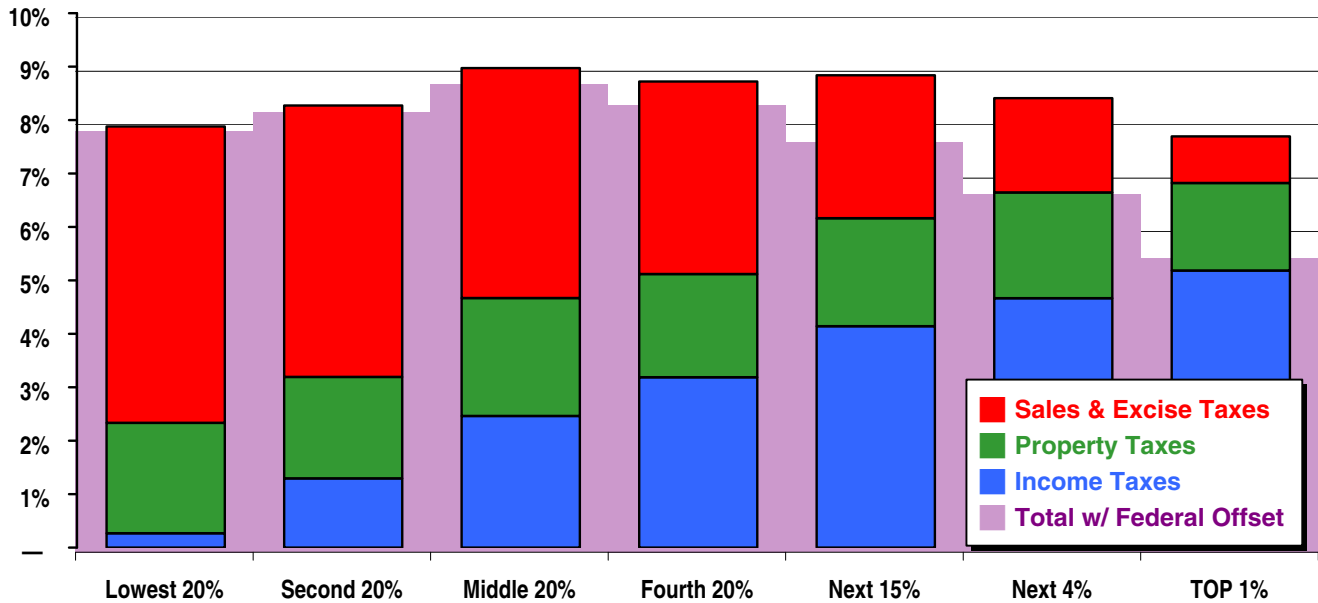


South Carolina

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 \$13,000	\$13,000 – \$22,000	\$22,000 – \$35,000	\$35,000 – \$59,000	\$59,000 – \$110,000	\$110,000 – \$232,000	\$232,000 or more
Average Income in Group	\$8,000	\$17,600	\$27,800	\$45,900	\$77,300	\$147,000	\$626,500
Sales & Excise Taxes	5.5%	5.1%	4.3%	3.6%	2.7%	1.8%	0.9%
General Sales—Individuals	3.7%	3.4%	2.9%	2.4%	1.8%	1.2%	0.6%
Other Sales & Excise—Ind.	1.0%	1.0%	0.8%	0.7%	0.5%	0.3%	0.1%
Sales & Excise on Business	0.8%	0.7%	0.6%	0.5%	0.3%	0.2%	0.1%
Property Taxes	2.1%	1.9%	2.2%	1.9%	2.0%	2.0%	1.6%
Property Taxes on Families	2.0%	1.8%	2.1%	1.8%	1.8%	1.6%	0.8%
Other Property Taxes	0.1%	0.0%	0.1%	0.1%	0.2%	0.4%	0.8%
Income Taxes	0.3%	1.3%	2.5%	3.2%	4.1%	4.7%	5.2%
Personal Income Tax	0.2%	1.3%	2.4%	3.2%	4.1%	4.6%	5.1%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
TOTAL TAXES	7.9%	8.3%	9.0%	8.7%	8.8%	8.4%	7.7%
Federal Deduction Offset	-0.0%	-0.0%	-0.2%	-0.3%	-1.2%	-1.7%	-2.2%
TOTAL AFTER OFFSET	7.9%	8.2%	8.8%	8.4%	7.7%	6.7%	5.5%

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

South Carolina Details

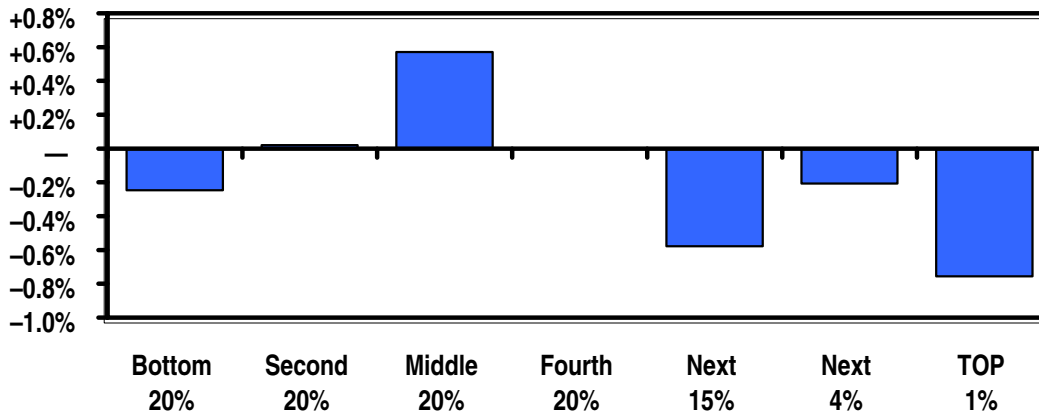
Progressive Features

- ✓ Tax brackets indexed

Regressive Features

- ✗ Sales Tax Applies To Food
- ✗ Capital Gains Exclusion

Changes in Tax as Share of Income, 1989 - 2002

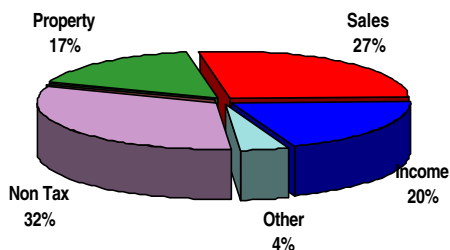


	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Sales & Excise	-0.5%	-0.4%	-0.3%	-0.3%	-0.2%	-0.1%	-0.1%
Property	+0.3%	+0.3%	+0.7%	+0.3%	-0.2%	-0.0%	-0.0%
Income	-0.1%	+0.1%	+0.2%	+0.0%	+0.0%	+0.1%	-0.3%
Federal Offset	-0.0%	-0.0%	-0.1%	-0.1%	-0.2%	-0.1%	-0.4%
Overall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

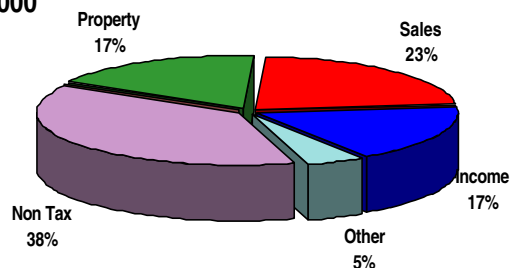
Tax reform in 1991 introduced a 2.5% bottom bracket, a small progressive change that was matched with a regressive capital gains exclusion. Also effective in 1991, counties were allowed to enact local sales taxes. The cumulative impact of these local sales taxes over the decade has been nearly a half cent hike.

Composition of Revenues

1989



2000



Source: Government Finances, US Department of Census