

# How Do Iowa Taxes Stack Up?

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## I. Total State & Local Taxes \*

### A. Total Taxes and Per Capita

- Iowa: \$2,674
- U.S. Average: \$2,992
- Iowa Rank among 50 states 27<sup>th</sup>

### B. State & Local Taxes as % of Personal Income

- Iowa Taxes % Personal Income 10.8%
- U.S. average 11.0%
- Rank among 50 states 28<sup>th</sup>

### C. State/Local Taxes Per Capita and Ranks for Neighboring States

- Minnesota \$3,599 5th
- Wisconsin \$3,318 6th
- Illinois \$3,131 14th
- Nebraska \$2,775 24th
- **Iowa \$2,674 27th**
- Missouri \$2,565 36th
- South Dakota \$2,255 47<sup>th</sup>

\* The rationale for looking at state & local taxes combined is that state and local functions are split differently across states.

Source: Governing Magazine "State and Local Source Book," April 2002.

## II. State and Local Property Taxes

### A. Property Taxes Per Capita

- Iowa per capita \$883
- U.S. per capita \$881
- Per Capita Rank among 50 states: 20<sup>th</sup>

### B. Property Taxes as % of Personal Income

- Iowa % of Personal Income 3.6%
- U.S. % of Personal Income 3.3%
- Iowa % of Personal Income Rank: 15th

### C. Property Taxes Per Capita and Ranks for Neighboring States

- Illinois \$1,163 10th
- Wisconsin \$1,052 12th
- Nebraska \$941 15th
- Minnesota \$934 17th
  
- **Iowa \$883 20th**
  
- South Dakota \$842 22nd
- Missouri \$604 37th

### III. State and Local Sales Taxes

#### A. Sales Taxes per Capita

- Iowa per capita \$ 892
- U.S. per capita \$1,067
- Per Capita Rank among 50 states: 35<sup>th</sup>

#### B. Sales Taxes as % of Personal Income

- Iowa % of Personal Income 3.6%
- U.S. Average 3.9%
- Iowa % of Personal Income Rank 33rd

#### C. Sales Taxes Per Capita and Ranks for Neighboring States

- Minnesota \$1,134 12th
- South Dakota \$1,073 20th
- Missouri \$1,025 23rd
- Illinois \$1,020 24th
- Wisconsin \$971 28th
  
- **Iowa \$892 35th**
  
- Nebraska \$887 36th

## IV. State and Local Personal Income Taxes

### A. Personal Income Taxes Per Capita

- Iowa per capita \$612
- U.S. average \$694
- Per Capita Rank among 50 states 30th

### B. Personal Income Tax % of Personal Income

- Iowa % of Personal Income 2.5%
- U.S. average 2.6%
- Iowa % of Personal Income Rank 33rd

### C. Personal Income Taxes Per Capita and Ranks for Neighboring States

- Minnesota \$1,111 5th
- Wisconsin \$983 8th
- Missouri \$705 23rd
- Nebraska \$643 27th
  
- **Iowa \$612 30th**
  
- Illinois \$598 31st
- South Dakota 0 50th

## V. State and Local Corporate Income Taxes

### A. Corporate Income Taxes Per Capita

- Iowa per Capita: \$ 82
- U.S. per Capita \$124
- Per Capita Rank among 50 States 31st

### B. Corporate Income Tax % of Personal Income

- Iowa % of Personal Income 0.3%
- U.S. Average 0.5%
- Iowa % of Personal Income Rank 32nd

### C. Corporate Income Taxes Per Capita and Ranks for Neighboring States

- Illinois \$173 7th
- Minnesota \$163 11th
- Wisconsin \$128 16<sup>th</sup>
  
- **Iowa \$82 31st**
  
- Nebraska \$81 32nd
- South Dakota \$69 37<sup>th</sup>
- Missouri \$51 45th

Note: Two factors for Iowa's rank are fewer corporations per capita than most states and Iowa use of a single-factor rather than 3-factor corporate income tax formula.

## **VI. Misc. Revenue: Fees, Charges & Interest**

### **A. Misc. Revenue Per Capita**

- Iowa per Capita: \$1,409
- U.S. per Capita \$1,276
- Per Capita Rank among 50 States 12th

### **B. Misc. Revenue % of Total Revenue**

- Iowa % of Total Revenue 23.4%
- U.S. Average 19.4%
- Iowa % of Total Revenue Rank 11th

### **C. Misc. Revenue Per Capita and Ranks for Neighboring States**

- Minnesota \$1,500 5th
- **Iowa \$1,409 12th**
- Nebraska \$1,280 22nd
- Wisconsin \$1,221 30th
- South Dakota \$1,123 36th
- Missouri \$1,013 47th
- Illinois \$1,013 48th