluded.
INDIANA		not taxed	Individual taxpayer's pension income is generally taxable.
IOWA (a)	Yes	not taxed (beg. In 2013)	Married taxpayers age 55 or older filing a joint return may exclude up to \$12,000 (\$6,000 for an unmarried taxpayer) of pension benefits and other retirement pay. A special rule applies to a spouse filing separately.
KENTUCKY		not taxed	Up to \$41,110 of retirement income from a pension plan, annuity contract, profit-sharing plan, retirement plan or employee savings plan, including IRA amounts and other similar income, is exempt.
LOUISIANA	Yes	not taxed	Up to \$6,000 of the pension and annuity income of an individual taxpayer 65 or older is exempt.
MINNESOTA (a)		taxed (beginning with federal taxable income)	Individual taxpayer's pension income is generally taxable
MISSOURI	Yes (m)	exemption based on Adjusted Gross Income: Social Security benefits that are included in federal AGI may be subtracted. The maximum amount of benefits that may be deducted is 100 percent for 2012 and after. Married couples with Missouri AGI greater than \$100,000 and single individuals with Missouri AGI greater than \$85,000, may qualify for a partial deduction.	Married couples with Missouri AGI less than \$100,000 and single individuals with Missouri AGI less than \$85,000, may deduct 100 percent of their public retirement benefits, to the extent the amounts are included in their federal AGI. The total public pension exemption is limited to \$35,234 for each spouse. For a taxpayer with an income level above the AGI limits listed, a partial exemption may be available.
NORTH CAROLINA		not taxed	Up to \$2,000 in retirement benefits, other than railroad retirement benefits, received during the tax year from one or more private retirement plans and included in federal gross income is deductible. For a married couple filing a joint return, the maximum amount that may be deducted applies separately to the benefits received by each spouse.
OHIO (a)		not taxed	A recipient of retirement income may claim an annual credit ranging from \$25 to \$200, depending on the amount of benefit received during the year. Also, in lieu of the \$50 senior citizen income credit (credit eligibility is dependent on age not retirement income) an individual taxpayer age 65 or older may claim a credit for a lump-sum distribution from a retirement, pension or profitsharing plan equaling \$50 times the taxpayer's expected remaining life years. If they choose the lump sum distribution credit, however, they are no longer eligible for the annual senior citizen credit.
OREGON (a)	Yes (m)	not taxed	An individual taxpayer age 62 or older may claim a credit for pension income from a public or qualified private pension benefit plan in the amount of the lesser of the individual's net pension income or the individual's state personal income tax liability.
SOUTH CAROLINA (a)		not taxed	An individual taxpayer receiving retirement income may deduct up to \$3,000. A taxpayer age 65 or older may deduct up to \$10,000. The personal income tax deduction from taxable retirement income can only be claimed by the taxpayer who is the original owner of a qualified retirement account.
TEXAS			
WISCONSIN (a)		not taxed	Individual taxpayer's pension income is generally taxable.

(a) 17 states have statutory provision for automatically adjusting to the rate of inflation the dollar values of the income tax brackets, standard deductions, and/or personal exemptions. Massachusetts, Michigan, and Nebraska index the personal exemption only. Oregon does not index the income brackets for \$125,000 and over.

	Military pay	Unemployment compensation	State/local bond interest
ARIZONA	exempts active duty military pay including pay to reserve and national guard members		taxable except Arizona bonds
FLORIDA			
ILLINOIS	exempts all active duty military pay		taxable except certain Illinois bonds
INDIANA	exempts combat zone pay and up to \$5,000 for active duty and active reserves, military retirement and survivor's benefits	exempts 50% of the amount above \$12,000 (single) or \$18,000 (married)	prior to 2012 exempt; starting with tax year 2012 interest earned from a direct obligation of a state or political subdivision other than Indiana is subject to the adjusted gross income tax if the obligation is acquired after Dec. 31, 2011
IOWA	exempts active duty military pay and allows deductions for certain student loan repayments of active duty military personnel		taxable except certain Iowa bonds
KENTUCKY	exempts active duty military pay; \$20 personal credit for Kentucky National Guard members; full exemption if killed in the line of duty (for the year of death and the previous year)		taxable except Kentucky bonds
LOUISIANA	exempts combat zone pay and up to \$30,000 excluded for service outside Louisiana under certain conditions.		taxable except Louisiana bonds
MINNESOTA	in addition to the federal exclusion, a taxpayer may subtract from his/her income certain additional active duty pay		taxable except Minnesota obligations
MISSOURI	exempts combat zone pay		taxable except Missouri obligations and interest on Build America and Recovery Zone bonds
NORTH CAROLINA	same as federal		taxable except North Carolina bonds
OHIO	permits subtractions for additional active duty pay and allowances while stationed outside Ohio		taxable except Ohio bonds
OREGON	exempts combat zone pay and provides a general exclusion for active duty pay earned outside of Oregon. Allows exclusion of the first \$6,000 of active duty pay earned in Oregon and all active duty Guard and Reserve pay under certain conditions.		taxable except Oregon state and local bonds
SOUTH CAROLINA	exempts combat zone pay and Reserve and national Guard training pay		taxable except South Carolina bonds
TEXAS			
WISCONSIN	exempts combat zone pay and certain exclusions for active duty pay of Reserve and National Guard members	exempts 50% of the amount above \$12,000 (single) or \$18,000 (married)	taxable except certain Wisconsin bonds

	PERSONAL EXEMPTIONS			Additional exemption for elderly	Additional exemption for blind or disabled	Standard deduction	itemized deductions	capital gains	
	Single	Married	dependents						
ARIZONA	2,100	4,200	2,100		2,100* (certain conditions apply)	B-1,500; D-2,300	Single-4,833; married-9,665	Allowed, specific deductions for medical expenses, casualty and theft losses, charitable gifts, student expenses, interest, long-term care state taxes and college tuition expenses	
FLORIDA									
ILLINOIS	2,100	4,200	2,100		1,000	B-1,000		Not allowed	
INDIANA	1,000	2,000	2,500	(i)	1,000	B,D-1,000. There is also a Unified Tax Credit for the Elderly. Federal adjusted gross income must be less than \$10,000. The credit ranges from \$40 to \$140, depending on your age, marital status and income.		Not allowed	
IOWA (a)	40	80	40	(c)	20	B-20; D-40	Single-1,900; married-4,670	Allowed, but with adjustments for state taxes, charitable mileage, and other items. Can deduct federal income tax.	
KENTUCKY	20	40	20	(c)	40	B-40; D-20	single-2,290; married-2,290	Allowed, but with adjustments for state taxes, charitable contributions, and other items.	
LOUISIANA	4,500	9,000	1,000					Filer can deduct that portion of federal itemized deductions exceeding the federal standard deduction amount. Can deduct federal income tax.	
MINNESOTA (a)				(d)			single-5,950; married-11,900	Allowed, but with adjustments for state tax.	
MISSOURI	2,100	4,200	1,200		1,000	D-1,200	single-6,100; married-12,200	Allowed, but with adjustments for state taxes and cultural contributions. Limited deduction for federal income taxes. Deduction for other specified federal taxes.	
NORTH CAROLINA	1,150	2,300	1,150		Factor in determination of standard deduction		single-3,000; married-6,000	Allowed, but with adjustments for state taxes	
OHIO (a)	1,650	3,300	1,650	(r)			single-2,205; married-4,055	Not allowed. Allowed adjustments for some items.	
OREGON (a)	188	376	188	(c)	Oregon allows a credit for the elderly or disabled if the taxpayer qualifies for the federal elderly or disabled credit. The taxpayer can claim this credit or its retirement income credit but not both in the			Allowed, but with adjustments for state tax, medical expenses, and other items. Limited deduction allowed for federal income tax.	
SOUTH CAROLINA (a)	3,900	7,800	3,900	(d)	South Carolina will allow a \$15,000 deduction from taxable income for taxpayers 65 years of age and older.		single-6,100; married-6,100	Allowed, but with adjustments for state tax and other items.	Individuals are allowed a deduction from South Carolina taxable income equal to 44% of the net capital gain recognized in South Carolina.
TEXAS									
WISCONSIN (a)	700	1,400	700		250	0	single-9,930; married-17,880***	Credit allowed based on 5% of difference between allowable federal itemized deductions and Wisconsin standard deduction.	In 2013 a deduction for 30% of the net capital gain from assets held more than one year is allowable when computing Wisconsin taxable income (60% of net capital gain on farm assets). Another difference results in 2013 because of the \$500 limit on the Wisconsin deduction for capital losses.
(a) 17 states have statutory provision for automatically adjusting to the rate of inflation the dollar values of the income tax brackets, standard deductions, and/or personal									
(b) For joint returns, taxes are twice the tax on half the couple's income.									
(c) The personal exemption takes the form of a tax credit instead of a deduction									
(d) These states use the personal exemption amounts provided in the federal Internal Revenue Code.									
(i) In Indiana, includes an additional exemption of \$1,500 for each dependent child.									
(j) The amounts reported for Louisiana are a combined personal exemption-standard deduction.									
(r) Ohio provides an additional tax credit of \$20 per exemption.									
(w) For federal purposes, wages of military personnel are generally taxable with an exclusion for certain pay related to a combat zone.									
** Louisiana combines standard and personal deductions									
***The standard deduction phases out by 12% at \$14,069 for single and 19.778% at \$17,880 for married filing joint. The standard deduction phases out to zero at \$97,069 for single, \$110,493 for joint.									
Federal personal exemption: For 2013, the exemption amount is \$3,900. There is an additional credit for the elderly and disabled.									
For 2013 and later, the personal exemptions phase out at certain higher income levels, depending on filing status:									

Credits directly reduce the taxpayers liability since a taxpayer applies them after multiplying taxable income by the applicable tax rate. The surveyed states offer a wide range of credits

Examples of various income tax credits

For Tax Year 2011			
Arizona tax credits	Indiana tax credits	Louisiana tax credits	Missouri tax credits
• Clean election fund tax credit	• College donation	• Bulletproof vest	• Affordable housing assistance
• Contributions to charities that assist the working poor	• Community revitalization enhancement district	• Child care	• Children in crisis
• Contributions to private school tuition organizations	• Contributions made to college choice 529 education	• Contributions of technological equipment to educational institutions	• Family development account
• Donation of school site	savings plan		• Food pantry
• Donations to the Military Family Relief Fund	• County credit for the elderly or permanently disabled	• Conversion of vehicle to alternative fuel	• Health care access
• Family income tax credit	• Earned income tax credit	• Disabilities	• Historic preservation
• Fees paid and certain contributions to public schools	• Historic building rehabilitation and residential historic rehabilitation	• Earned income tax credit	• Income taxes paid to other states
• Income taxes paid to other states/countries	• Income taxes paid to other states and localities	• Education	• Maternity home
• Increased excise taxes	• Individual development account	• Family responsibility programs	• Pregnancy resource
• Investment in qualified small businesses	• Lake County residential income tax	• Historic residential/historic structures	• Property tax
• Property tax/rent	• Maternity home	• Household expense for physically and mentally incapable persons	• Public safety officer surviving spouse
• Solar energy devices	• Neighborhood assistance	• Hunting & fishing license fees for the military	• Residential dwelling accessibility
	• Scholarship program	• Income taxes paid to other states	• Self-employed health insurance
	• Unified tax credit for elderly	• Law enforcement education	• Shared care for the elderly
	• Venture capital investment	• LA citizens property insurance assessments	• Shelter for victims of domestic violence
		• Organ donation	• Special needs adoption
		• Partial federal credits (elderly, foreign tax, investment tax, residential energy, and jobs)	• Youth opportunities
		• Small town doctor/dentist	
		• School readiness	
		• Wind and solar energy systems	
Source: Individual Income Tax Provisions in the States; Wisconsin Legislative Fiscal Bureau -January, 2013			

The amount of a credit may differ per taxpayer depending on household income and may be refundable.

	EITC; refundable?	Child tax credit	Child and dependent care tax credit								
ARIZONA											
FLORIDA											
ILLINOIS	10 percent of federal EITC; yes										
INDIANA	9 percent of federal EITC; yes										
IOWA	14 percent of federal EITC; yes		<p>The formula for the Iowa Child and Dependent Credit is calculated as a percentage of the provided federal Child and Dependent Care Credit. The percentage varies based on the income of the filer.</p> <p>Income (Percentage of Federal Credit)</p> <table> <tr> <td><\$10,000 (75%)</td> <td>\$10,000-\$19,999 (65%)</td> </tr> <tr> <td>\$20,000-\$24,999 (55%)</td> <td>\$25,000-\$34,999 (50%)</td> </tr> <tr> <td>\$35,000-\$39,999 (40%)</td> <td>\$40,000-\$44,999 (30%)</td> </tr> <tr> <td>≥\$45,000 (Zero)</td> <td></td> </tr> </table> <p>Refundable</p>	<\$10,000 (75%)	\$10,000-\$19,999 (65%)	\$20,000-\$24,999 (55%)	\$25,000-\$34,999 (50%)	\$35,000-\$39,999 (40%)	\$40,000-\$44,999 (30%)	≥\$45,000 (Zero)	
<\$10,000 (75%)	\$10,000-\$19,999 (65%)										
\$20,000-\$24,999 (55%)	\$25,000-\$34,999 (50%)										
\$35,000-\$39,999 (40%)	\$40,000-\$44,999 (30%)										
≥\$45,000 (Zero)											
KENTUCKY			<p>Filers may claim a credit equal to 20 percent of their federal credit, not to exceed the filer's tax liability, up to \$210 for one child and \$420 for two or more children. Not refundable. Kentucky also has a Family Size Tax Credit is based on modified gross income (MGI) and the size of the family.</p>								
LOUISIANA	3.5 percent of federal EITC; yes		<p>Filers receive a percentage of the federal credit, with the specific percentage calculated based on the filer's income.</p> <p>Income Percentage of the federal credit</p> <table> <tr> <td>≤\$25,000 50 percent</td> </tr> <tr> <td>\$25,001-\$35,000 30 percent</td> </tr> <tr> <td>\$35,001-\$60,000 10 percent</td> </tr> <tr> <td>>\$60,000 10 percent, not to exceed 25 dollars</td> </tr> </table> <p>Refundable: Yes for filers with income below \$25,000. No for all others. Louisiana has two additional credits. One for care of a child under age six at a child care facility rated two stars or higher by the state quality rating system. The credit is also refundable for filers with income below \$25,000; the maximum for one child is \$1,050, for two or more children \$2,100. The second credit is for dependents "physically or mentally incapable of self-care." It is not refundable; the maximum credit for one child is \$1,050, for two or more children \$2,100.</p>	≤\$25,000 50 percent	\$25,001-\$35,000 30 percent	\$35,001-\$60,000 10 percent	>\$60,000 10 percent, not to exceed 25 dollars				
≤\$25,000 50 percent											
\$25,001-\$35,000 30 percent											
\$35,001-\$60,000 10 percent											
>\$60,000 10 percent, not to exceed 25 dollars											

	EITC; refundable?	Child tax credit	Child and dependent care tax credit
MINNESOTA	Based on a formula in state statute, the Minnesota Working Family Credit for tax filers with children can range from 25 percent to 45 percent of the federal credit. Taxpayers with no children can receive a 25 percent credit. Maximum credit \$973 if one qualifying child; \$1,879 for two or more qualifying children		100 percent of federal credit, not to exceed certain limitations: -Filers with income up to \$18,040 are limited to \$720 for one qualifying child. -Filers with income up to \$18,040 and two or more qualifying children may claim up to \$1,440. -Filers with income over \$18,040, the credit is reduced by \$18 for every \$350 of income for filers with one qualifying child and \$36 for every \$350 of income for filers with two or more qualifying children. Refundable
MISSOURI			
NORTH CAROLINA	4.5% of federal EITC for 2013; 0 percent thereafter; yes	Residents who are entitled to claim the federal Child Tax Credit may claim a "Credit for Children" of \$100 on the State return if their AGI is less than: -\$100,000 for married filing jointly -\$80,000 for head of household -\$60,000 for single -\$50,000 for married filing separately They may claim a credit of \$125 if their adjusted gross income is less than: -\$40,000 for married filing jointly -\$32,000 for head of household -\$20,000 for single or married filing separately	
OHIO	5% of federal EITC; limited to 50 % of liability for Ohio Taxable Income above \$20,000		Filers must have income below \$40,000. Any expenses that qualify for the federal credit also qualify for the Ohio credit. For filers earning less than \$20,000, the credit is equal to 100 percent of qualifying expenses. For filers earning between \$20,000 and \$40,000, the credit equals 25 percent of qualifying expenses.
OREGON	6% of federal EITC; yes		Filers are eligible for the Child and Dependent Care Credit if they are eligible for the federal credit, except that the household income must be under \$45,000. Filers may claim a percentage of the federal credit for expenses allowed for the federal credit on their Oregon tax return. The percentage varies based on the filer's income. Incomes above \$45,000 are ineligible. Income (Percentage of the federal credit) ≤ \$5,000 (30%) \$5,001-\$10,000 (15%) \$10,001-\$15,000 (8%) \$15,001-\$25,000 (6%) \$25,001-\$35,000 (5%) \$35,001-\$45,000 (4%) The state also has a Working Family Child Care Credit if filers have at least \$8,400 of earned income. The credit also varies depending on household size and income: Refundable
SOUTH CAROLINA			7 percent of eligible expenses; not refundable
TEXAS			
WISCONSIN	Number of qualifying children EITC rate (% of federal) 1 4% 2 11% 3 or more 34% The state does not offer a credit to individuals without children.		

Property Tax Relief



Illinois Department of Revenue
2012 Schedule ICR
Attach to your Form IL-1040

Illinois Credits

IL Attachment No. 23

Read this information first

Complete this schedule only if you are eligible for the

- Illinois Property Tax Credit
- K-12 Education Expense Credit
- Earned Income Credit (EIC)

- You must complete IL-1040 through Line 15 and Schedule CR, if applicable, before completing this schedule.

- The total amount of Illinois Property Tax Credit and K-12 Education Expense Credit cannot exceed tax. Only the Earned Income Credit may exceed tax.

Step 1: Provide the following information

Your name as shown on your Form IL-1040

Your Social Security

Step 2: Figure your nonrefundable credit

- 1 Write the amount of tax from your IL-1040, Line 15.
- 2 Write the amount of credit for tax paid to other states from your IL-1040, Line 16.
- 3 Subtract Line 2 from Line 1.

Section A - Illinois Property Tax Credit (See instructions for directions on how to

- a Write the total amount of Illinois Property Tax paid during the tax year for the real estate that includes your principal residence. **4a** _____
 - b Write the property number for the property listed above. **4b** _____
 - c Write the property number for an adjoining lot, if included in Line 4a. **4c** _____
 - d Write the property number for another adjoining lot, if included in Line 4a. **4d** _____
 - e Write the portion of your tax bill that is deductible as a business expense on U.S. income tax forms or schedules, even if you did not take the federal deduction. **4e** _____
 - f Subtract Line 4e from Line 4a. **4f** _____
 - g Multiply Line 4f by 5% (.05). **4g** _____
- 5 Compare Lines 3 and 4g, and write the lesser amount here.
 - 6 Subtract Line 5 from Line 3. **6** _____

Section B - K-12 Education Expense Credit

Note You must complete the *K-12 Education Expense Credit Worksheet* on the back of this schedule and **attach** any receipt you received from your student's school.

- a Write the total amount of K-12 education expenses from Line 13 of the worksheet on the back of this schedule. **7a** _____
 - b You may not take a credit for the first \$250 paid. **7b** _____
 - c Subtract Line 7b from Line 7a. If the result is negative, enter "zero." **7c** _____
 - d Multiply Line 7c by 25% (.25). Compare the result and \$500, and write the lesser amount here. **7d** _____
- 8 Compare Lines 6 and 7d, and write the lesser amount here.

Section C - Total Nonrefundable Credit

- 9 Add Lines 5 and 8. This is your nonrefundable credit amount. Write this amount on Form IL-1040, Line 17.

- Many states offer property tax relief to residents by reducing assessed values for particular circumstances or providing financial assistance through “circuit breaker” programs.
- A number of states, including Illinois, also provide property tax relief through income tax credits (or permitting state and local taxes to be part of the taxpayer’s itemized deductions).

	Property Tax Credit (In a number of states, real estate taxes are allowed under itemized deductions.)
ARIZONA	sliding scale with maximum credit of \$502: Qualifications: Resident of Arizona for the whole year, age 65 or receiving Title 16 Supplemental Security Income payments; household income was less than \$3,751 if living alone, less than \$5,501 if others living with filer.
FLORIDA	
ILLINOIS	5 percent of Illinois property tax paid on your principal residence.
INDIANA	Homeowner's residential property tax deduction: up to \$2,500 of the Indiana property taxes (residential real estate taxes) paid on your principal place of residence. Renters deduction: up to \$3,000 or the amount of rent paid.
IOWA	
KENTUCKY	
LOUISIANA	
MINNESOTA	<p>[filed separately from Individual Income Tax Form] Minnesota Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund [amount depends on income]. Qualifications:</p> <ul style="list-style-type: none"> • as a renter household income for 2013 must be less than \$57,170. The maximum refund is \$2,000. • Homestead Credit Refund (for Homeowners), total household income for 2013 must be less than \$105,500. The maximum refund is \$2,580. <p>— special property tax refund, you must have owned and lived in home both on January 2, 2013, and on January 2, 2014; net property tax on your homestead must have increased by more than 12 percent from 2013 to 2014; and the increase must be \$100 or more. There is no income limit for the special property tax refund, and the maximum refund is \$1,000.</p>
MISSOURI	The Missouri Property Tax Credit Claim gives credit to certain senior citizens and 100 percent disabled individuals for a portion of the real estate taxes or rent they have paid for the year. The credit is for a maximum of \$750 for renters and \$1,100 for owners who owned and occupied their home. The actual credit is based on the amount of real estate taxes or rent paid and total household income (taxable and nontaxable)
NORTH CAROLINA	
OHIO	
OREGON	
SOUTH CAROLINA (a)	
TEXAS	
WISCONSIN	A Wisconsin Homestead Credit (for renters and homeowners) is available to households with an income less than \$24,680 (permits a deduction of \$500 for each qualifying dependent). The credit amount depends on household income and property taxes/rent paid; the maximum Homestead Credit is \$1168. There is also a refundable Property Tax Credit for Veterans and Surviving Spouses . A filer cannot take this credit and the Homestead Credit. The veteran must have a service-connected disability rating of 100%. The credit is based on property taxes paid on the principal residence during the year and the land surrounding it (but not to exceed one acre).