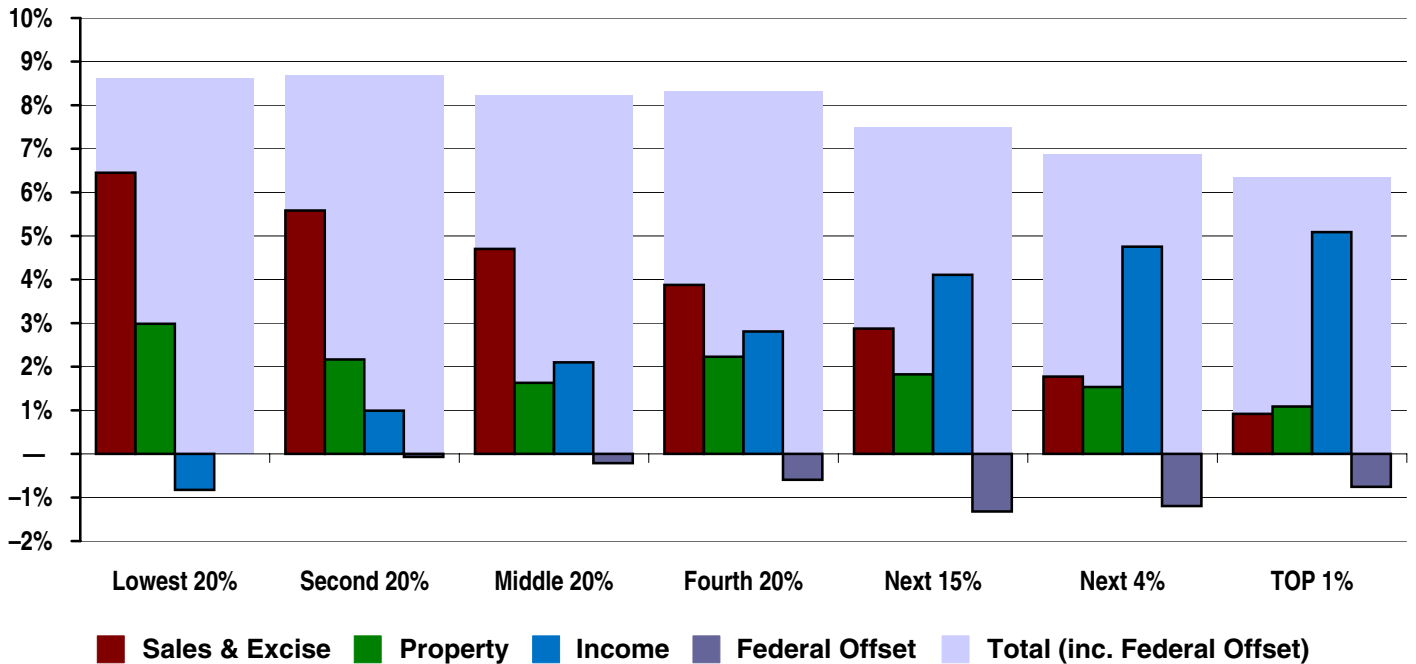


Idaho

State & Local Taxes in 2007

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 \$18,000	\$18,000 – \$32,000	\$32,000 – \$49,000	\$49,000 – \$82,000	\$82,000 – \$162,000	\$162,000 – \$418,000	\$418,000 or more
Average Income in Group	\$10,800	\$25,000	\$41,400	\$64,100	\$106,200	\$236,200	\$1,287,900
Sales & Excise Taxes	6.5%	5.6%	4.7%	3.9%	2.9%	1.8%	0.9%
General Sales—Individuals	3.9%	3.5%	3.0%	2.6%	1.9%	1.2%	0.6%
Other Sales & Excise—Ind.	1.1%	0.8%	0.7%	0.5%	0.3%	0.2%	0.1%
Sales & Excise on Business	1.5%	1.3%	1.0%	0.8%	0.6%	0.4%	0.2%
Property Taxes	3.0%	2.2%	1.6%	2.2%	1.8%	1.5%	1.1%
Property Taxes on Families	3.0%	2.1%	1.6%	2.1%	1.7%	1.3%	0.5%
Other Property Taxes	0.0%	0.0%	0.0%	0.1%	0.1%	0.3%	0.6%
Income Taxes	-0.8%	1.0%	2.1%	2.8%	4.1%	4.8%	5.1%
Personal Income Tax	-0.8%	1.0%	2.1%	2.8%	4.1%	4.7%	4.9%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
TOTAL TAXES	8.6%	8.7%	8.4%	8.9%	8.8%	8.1%	7.1%
Federal Deduction Offset	—	-0.1%	-0.2%	-0.6%	-1.3%	-1.2%	-0.8%
TOTAL AFTER OFFSET	8.6%	8.7%	8.2%	8.3%	7.5%	6.9%	6.3%

Note: Table shows 2007 tax law updated to reflect permanent changes in law enacted through October 2009.

Idaho

State & Local Taxes

Features, Developments, and Comparisons

Progressive Features

- ✓ Income tax uses a graduated rate structure
- ✓ Provides an income tax credit to offset the impact of its sales tax on groceries
- ✓ Requires the use of combined reporting
- ✓ Provides a property tax homestead exemption

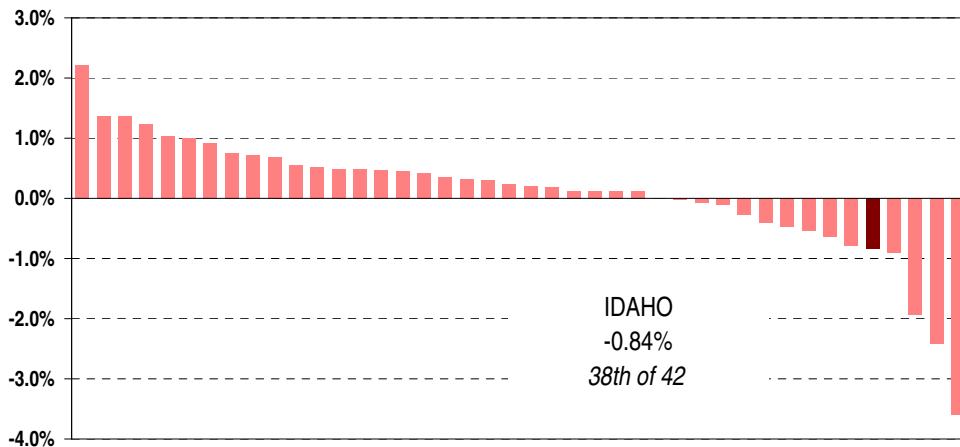
Regressive Features

- ✗ Sales tax base includes groceries

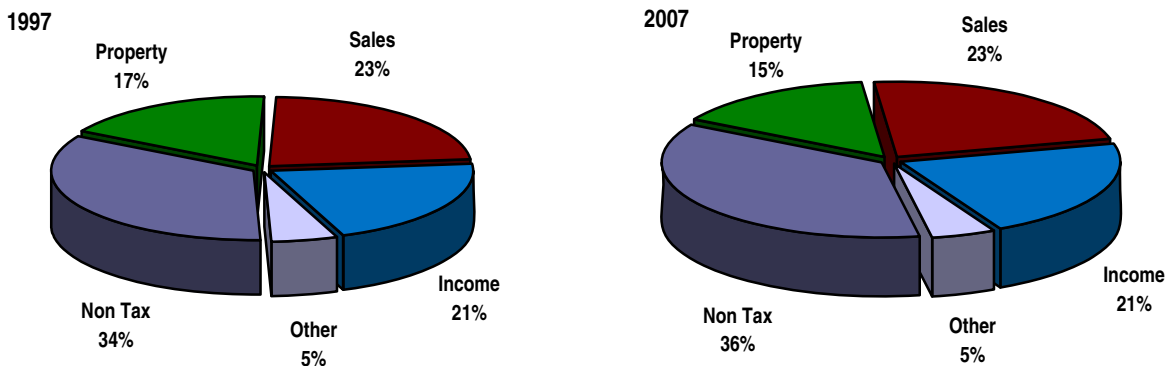
Recent Developments

- ▲ Increased property tax homestead exemption
- ▲ Increased income tax credit designed to offset impact of sales tax on groceries

State Income Taxes as a Share of Income Among the Poorest Fifth of Families



Change in the Composition of Revenue



Source: U.S. Census Bureau, Government Finances