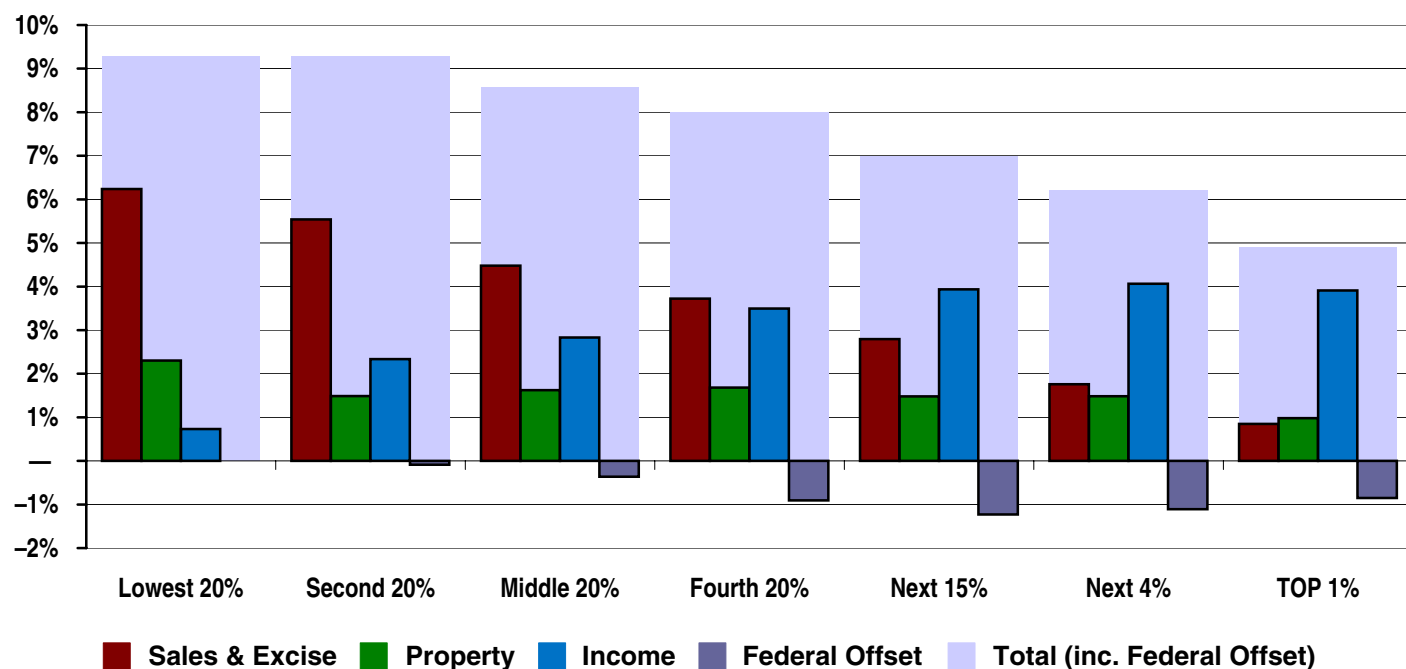


Utah

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 \$20,000	\$20,000 – \$34,000	\$34,000 – \$56,000	\$56,000 – \$88,000	\$88,000 – \$175,000	\$175,000 – \$434,000	\$434,000 or more
Average Income in Group	\$11,500	\$27,500	\$44,200	\$70,200	\$117,100	\$252,400	\$1,579,900
Sales & Excise Taxes	6.2%	5.5%	4.5%	3.7%	2.8%	1.8%	0.8%
General Sales—Individuals	3.6%	3.3%	2.7%	2.3%	1.8%	1.1%	0.5%
Other Sales & Excise—Ind.	0.7%	0.6%	0.5%	0.3%	0.3%	0.1%	0.0%
Sales & Excise on Business	1.9%	1.6%	1.3%	1.0%	0.8%	0.5%	0.3%
Property Taxes	2.3%	1.5%	1.6%	1.7%	1.5%	1.5%	1.0%
Property Taxes on Families	2.3%	1.4%	1.6%	1.6%	1.4%	1.2%	0.3%
Other Property Taxes	0.1%	0.0%	0.0%	0.1%	0.1%	0.3%	0.6%
Income Taxes	0.7%	2.3%	2.8%	3.5%	3.9%	4.1%	3.9%
Personal Income Tax	0.7%	2.3%	2.8%	3.5%	3.9%	4.0%	3.7%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
TOTAL TAXES	9.3%	9.4%	8.9%	8.9%	8.2%	7.3%	5.7%
Federal Deduction Offset	—	-0.1%	-0.4%	-0.9%	-1.2%	-1.1%	-0.9%
TOTAL AFTER OFFSET	9.3%	9.3%	8.6%	8.0%	7.0%	6.2%	4.9%

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

Utah

State & Local Taxes

Features, Developments, and Comparisons

Progressive Features

- ✓ Requires the use of combined reporting

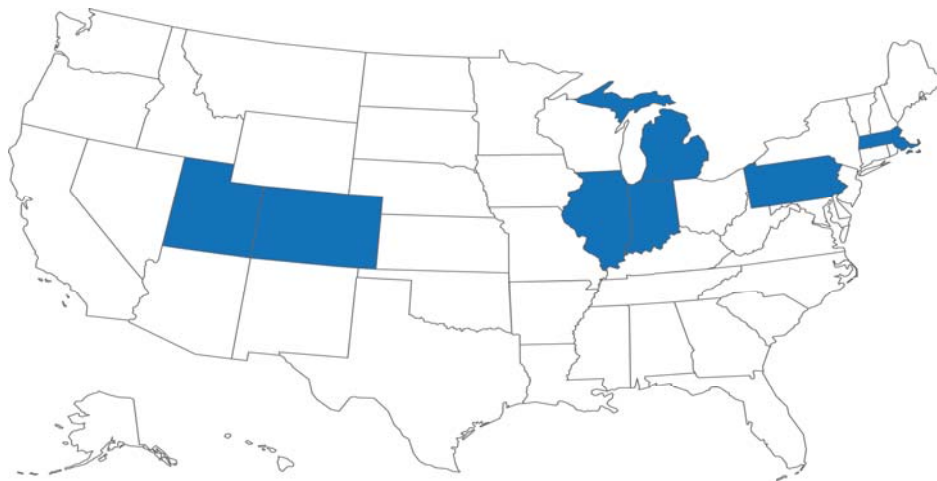
Regressive Features

- ✗ Income tax uses a single rate structure
- ✗ Fails to provide refundable income tax credits to offset impact of sales, excise, and property taxes
- ✗ Groceries included in sales tax base, but taxed at a lower rate than other items

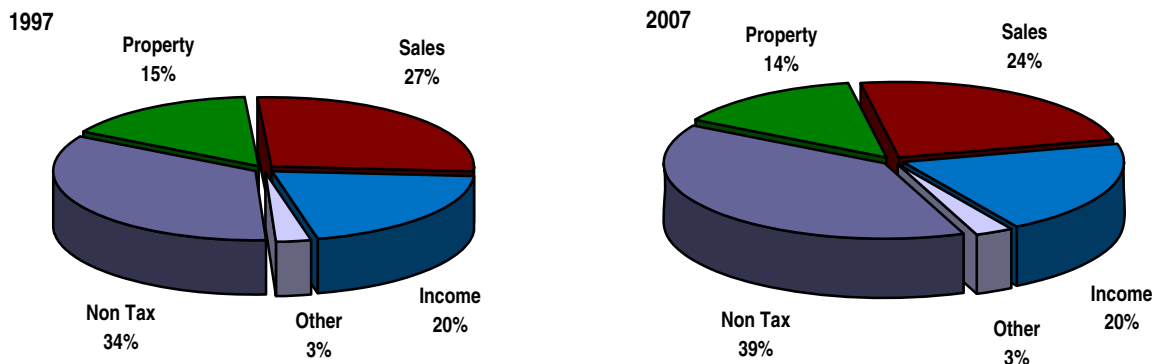
Recent Developments

- ▲ Switched from a dual income tax system to a single rate income tax
- ▲ Eliminated standard deduction, itemized deductions, personal exemptions, and dependent exemptions

States with a Flat Rate Personal Income Tax



Change in the Composition of Revenue



Source: U.S. Census Bureau, Government Finances