Vermont
State and local tax shares of family income

Total Taxes
Share of family income

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 Vermont, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.7 percent) state and local tax revenue collected in Vermont.
## Vermont

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 $27,500</td>
<td>$27,500 to $55,400</td>
<td>$55,400 to $83,300</td>
<td>$83,300 to $135,900</td>
<td>$135,900 to $240,200</td>
<td>$240,200 to $588,500</td>
<td>Over $588,500</td>
</tr>
<tr>
<td>Average Income in Group</td>
<td>$13,100</td>
<td>$40,600</td>
<td>$68,200</td>
<td>$109,000</td>
<td>$167,400</td>
<td>$352,600</td>
<td>$1,096,200</td>
</tr>
</tbody>
</table>

### Sales & Excise Taxes

- **General Sales—Individuals**: 1.4% 1.4% 1.3% 1.1% 0.9% 0.5% 0.2%
- **Other Sales & Excise—Ind.**: 3.6% 1.6% 1.2% 0.9% 0.7% 0.3% 0.1%
- **Sales & Excise—Business**: 0.9% 0.8% 0.7% 0.7% 0.6% 0.5% 0.4%

### Property Taxes

- **Home, Rent, Car—Individuals**: 1.3% 2.9% 3.1% 3.7% 3.6% 3.2% 1.5%
- **Other Property Taxes**: 0.9% 0.8% 0.7% 0.7% 0.7% 0.9% 1.5%

### Income Taxes

- **Personal Income Taxes**: -2.0% 0.6% 2.4% 3.3% 4.0% 4.7% 6.2%
- **Corporate Income Taxes**: 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.1%

### Other Taxes

- **Refundable EITC**: 0.2% 0.2% 0.1% 0.1% 0.1% 0.1% 0.1%

### TOTAL TAXES

- **ITEP Tax Inequality Index**: 6.3% 8.2% 9.6% 10.5% 10.6% 10.3% 10.1%

###ITEP Tax Inequality Index

Vermont has a hybrid system that is progressive through the bottom part of the income distribution and regressive through the top part. On balance, the overall system tilts slightly progressive according to ITEP’s Tax Inequality Index, which measures the overall effect of each state’s tax system on income inequality. Vermont ranks 49th on the Index, meaning that only Minnesota 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 Vermont

- Many resident homeowners pay school taxes based on income rather than property value
- Refundable Earned Income Tax Credit (EITC)
- Refundable Child Tax Credit (CTC)
- Refundable renter credit
- Requires combined reporting for the corporate income tax; some foreign tax haven income is partially taxed through GILTI inclusion
- Graduated rate structure for the real estate transfer tax
- Graduated personal income tax structure
- Provides a capital gains tax preference
- Levies a state estate tax
- Sales tax base excludes groceries
- Provides a sales tax base excludes groceries