## California

State and local tax shares of family income

### Total Taxes

<table>
<thead>
<tr>
<th>Share of family income</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Least</td>
<td>11.7%</td>
<td>10.3%</td>
<td>10.4%</td>
<td>11.0%</td>
<td>10.8%</td>
<td>10.4%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

- **Lowest 20%**
  - Less than $25,200
- **Second 20%**
  - $25,200 to $48,800
- **Third 20%**
  - $48,800 to $86,100
- **Fourth 20%**
  - $86,100 to $145,900
- **Next 15%**
  - $145,900 to $352,300
- **Next 4%**
  - $352,300 to $862,100
- **Top 1%**
  - Over $862,100

### Sales & Excise Taxes

<table>
<thead>
<tr>
<th>Share of family income</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Least</td>
<td>7.6%</td>
<td>6.3%</td>
<td>5.4%</td>
<td>4.1%</td>
<td>3.1%</td>
<td>1.9%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

- **Lowest 20%**
  - Less than $25,200
- **Second 20%**
  - $25,200 to $48,800
- **Third 20%**
  - $48,800 to $86,100
- **Fourth 20%**
  - $86,100 to $145,900
- **Next 15%**
  - $145,900 to $352,300
- **Next 4%**
  - $352,300 to $862,100
- **Top 1%**
  - Over $862,100

### Personal Income Taxes

<table>
<thead>
<tr>
<th>Share of family income</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Least</td>
<td>5.4%</td>
<td>3.3%</td>
<td>3.3%</td>
<td>3.2%</td>
<td>3.3%</td>
<td>2.6%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

- **Lowest 20%**
  - Less than $25,200
- **Second 20%**
  - $25,200 to $48,800
- **Third 20%**
  - $48,800 to $86,100
- **Fourth 20%**
  - $86,100 to $145,900
- **Next 15%**
  - $145,900 to $352,300
- **Next 4%**
  - $352,300 to $862,100
- **Top 1%**
  - Over $862,100

### Property Taxes

<table>
<thead>
<tr>
<th>Share of family income</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Least</td>
<td>0.3%</td>
<td>1.3%</td>
<td>3.3%</td>
<td>4.1%</td>
<td>5.5%</td>
<td>8.8%</td>
<td></td>
</tr>
</tbody>
</table>

Note: All figures and charts show 2024 tax law in California, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.2 percent) state and local tax revenue collected in California.
California

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

<table>
<thead>
<tr>
<th>Income Group</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Middle 20%</th>
<th>Fourth 20%</th>
<th>Next 15%</th>
<th>Next 4%</th>
<th>Top 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Range</td>
<td>Less than $25,200</td>
<td>$25,200 to $48,800</td>
<td>$48,800 to $86,100</td>
<td>$86,100 to $145,900</td>
<td>$145,900 to $352,300</td>
<td>$352,300 to $862,100</td>
<td>Over $862,100</td>
</tr>
<tr>
<td>Average Income in Group</td>
<td>$14,200</td>
<td>$36,500</td>
<td>$65,900</td>
<td>$117,100</td>
<td>$211,200</td>
<td>$523,900</td>
<td>$2,140,300</td>
</tr>
</tbody>
</table>

Sales & Excise Taxes

- General Sales–Individuals: 7.6% 6.3% 5.4% 4.1% 3.1% 1.9% 1.0%
- Other Sales & Excise–Ind.: 4.2% 3.9% 3.4% 2.7% 2.0% 1.1% 0.4%
- Sales & Excise–Business: 2.0% 1.2% 0.8% 0.6% 0.4% 0.2% 0.1%

Property Taxes

- Home, Rent, Car–Individuals: 5.4% 3.3% 3.3% 3.2% 3.3% 2.6% 1.7%
- Other Property Taxes: 1.4% 1.2% 1.1% 0.9% 0.8% 0.6% 0.5%

Income Taxes

- Personal Income Taxes: -1.6% 0.5% 1.4% 3.4% 4.2% 5.7% 9.2%
- Corporate Income Taxes: 0.1% 0.1% 0.1% 0.1% 0.1% 0.1% 0.1%

Other Taxes

- 0.3% 0.3% 0.3% 0.2% 0.2% 0.2% 0.2%

TOTAL TAXES

- 11.7% 10.3% 10.4% 11.0% 10.8% 10.4% 12.0%

ITEP Tax Inequality Index

California has a hybrid system that is progressive through some parts of the income distribution and regressive through other parts. On balance, the overall system tilts slightly progressive according to ITEP’s Tax Inequality Index because high-income families pay rates that are somewhat higher than those paid by middle-income families, and roughly on par with those paid by low-income families. California ranks 47th on the Index, meaning that three states and the District of Columbia have more progressive systems. (See Appendix B for state-by-state rankings and the report methodology for additional detail.)

Tax features driving the data in California

- Graduated personal income tax structure with a separate bracket for millionaires
- Refundable Child Tax Credit (CTC) for young children
- Requires combined reporting for the corporate income tax but excludes profits booked overseas, including in tax haven countries
- Limits itemized deductions for upper-income taxpayers
- Personal income tax credits in place of personal and dependent exemptions
- Sales tax base excludes groceries
- Refundable Earned Income Tax Credit (EITC)
- No property tax “circuit breaker” credit for low-income, non-senior taxpayers
- Strict property tax limitations
- Comparatively high combined state and local sales tax rates
- Does not levy a tax on estates or inheritances
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- Comparatively high combined state and local sales tax rates
- Does not levy a tax on estates or inheritances