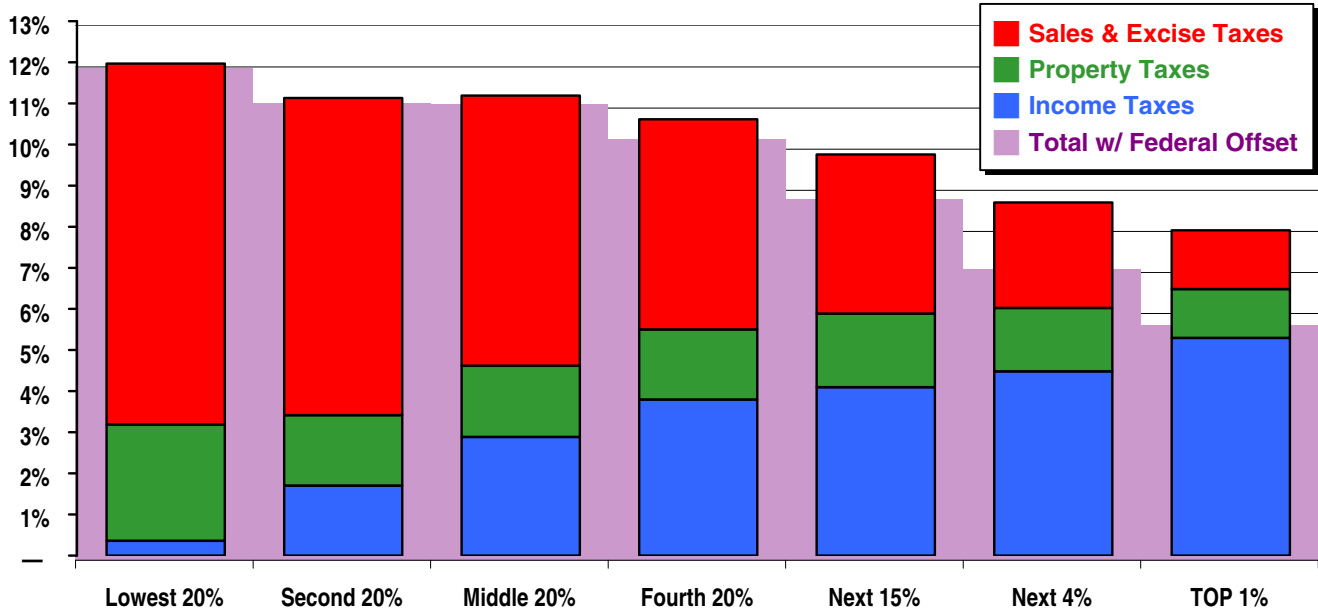


Oklahoma

State & Local Taxes in 2002

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$12,000	\$12,000 – \$22,000	\$22,000 – \$37,000	\$37,000 – \$60,000	\$60,000 – \$110,000	\$110,000 – \$252,000	\$252,000 or more
Average Income in Group	\$7,400	\$17,000	\$28,100	\$47,100	\$78,100	\$148,500	\$518,700
Sales & Excise Taxes	8.8%	7.7%	6.6%	5.1%	3.9%	2.6%	1.4%
General Sales—Individuals	5.3%	4.7%	4.1%	3.3%	2.5%	1.7%	1.0%
Other Sales & Excise—Ind.	1.1%	0.9%	0.7%	0.5%	0.3%	0.2%	0.1%
Sales & Excise on Business	2.3%	2.2%	1.8%	1.3%	1.0%	0.7%	0.4%
Property Taxes	2.8%	1.7%	1.7%	1.7%	1.8%	1.5%	1.2%
Property Taxes on Families	2.8%	1.7%	1.7%	1.6%	1.7%	1.4%	0.8%
Other Property Taxes	0.1%	0.0%	0.1%	0.1%	0.1%	0.2%	0.4%
Income Taxes	0.4%	1.7%	2.9%	3.8%	4.1%	4.5%	5.3%
Personal Income Tax	0.3%	1.7%	2.9%	3.8%	4.1%	4.4%	5.2%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
TOTAL TAXES	12.0%	11.1%	11.2%	10.6%	9.8%	8.6%	7.9%
Federal Deduction Offset	—	–0.0%	–0.1%	–0.4%	–1.0%	–1.5%	–2.2%
TOTAL AFTER OFFSET	12.0%	11.1%	11.1%	10.3%	8.8%	7.1%	5.7%

Note: Table shows 2002 tax law at 2000 income levels.

Oklahoma Details

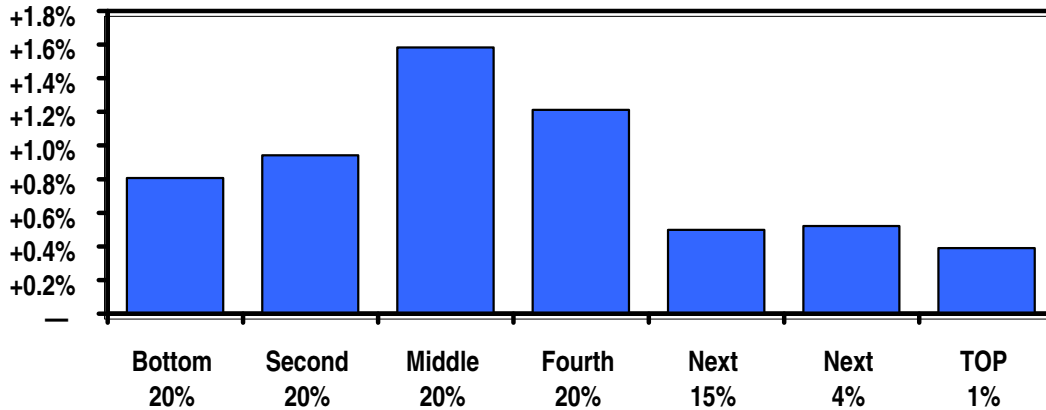
Progressive Features

- ✓ Refundable "Food Sales Tax Credit"
- ✓ Homestead exemption
- ✓ Refundable EITC

Regressive Features

- ✗ Sales Tax Applies to Food
- ✗ Deduction for federal income taxes paid
- ✗ No indexing of brackets or exemptions

Changes in Tax as Share of Income, 1989 - 2002

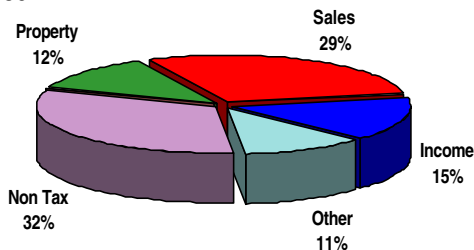


	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Sales & Excise	+0.0%	-0.0%	-0.0%	-0.0%	-0.0%	+0.0%	+0.0%
Property	+0.6%	+0.1%	+0.3%	+0.1%	+0.0%	-0.1%	+0.2%
Income	+0.2%	+0.9%	+1.3%	+1.2%	+0.7%	+0.9%	+1.0%
Federal Offset	+0.0%	-0.0%	-0.0%	-0.1%	-0.2%	-0.3%	-0.8%
Overall Change	+0.8%	+0.9%	+1.6%	+1.2%	+0.5%	+0.5%	+0.4%

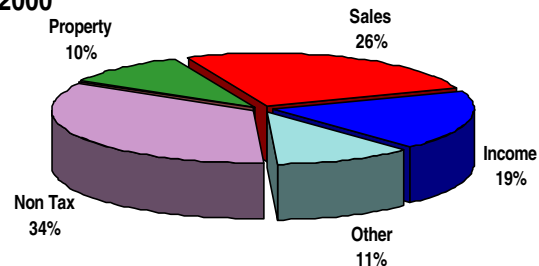
The erosion of the value of exemptions, deductions and tax brackets due to inflation, combined with a new top rate, caused income taxes to rise. This was mitigated for the bottom 20% only through the introduction of new refundable credits, including an EITC and a grocery sales tax credit. However, those progressive moves were countered by a half cent rise in the regressive sales tax.

Composition of Revenues

1989



2000



Source: Government Finances, US Department of Census