2024 How Utah Compares Report Fiscal Year 2022

A report by the Utah Taxpayers Association







2024 How Utah Compares Based on 2022 Federal Figures

Purpose

Utah regularly ranks highly in reports on economic outlook, business friendliness, and affordability, leading many to believe that further improvements to tax policy are unnecessary. This report, by comparing the burden of various taxes and fees nationwide, demonstrates that there is still work to be done.

Methodology

Using fiscal year 2022 data, this report displays the burden of various taxes and fees as a percentage of personal income in each of the 50 states. A full comparison is found on the final page of the report. When interpreting the rankings, note that a higher rank (lower number) indicates a higher percentage of personal income being paid toward a tax or fee.

Sources

Personal Income Data: U.S. Bureau of Economic Analysis, Department of Commerce Government Revenue: U.S. Census Bureau Calculations: Utah Taxpayers Association

Utah Compared to the U.S.

Compared to the US average, Utahns pay a **larger portion** of their personal income towards many taxes.

Utah's three-legged stool, comprised of income tax, property tax and sales tax, allows for a broad base and low rate. Utah's Truth in Taxation laws have kept property tax rates lower than the US average. Despite recent efforts to lower the individual income tax rate, Utahns still pay more of their income towards the individual income tax than the US average, possibly because of a simultaneous effort to lower income taxes across the country.

State and Local Tax Burde

Measure

All state/local government revenue (incl. federal)

State/local government revenue (excl. federal)

Taxes and fees

Taxes and fees less higher education charges

Taxes

Individual income tax

General sales tax

Motor fuel tax

Property tax

ens a	nd Revenues c	as a Percent o	f Total Person	al Income, FY22					
	U.S.	Utah	Utah Rank	Utah as % U.S.					
	17.68%	18.20%	22	102.94%					
	13.02%	14.35%	14	110.22%					
	11.11%	12.21%	10	109.90%					
	10.63%	11.19%	13	105.27%					
	8.74%	8.30%	26	94.97%					
	1.77%	2.94%	11	166.10%					
	1.98%	2.24%	17	113.13%					
	0.22%	0.24%	24	109.09%					
	2.62%	1.81%	39	69.08%					

Utah Compared to Neighboring States

Utahns also pay a larger portion of their personal income in taxes and fees overall than residents of neighboring states. Several neighboring states pay less in property tax than Utah.

Overall tax burden is an important consideration for individuals and businesses looking to relocate. For example, Colorado's Taxpayer Bill of Rights and Arizona's revenuetriggered income tax cuts make these states competitors for investment and migration. In order to grow and compete, it is important for Utah to lower the burden placed on taxpayers.

Utah and Neighboring States Tax Burden Comparison, FY22														
State	Taxes a	nd Fees	Individual I	ncome Tax	Genera T	l Sales ax	Property Tax							
	Burden Rank		Burden	Rank	Burden	Rank	Burden	Rank						
Arizona	8.55%	46	1.37%	39	2.79%	10	1.91%	37						
Colorado	9.95%	37	2.12%	28	1.87%	1.87% 28		24						
Idaho	9.66% 38		2.05% 31		2.11%	21	1.76%	40						
Nevada	9.19%	42	0.00%	44	3.25%	6	1.75%	41						
New Mexico	11.81%	14	1.00%	40	3.68%	4	1.65%	45						
Utah	12.21%	10	2.94%	11	2.24%	17	1.81%	39						
Wyoming	10.07%	35	-	-	1.68%	37	2.54%	20						

			Taxes an	nd Fees			Individual Income						Total Sta	te/Local			Total Revenue			
	Taxes and Fees		Excluding Tuition		Taxes (excl. fees)		Тах		General Sales Tax		Motor Fuel Tax		Property Tax		Revenue		Federal Revenue		Including Federal	
	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank	Burden	Rank
United States	11.11%		10.63%		8.74%		2.27%		1.98%		0.22%		2.62%		13.02%		4.66%		17.68%	
Alabama	12.09%	11	11.12%	15	7.51%	34	1.77%	34	2.42%	13	0.35%	5	1.17%	50	14.34%	15	5.97%	16	20.31%	15
Alaska	8.58%	45	8.30%	45	5.67%	50	-	-	0.49%	46	0.10%	46	3.15%	11	15.95%	4	10.32%	3	26.27%	2
Arizona	8.55%	46	7.93%	47	7.05%	43	1.37%	39	2.79%	10	0.18%	38	1.91%	37	10.69%	45	5.74%	18	16.43%	33
Arkansas	10.49%	33	9.78%	33	8.17%	27	1.93%	33	3.15%	7	0.33%	9	1.40%	49	12.03%	34	6.21%	15	18.24%	21
California	13.88%	3	13.54%	3	11.02%	4	4.47%	2	1.82%	29	0.23%	25	2.51%	22	15.95%	5	4.39%	30	20.34%	14
Colorado	9.95%	37	9.36%	37	7.71%	33	2.12%	28	1.87%	28	0.13%	45	2.49%	24	11.67%	38	3.39%	47	15.06%	46
Connecticut	11.26%	20	10.89%	17	10.20%	6	3.07%	8	1.57%	41	0.14%	44	3.55%	7	12.13%	33	3.85%	40	15.98%	38
Delaware	11.63%	16	10.78%	19	9.53%	12	3.03%	9	0.00%	47	0.18%	39	1.57%	46	14.33%	16	7.52%	8	21.85%	8
Florida	8.11%	48	7.89%	48	5.96%	49	-	-	2.12%	20	0.23%	28	2.21%	32	10.17%	48	3.23%	50	13.40%	48
Georgia	9.55%	39	9.18%	39	7.25%	39	2.09%	29	1.77%	31	0.26%	21	2.21%	31	11.02%	43	4.27%	32	15.29%	44
Hawaii	13.79%	4	13.45%	4	11.50%	3	3.44%	7	3.72%	3	0.15%	43	2.38%	26	16.50%	2	6.31%	13	22.81%	4
Idaho	9.66%	38	9.26%	38	7.27%	38	2.05%	31	2.11%	21	0.34%	7	1.76%	40	10.65%	46	4.48%	29	15.13%	45
Illinois	11.54%	18	11.18%	14	10.05%	7	2.36%	17	1.69%	36	0.27%	18	3.37%	9	13.14%	21	3.94%	38	17.08%	30
Indiana	11.43%	19	10.63%	22	8.43%	24	2.72%	13	2.14%	19	0.36%	4	1.90%	38	13.11%	22	5.31%	20	18.42%	20
lowa	13.47%	5	12.60%	5	9.29%	16	2.14%	27	2.19%	18	0.33%	8	3.03%	12	15.31%	7	4.49%	28	19.81%	18
Kansas	12.47%	9	11.79%	8	8.79%	18	2.33%	19	2.42%	12	0.22%	31	2.65%	18	14.46%	13	3.59%	44	18.05%	25
Kentucky	11.04%	24	10.44%	24	8.16%	28	2.67%	14	1.77%	32	0.27%	17	1.69%	43	12.55%	30	7.47%	9	20.02%	16
Louisiana	10.56%	32	9.96%	32	8.09%	29	1.42%	38	3.31%	5	0.23%	27	1.66%	44	12.25%	31	7.73%	5	19.99%	17 20
Maine	11.67% 10.87%	15	11.34%	11	10.02%	8 15	2.22% 3.59%	24 5	2.05%	23	0.25% 0.21%	22	4.18% 2.33%	4	12.60% 11.92%	27 35	5.42% 4.50%	19	18.01% 16.42%	26
Maryland		27	10.40%	25	9.32%	15		-	1.14%	45		34		28				26		34 37
Massachusetts	10.01% 10.93%	36	9.66%	36	8.67%	22	3.01%	10	1.19%	43	0.10% 0.21%	48 25	2.99% 2.65%	13	11.54% 12.63%	39 26	4.59%	24	16.13% 17.77%	
Michigan Minnesota	10.93%	26 12	10.10% 11.63%	31 10	7.94% 10.00%	31 9	2.01% 3.56%	32 6	1.78% 1.66%	30	0.21%	35 36	2.65%	17 21	12.63%	26 17	5.14% 4.15%	23 35	17.77%	27 23
Mississippi	12.06%	6	12.08%	7	8.76%	9 19	1.68%	36	2.83%	39 9	0.20%	10	2.31%	21	14.49%	17	7.54%	55 7	22.03%	25 7
Missouri	9.31%	41	8.80%	, 41	7.19%	40	2.06%	30	1.93%	27	0.17%	40	2.38%	35	11.28%	41	4.08%	37	15.37%	43
Montana	9.09%	43	8.51%	44	7.48%	35	2.50%	16	0.00%	47	0.36%	3	2.70%	15	10.33%	47	7.32%	10	17.65%	29
Nebraska	10.94%	25	10.35%	26	8.73%	21	2.19%	25	2.01%	24	0.29%	14	2.98%	14	15.16%	9	4.20%	34	19.36%	19
Nevada	9.19%	42	8.95%	40	7.34%	37	0.00%	44	3.25%	6	0.30%	13	1.75%	41	10.76%	44	3.54%	45	14.30%	47
New Hampshir	7.76%	49	7.31%	49	6.57%	45	0.13%	42	0.00%	47	0.10%	47	4.01%	5	8.81%	50	3.34%	48	12.16%	50
New Jersey	11.22%	22	10.84%	18	9.82%	10	2.15%	26	1.63%	40	0.05%	50	4.18%	3	12.56%	29	3.32%	49	15.88%	39
New Mexico	11.81%	14	11.32%	12	9.14%	17	1.00%	40	3.68%	4	0.19%	37	1.65%	45	15.66%	6	10.51%	2	26.17%	3
New York	14.31%	2	14.09%	2	12.36%	2	4.26%	3	1.96%	26	0.09%	49	4.00%	6	16.38%	3	5.86%	17	22.24%	5
North Carolina	10.65%	31	10.13%	30	7.44%	36	2.29%	21	1.97%	25	0.30%	12	1.71%	42	12.21%	32	4.52%	25	16.73%	31
North Dakota	11.91%	13	11.11%	16	9.64%	11	0.79%	41	2.10%	22	0.31%	11	2.16%	34	15.00%	10	7.05%	11	22.06%	6
Ohio	10.84%	28	10.15%	28	8.43%	25	2.23%	23	2.26%	15	0.34%	6	2.45%	25	12.82%	25	5.28%	21	18.10%	24
Oklahoma	9.52%	40	8.65%	42	7.09%	42	1.50%	37	2.26%	16	0.23%	29	1.46%	47	11.92%	36	4.37%	31	16.29%	36
Oregon	12.88%	7	12.28%	6	9.37%	13	3.82%	4	0.00%	47	0.22%	33	2.62%	19	15.25%	8	5.24%	22	20.49%	12
Pennsylvania	90.01%	1	84.88%	1	71.21%	1	19.23%	1	12.82%	1	2.65%	1	19.10%	1	102.34%	1	44.09%	1	146.44%	1
Rhode Island	11.25%	21	10.67%	21	9.33%	14	2.30%	20	1.75%	33	0.17%	42	3.54%	8	12.87%	23	8.65%	4	21.53%	9
South Carolina	11.22%	23	10.45%	23	7.17%	41	1.71%	35	1.70%	35	0.26%	20	2.24%	30	13.52%	19	4.20%	33	17.71%	28
South Dakota	7.52%	50	7.05%	50	6.16%	47	-	-	2.47%	11	0.28%	16	2.20%	33	9.29%	49	3.41%	46	12.70%	49
Tennessee	8.50%	47	8.16%	46	6.49%	46	0.04%	43	2.87%	8	0.26%	19	1.41%	48	11.35%	40	4.09%	36	15.44%	42
Texas	9.03%	44	8.55%	43	6.91%	44	-	-	2.39%	14	0.17%	41	3.15%	10	11.28%	42	4.49%	27	15.77%	40
Utah	12.21%	10	11.19%	13	8.30%	26	2.94%	11	2.24%	17	0.24%	24	1.81%	39	14.35%	14	3.86%	39	18.20%	22
Vermont	12.81%	8	11.65%	9	10.96%	5	2.77%	12	1.18%	44	0.25%	23	4.36%	2	14.48%	12	6.27%	14	20.75%	11
Virginia	10.36%	34	9.70%	35	8.07%	30	2.57%	15	1.23%	42	0.22%	32	2.50%	23	11.74%	37	3.72%	43	15.47%	41
Washington	10.72%	30	10.27%	27	7.92%	32	-	-	3.75%	2	0.23%	26	2.26%	29	12.83%	24	3.76%	42	16.58%	32
West Virginia	11.59%	17	10.76%	20	8.74%	20	2.35%	18	1.68%	38	0.42%	2	2.00%	36	13.86%	18	7.59%	6	21.45%	10
Wisconsin	10.72%	29	10.14%	29	8.50%	23	2.29%	22	1.74%	34	0.28%	15	2.66%	16	12.57%	28	3.79%	41	16.36%	35
Wyoming	10.07%	35	9.75%	34	6.13%	48	-	-	1.68%	37	0.23%	30	2.54%	20	13.51%	20	6.98%	12	20.49%	13

50-State Tax Burden and Revenue Comparison, Fiscal Year 2022

* Excluding personal income from states that do not impose taxes on ordinary individual income (AK, FL, NH, NV, SD, TN, TX, WA, WY), U.S. average increases to 3.36%. NH and TN impose income taxes on interest and dividends. ‡ Excluding personal income from states that do not impose state and local sales tax (AK, DE, MT, NH, OR), U.S. average increases to 2.37%. Alaska does not impose a state sales tax, but many local governments impose sales taxes. All calculations by the Utah Taxpayers Association, based on FY2022 data from the US Census Bureau and FY2022 from the Bureau of Economic Analysis, which is the most recent data available.