

Tennessee

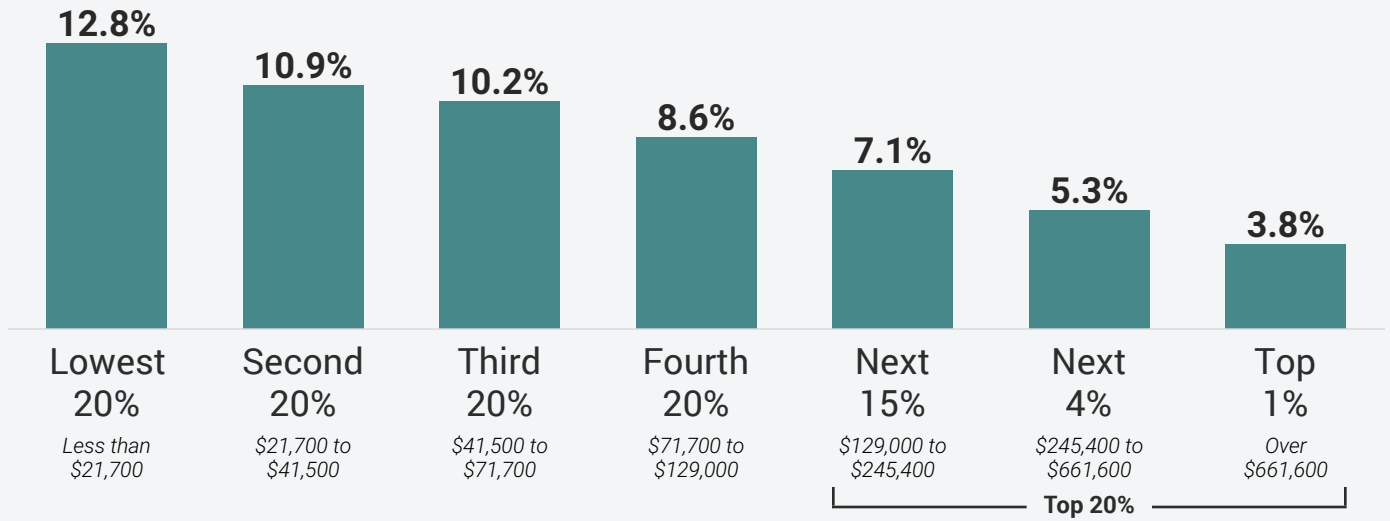
State and local tax shares of family income

Total Taxes

Share of family income

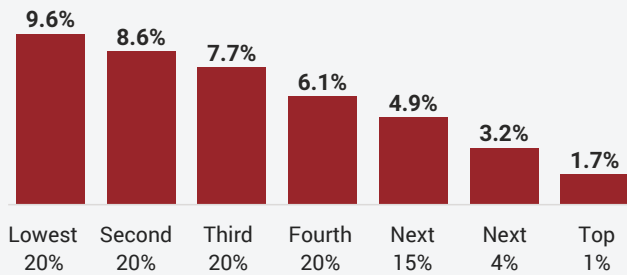


REGRESSIVE



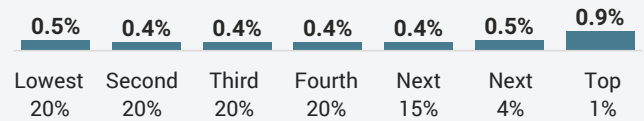
Sales & Excise Taxes

Share of family income



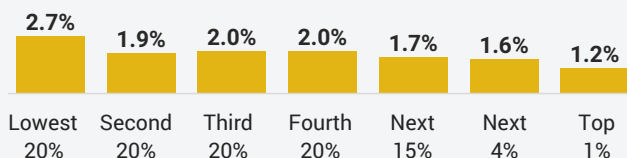
All Other Taxes

Share of family income



Property Taxes

Share of family income








Note: All figures and charts show 2024 tax law in Tennessee, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.3 percent) state and local tax revenue collected in Tennessee.

Tennessee

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

Top 20%

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$21,700	\$21,700 to \$41,500	\$41,500 to \$71,700	\$71,700 to \$129,000	\$129,000 to \$245,400	\$245,400 to \$661,600	Over \$661,600
Average Income in Group	\$12,600	\$30,500	\$53,300	\$96,300	\$161,400	\$367,000	\$2,018,200
 Sales & Excise Taxes	9.6%	8.6%	7.7%	6.1%	4.9%	3.2%	1.7%
General Sales—Individuals	5.4%	5.0%	4.5%	3.6%	2.8%	1.6%	0.4%
Other Sales & Excise—Ind.	1.8%	1.4%	1.0%	0.7%	0.6%	0.3%	0.1%
Sales & Excise—Business	2.5%	2.3%	2.1%	1.8%	1.6%	1.3%	1.2%
 Property Taxes	2.7%	1.9%	2.0%	2.0%	1.7%	1.6%	1.2%
Home, Rent, Car—Individuals	2.4%	1.5%	1.7%	1.8%	1.4%	1.1%	0.3%
Other Property Taxes	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.9%
 Income Taxes	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.7%
Personal Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corporate Income Taxes	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.7%
 Other Taxes	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%
 TOTAL TAXES	12.8%	10.9%	10.2%	8.6%	7.1%	5.3%	3.8%

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, Tennessee has the 3rd most regressive state and local tax system in the country.** Income disparities are larger in Tennessee 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 Tennessee

