

Think tank says Florida tax system hardest on working class

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Florida's tax system is among the worst in the nation in terms of pushing the financial burden onto low and middle-income residents, according to a new study by a D.C.-based think tank.

The Institute on Taxation and Economic Policy -- which depending on your political views is either "progressive" or "liberal" -- concluded that Florida families making the least amount of money pay six times more of their income in state and local taxes than those in the top 1 percent of earners. Only the state of Washington, the group found, had a more lopsided system.

Full results are [can be found here](#).

The institute found that families or people making about \$10,500 a year pay roughly 13.5 percent of their income in state and local taxes. Families making \$2.4 million pay an average of 2.1 percent -- or roughly \$50,000. People making about \$37,400 paid about 9 percent of their income in state and local taxes -- about \$3,366. The results are based on 2007 figures.

"A state's taxes should be both fair to the people who pay them and capable of producing enough revenue to meet public needs," said John Hall, executive director of the Florida Center for Fiscal and Economic Policy, which released the state's results. "Florida's system fails on both counts."

The results are driven largely by the fact that Florida has no personal income tax and relies heavily on the state sales tax for its revenue. Such a system tends to take a larger share of the income of people making less money.

States that ITEP found to have a more balanced tax system generally have graduated personal income taxes. The more someone's income rises, the more they pay in taxes.

While that approach places more of the tax burden on the wealthy, critics say it punishes success and removes the incentive for people to do well financially.