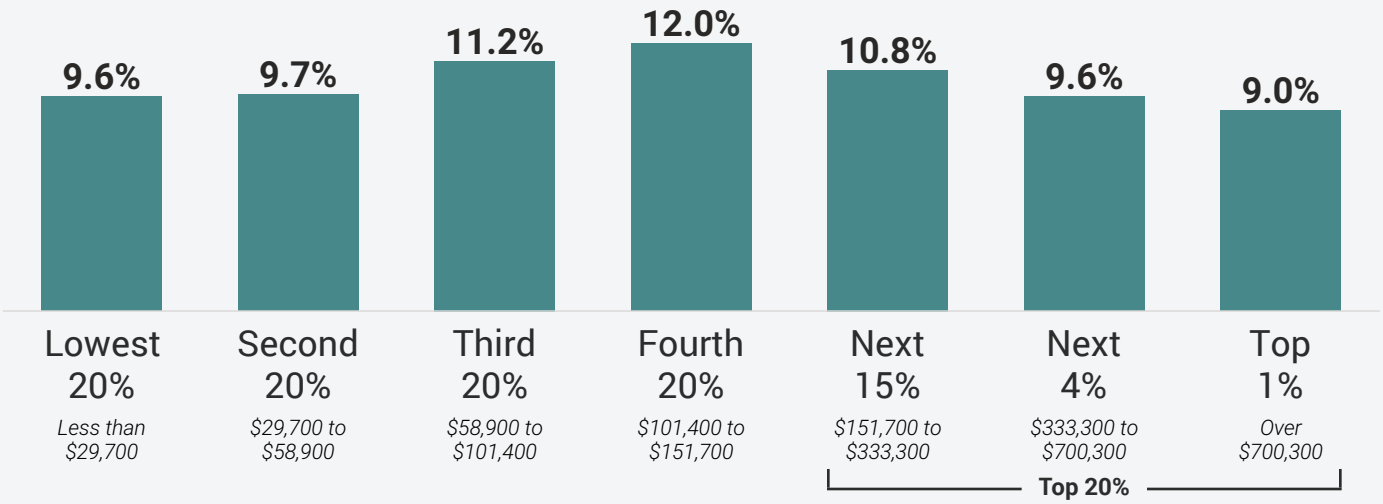
Maryland

State and local tax shares of family income

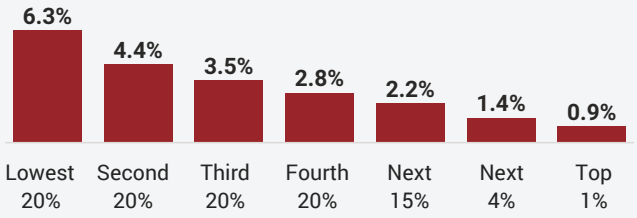
Total Taxes

Share of family income



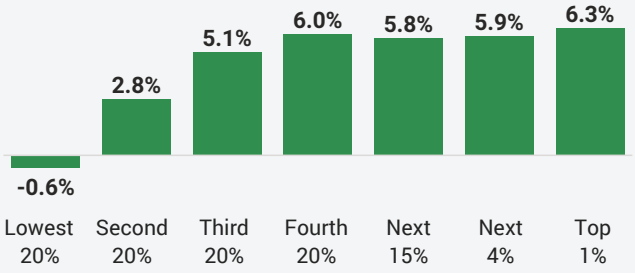
Sales & Excise Taxes

Share of family income



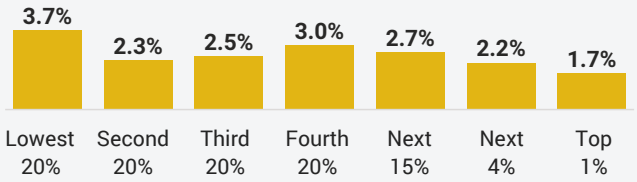
Personal Income Taxes

Share of family income



Property Taxes

Share of family income



Note: All figures and charts show 2024 tax law in Maryland, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.2 percent) state and local tax revenue collected in Maryland.

Maryland State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20% Next 15%	Top 20% Next 4%	Top 20% Top 1%
Income Range	Less than $29,700	$29,700 to $58,900	$58,900 to $101,400	$101,400 to $151,700	$151,700 to $333,300	$333,300 to $700,300	Over $700,300
Average Income in Group	$15,400	$43,200	$78,200	$129,700	$217,800	$456,100	$1,254,300
Sales & Excise Taxes	**6.3%**	**4.4%**	**3.5%**	**2.8%**	**2.2%**	**1.4%**	**0.9%**
General Sales–Individuals	2.4%	2.0%	1.7%	1.4%	1.0%	0.7%	0.3%
Other Sales & Excise–Ind.	3.0%	1.7%	1.2%	0.9%	0.6%	0.4%	0.2%
Sales & Excise–Business	0.8%	0.7%	0.6%	0.6%	0.5%	0.4%	0.4%
Property Taxes	**3.7%**	**2.3%**	**2.5%**	**3.0%**	**2.7%**	**2.2%**	**1.7%**
Home, Rent, Car–Individuals	3.3%	2.0%	2.2%	2.7%	2.4%	1.7%	0.8%
Other Property Taxes	0.4%	0.3%	0.3%	0.3%	0.4%	0.4%	1.0%
Income Taxes	**-0.5%**	**2.8%**	**5.1%**	**6.1%**	**5.9%**	**5.9%**	**6.4%**
Personal Income Taxes	-0.6%	2.8%	5.1%	6.0%	5.8%	5.9%	6.3%
Corporate Income Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Other Taxes	**0.1%**	**0.1%**	**0.1%**	**0.1%**	**0.1%**	**0.1%**	**0.1%**
TOTAL TAXES	**9.6%**	**9.7%**	**11.2%**	**12.0%**	**10.8%**	**9.6%**	**9.0%**

ITEP Tax Inequality Index

Maryland has a hybrid system that is progressive through the middle part of the income distribution and regressive through the bottom and top parts. On balance, the overall system tilts regressive because high-income families pay the lowest overall tax rates. **According to ITEP's Tax Inequality Index, Maryland has the 41st most regressive state and local tax system in the country.** Income disparities between high-income taxpayers and other families are larger in Maryland 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 Maryland

PROGRESSIVE

- Partially refundable dependent care tax credit
- Levies a state estate tax and county inheritance tax
- Refundable property tax "circuit breaker" credit (all ages, includes renters)
- Graduated personal income tax structure
- Limited, refundable Child Tax Credit (CTC)
- Refundable Earned Income Tax Credit (EITC)
- Sales tax base excludes groceries

REGRESSIVE

- Real estate transfer tax does not include higher rate on high-value sales
- Does not use combined reporting as part of its corporate income tax
- Offers itemized deductions