



Indiana

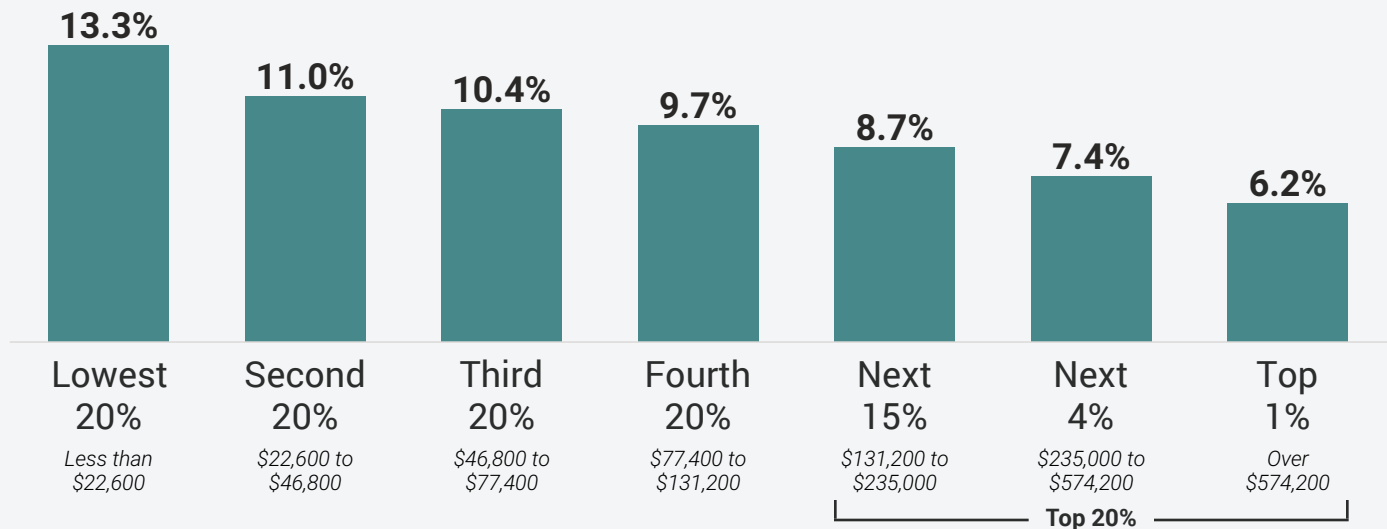
State and local tax shares of family income

Total Taxes

Share of family income

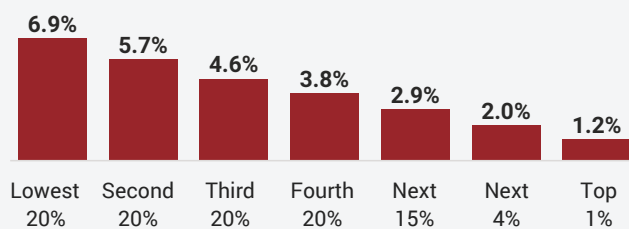


REGRESSIVE



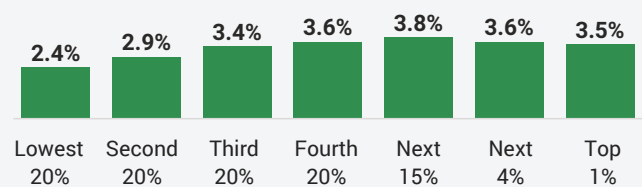
Sales & Excise Taxes

Share of family income



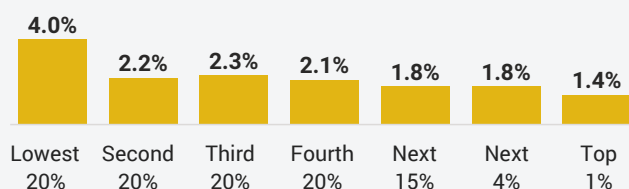
Personal Income Taxes

Share of family income



Property Taxes

Share of family income








Note: All figures and charts show 2024 tax law in Indiana, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.8 percent) state and local tax revenue collected in Indiana. These figures depict Indiana's flat personal income tax rate at 3.05 percent. The rate is set to decline to 2.9 percent over the next three years. As seen in Appendix E, this will decrease overall tax rates by 0.1 percentage points.

Indiana

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

| Income Group | Top 20% | | | | | | |
|---|--------------------|----------------------|----------------------|-----------------------|------------------------|------------------------|----------------|
| | Lowest 20% | Second 20% | Middle 20% | Fourth 20% | Next 15% | Next 4% | Top 1% |
| Income Range | Less than \$22,600 | \$22,600 to \$46,800 | \$46,800 to \$77,400 | \$77,400 to \$131,200 | \$131,200 to \$235,000 | \$235,000 to \$574,200 | Over \$574,200 |
| Average Income in Group | \$12,700 | \$32,900 | \$60,300 | \$101,800 | \$164,400 | \$323,600 | \$780,400 |
|  Sales & Excise Taxes | 6.9% | 5.7% | 4.6% | 3.8% | 2.9% | 2.0% | 1.2% |
| General Sales—Individuals | 3.7% | 3.5% | 2.9% | 2.5% | 1.9% | 1.3% | 0.7% |
| Other Sales & Excise—Ind. | 1.9% | 1.1% | 0.7% | 0.5% | 0.3% | 0.2% | 0.1% |
| Sales & Excise—Business | 1.2% | 1.1% | 0.9% | 0.8% | 0.7% | 0.6% | 0.4% |
|  Property Taxes | 4.0% | 2.2% | 2.3% | 2.1% | 1.8% | 1.8% | 1.4% |
| Home, Rent, Car—Individuals | 3.5% | 2.0% | 2.0% | 1.9% | 1.5% | 1.3% | 0.8% |
| Other Property Taxes | 0.5% | 0.3% | 0.3% | 0.3% | 0.3% | 0.4% | 0.5% |
|  Income Taxes | 2.4% | 3.0% | 3.4% | 3.7% | 3.8% | 3.6% | 3.5% |
| Personal Income Taxes | 2.4% | 2.9% | 3.4% | 3.6% | 3.8% | 3.6% | 3.5% |
| Corporate Income Taxes | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
|  Other Taxes | 0.1% | 0.1% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% |
|  TOTAL TAXES | 13.3% | 11.0% | 10.4% | 9.7% | 8.7% | 7.4% | 6.2% |

ITEP Tax Inequality Index

ITEP's Tax Inequality Index measures the effects of each state's tax system on income inequality. **According to this measure, Indiana has the 14th most regressive state and local tax system in the country.** Income disparities are larger in Indiana after state and local taxes are collected than before. (See Appendix B for state-by-state rankings and the report methodology for additional detail.)

Tax features driving the data in Indiana

