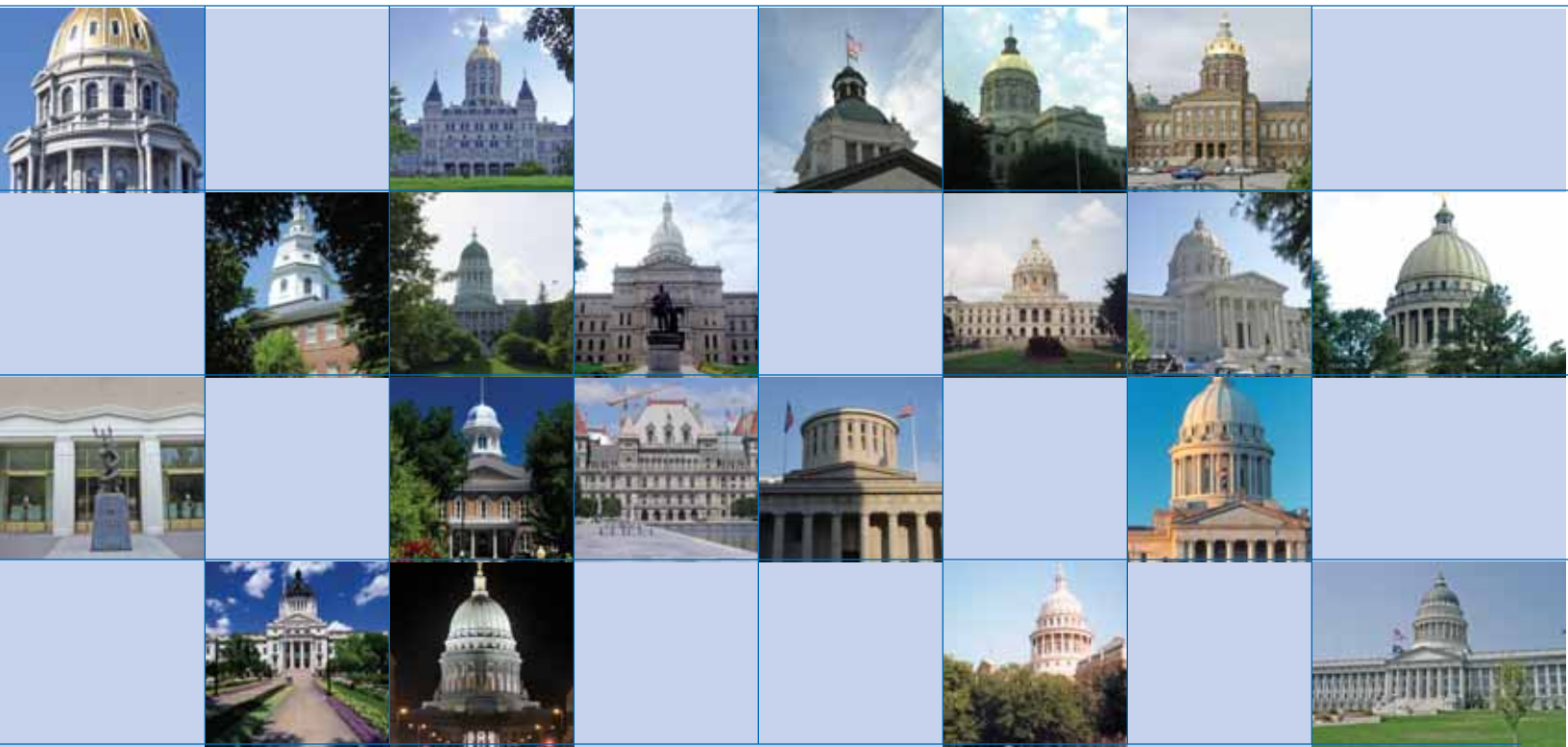




STATE HANDBOOK OF

ECONOMIC, DEMOGRAPHIC & FISCAL INDICATORS



SEVENTH EDITION

2008



STATE HANDBOOK OF

ECONOMIC, DEMOGRAPHIC & FISCAL INDICATORS



by David Baer

SEVENTH EDITION **2008**

Table of Contents

	Pages
Acknowledgments.....	iv
Introduction.....	1
I. State Economic, Demographic, and Fiscal Summaries (including Puerto Rico and the Virgin Islands).....	5
II. Tables and U.S. Maps.....	402
III. Data Sources and Explanations.....	449

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Introduction

The *State Handbook of Economic, Demographic, and Fiscal Indicators 2008* represents the seventh edition of the state handbook series. We produce a new updated handbook biennially. It is an easy-to-use reference book for anyone in search of up-to-date information about state economic, demographic, and fiscal conditions. Policymakers, public officials, and policy analysts will find useful data on such topics as population, poverty rates, per capita state personal income, state and local revenues, expenditures, tax rates, and property tax relief programs. Gender and age comparisons are provided for some of the data. Throughout the book we use the most current data available.

This handbook facilitates state-by-state and state-national comparisons, which can serve a variety of purposes. For example, a state's tax burden can be compared with the national average or with that of other states in the region. Per capita state personal income, unemployment, and median household income can be used to assess how residents in one state fare vis-à-vis those in another.

State Economic, Demographic, and Fiscal Summaries

This part of the book features economic, demographic, and fiscal summaries of the entire United States, each state, and the District of Columbia, along with summaries for the Virgin Islands and Puerto Rico. Most of the book's information is presented in this section. Users will find statistics on several major economic indicators, such as state personal income, median household income, and employment, as well as on population and poverty, distribution of household income, revenues, expenditures, tax rates, and debt ratio measures.

A section on state-specific property tax relief summarizes homestead exemptions and credits, circuit breakers, and tax deferral programs, all of which are defined in the source notes and explanations section at the end of the book. We did not include all of the property tax rates, because they can vary within states, and because data on the varying rates are not easily available. In addition, nominal rates often do not equal effective rates.

Homestead exemptions are reductions in the amount of assessed property value subject to taxation. When reporting homestead exemptions, we note the assessed property value; however, the value of the tax reduction depends not only on the assessed property value but also on the fractional assessment level. For example, the fractional assessment percentage in Alabama is 10 percent for residential property, so the *reported* exemption value of \$4,000 translates into an exemption of \$40,000 in fair market value (\$4,000 divided by 0.1). For this reason, assessed values must first be converted into fair market values before comparing homestead exemptions among states.

The section on state and local general revenues and expenditures shows revenues and expenditures per capita and as a percentage of state personal income, as well as average annual changes from 1995 to 2005. The year 2005 was the most current year for which we could obtain revenue and expenditure data from the U.S. Census Bureau. Comparisons of the amounts spent on expenditure programs can be made between each state and the national average. State and local debt information is provided on a per capita basis and per \$1,000 of personal income. The composition of short-term and long-term debt is also presented.

Since the *2006 Handbook*, the U.S. Bureau of Economic Analysis (BEA) no longer identifies a state's gross domestic product as "gross state product;" instead, BEA identifies a state's gross domestic product as "gross domestic product by state." Therefore, we replaced the words "gross state product" with the words "gross domestic product." However, gross state product and gross domestic product by state refer to the same exact measure of a state's economy.

Since we are now collecting poverty rate data from the American Community Survey (ACS) instead of the Current Population Survey (CPS), we no longer report the poverty rate in the economic indicators table (the first table in the state summaries). This is because we will not be able to make a 10-year comparison of state poverty rates until ACS has 10 years of poverty data.

First, with the health and long-term care state income tax exemptions and credits, we describe only those state tax exemptions and credits that are more generous than those allowed on the federal return. Therefore, we exclude tax exemptions, e.g., medical savings account deductions, which are found in federal adjusted gross income. Further, we exclude state itemized deductions, since we only want to describe tax exemptions and credits that benefit all taxpayers, not just those who itemize. Therefore, all the state health and long-term care tax provisions described here are available to all state filers, whether they itemize or not. Finally, since we are only interested in the general population, we exclude state health and long-term care tax breaks that are targeted specifically for self-employed persons.

Second, we describe how the state tax income base is related to the federal income tax base, such as federal adjusted gross income. The state income tax base may be unrelated to the federal base; it may link to federal adjusted gross income (AGI), federal taxable income, or to federal gross income. If state taxable income is unrelated to federal income, we say that the state's income tax base is not directly related to federal income.

Third, we highlight the minimum income levels at which taxpayers must file their state income taxes. Fifth, because some states have local expenditure limits which may affect the amount of property taxes collected, we describe how localities limit the growth of their expenditures.

Tables and U.S. Maps

The handbook provides tables and maps of selected state economic, demographic, and fiscal data (found primarily in the economic, demographic, and fiscal summaries part). This presentation of the data makes it easy to compare any or all states and the District of Columbia on such economic indicators as per capita income or gross state product. The tables provide state rankings for easy comparisons. We do not include Puerto Rico and the Virgin Islands because the data are either unavailable or not as current as state data, in the tables.

Data Sources and Explanations

Data sources and explanations of concepts or terms can be found in this part of the handbook. Most of the information in the handbook comes from the U.S. Bureau of the Census. This includes poverty rate by age group and household income by age group from the American Community Survey, median household income from the Current Population Survey, population estimates by age group based on decennial census data, and revenues and expenditures from the Census of Governments.

We collected economic data, such as per capita income and gross domestic product by state, from the U.S. Bureau of Economic Analysis and employment data from the U.S. Bureau of Labor Statistics. In addition, we obtained tax rate and property tax relief information from a survey of state and local government offices, such as state legislative offices and state and local assessors' offices.

For Puerto Rico and the Virgin Islands, we collected household income, poverty rate, and population data from U.S. decennial census data. Employment data came from the U.S. Bureau of Labor Statistics (Puerto Rico) and the Virgin Island's Bureau of Economic Research. Per capita income came from Puerto Rico's Department of the Treasury and the U.S. Census Bureau (Virgin Islands). Tax rates, general revenue, and general expenditure data came from Puerto Rico's Department of the Treasury, the Virgin Islands Office of Management and Budget (revenues), the U.S. Internal Revenue Service (income tax data), and the Virgin Islands Bureau of Internal Revenue (miscellaneous tax data).

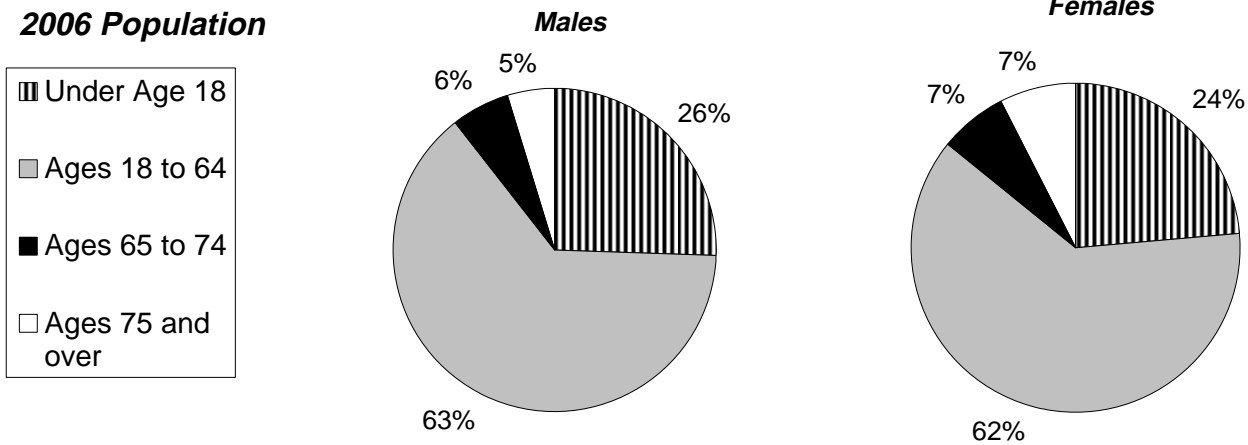
As state and local economic conditions and demographic patterns change, policymakers may consider adjusting their policies on taxes and spending programs. These adjustments become more difficult when economic and demographic changes depart from historical trends. It is our belief that this publication will contribute to more informed public policy decisions by identifying significant economic, demographic, and fiscal changes.

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Economic Indicators	US		Average Annual Change
	1996	2006	1996-2006
	Per Capita Income.....	\$24,175	\$36,629
Median Household Income	\$35,492	\$48,201	3.1%
Gross State Product (in millions).....	\$7,659,651	\$13,149,033	5.6%
Full- and Part-Time Positions (in thousands).....	152,150	178,343	1.6%
Employed Persons (in thousands)	126,708	144,427	1.3%
Unemployment Rate.....	5.4%	4.6%	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population			Poverty Rate 2006
	1996	2006	Percentage Change 1996-2006	
Total Population.....	265,228,572	299,398,484	12.9%	13.3%
Males.....	129,504,353	147,512,152	13.9%	11.9%
Under Age 18.....	35,412,258	37,734,707	6.6%	18.2%
Ages 18 to 64.....	80,171,104	94,120,569	17.4%	10.1%
Ages 65 to 74.....	8,335,108	8,670,267	4.0%	6.9%
Ages 75 and over.....	5,585,883	6,986,609	25.1%	7.7%
Females.....	135,724,219	151,886,332	11.9%	14.7%
Under age 18.....	33,695,557	36,000,855	6.8%	18.5%
Ages 18 to 64.....	81,992,477	94,282,001	15.0%	13.8%
Ages 65 to 74.....	10,354,985	10,246,577	-1.0%	10.2%
Ages 75 and over.....	9,681,200	11,356,899	17.3%	13.5%

Source: U.S. Bureau of the Census

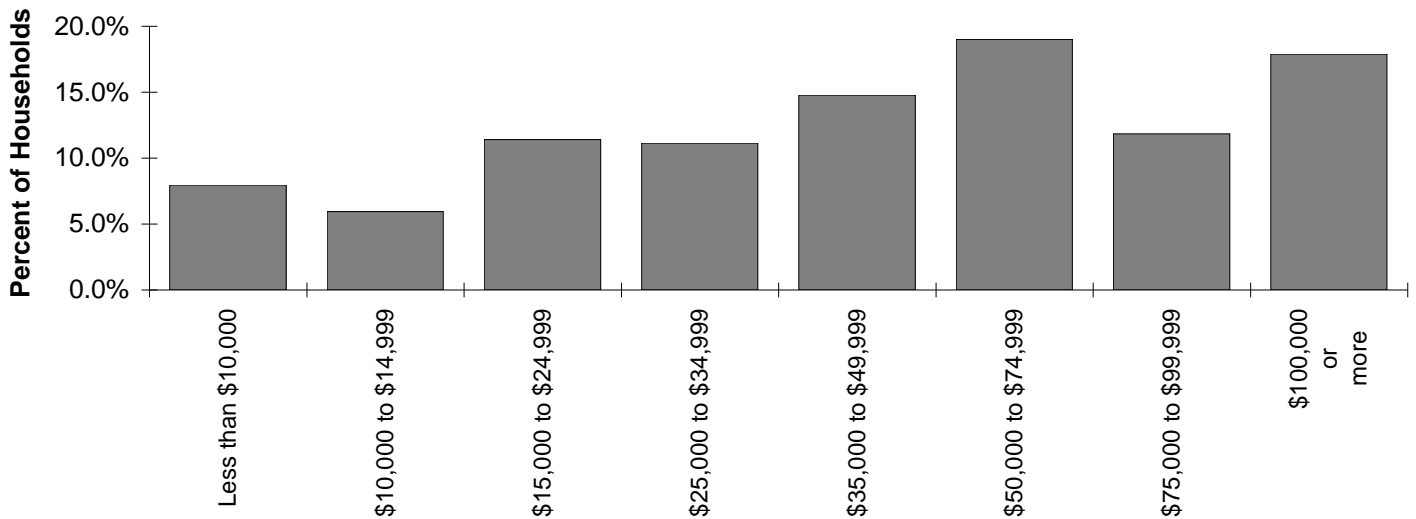
U.S.

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	20.5%	9.9%	18.8%	15.6%	16.1%	12.6%	4.0%	2.5%	100.0%
25 to 44 years.....	6.2%	3.9%	9.3%	11.0%	15.9%	21.9%	13.7%	18.1%	100.0%
45 to 64 years.....	6.6%	4.1%	8.3%	9.1%	13.5%	19.8%	14.0%	24.6%	100.0%
65 years and over.....	10.9%	12.0%	19.2%	14.2%	15.0%	13.8%	6.4%	8.5%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006

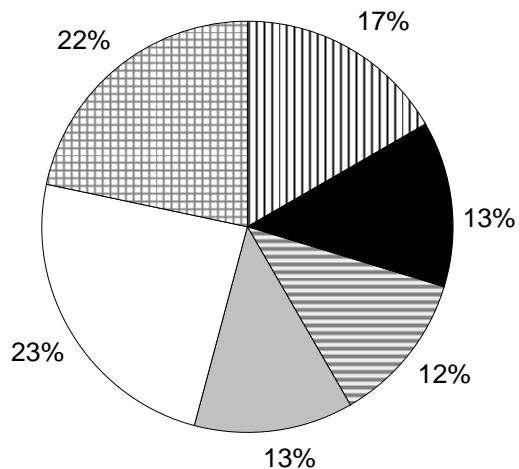
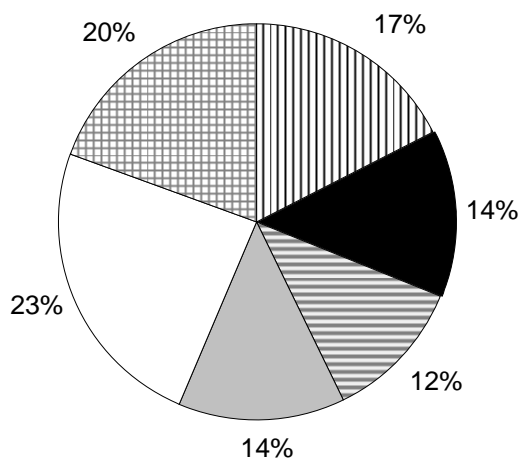
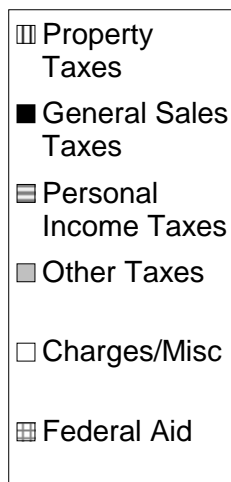


State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita	Percent of Personal Income	Average Annual Revenue Change 1995–2005
Total General Revenues.....	\$2,020,926	\$6,816	20.8%	5.6%
Own Sources.....	\$1,582,770	\$5,338	16.3%	5.3%
Taxes.....	\$1,096,385	\$3,698	11.3%	5.2%
Property Taxes.....	\$335,678	\$1,132	3.5%	5.1%
General Sales Taxes.....	\$262,955	\$887	2.7%	5.1%
Personal Income Taxes*	\$240,930	\$813	2.5%	5.7%
Other Taxes.....	\$256,822	\$866	2.6%	4.9%
Charges/Miscellaneous.....	\$486,386	\$1,640	5.0%	5.7%
Federal Aid.....	\$438,156	\$1,478	4.5%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



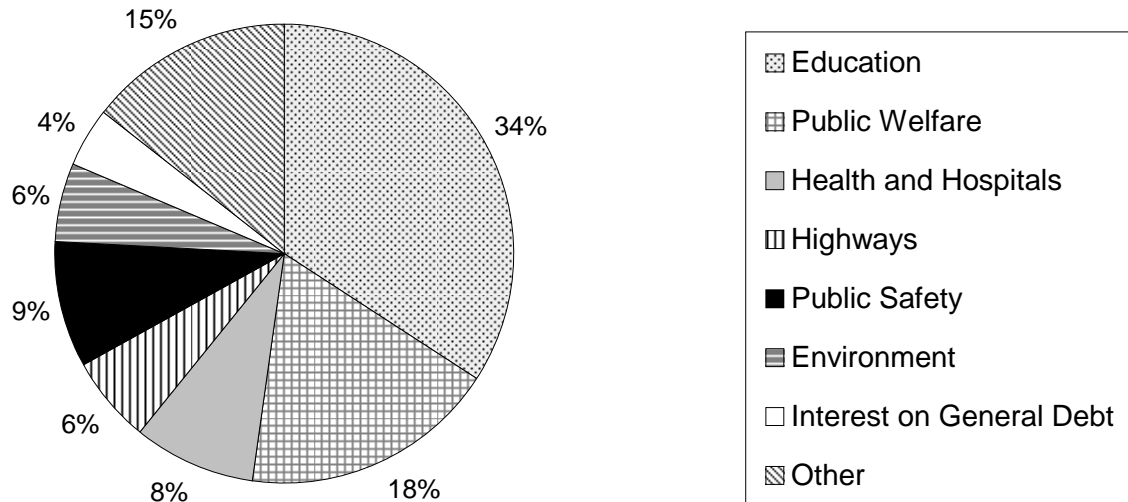
U.S.

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita	Percent of Personal Income	Average Annual Expenditure Change 1995-2005
State/Local Direct General Expends..	\$2,014,358	\$6,794	20.7%	5.8%
To State/Local Government.....	\$2,009,644	\$6,778	20.7%	5.8%
Education*	\$689,376	\$2,325	7.1%	6.2%
Public Welfare.....	\$362,007	\$1,221	3.7%	6.5%
Health and Hospitals.....	\$170,244	\$574	1.8%	4.9%
Highways.....	\$123,900	\$418	1.3%	4.9%
Public Safety*	\$177,524	\$599	1.8%	5.8%
Environment.....	\$113,456	\$383	1.2%	4.7%
Interest on General Debt.....	\$80,980	\$273	0.8%	3.6%
Other.....	\$292,157	\$985	3.0%	6.1%
To Federal Government.....	\$4,714	\$16	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
United States.....	\$2,067.0	\$6,970	\$212.8	\$2,036.0	98.5%	\$31.00	1.5%

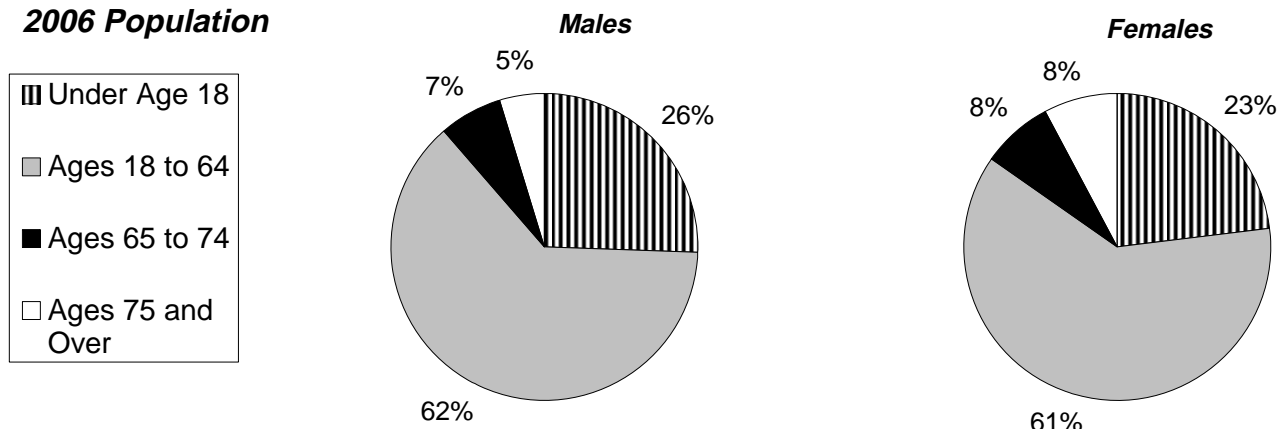
Source: U.S. Bureau of the Census

Alabama

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	AL	US	AL	US	AL	US
	Per Capita Income.....	\$20,081	\$24,175	\$30,841	\$36,629	4.4%
Median Household Income	\$30,302	\$35,492	\$37,952	\$48,201	2.3%	3.1%
Gross State Product (in millions).....	\$97,941	\$7,659,651	\$160,569	\$13,149,033	5.1%	5.6%
Full- and Part-Time Positions (in thousands).....	2,290	152,150	2,591	178,343	1.2%	1.6%
Employed Persons (in thousands)	1,993	126,708	2,121	144,427	0.6%	1.3%
Unemployment Rate.....	4.5%	5.4%	3.6%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	AL	AL	AL	US	AL	US
Total Population.....	4,290,403	4,599,030	7.2%	12.9%	16.6%	13.3%
Males.....	2,057,919	2,229,469	8.3%	13.9%	14.4%	11.9%
Under Age 18.....	552,138	569,693	3.2%	6.6%	22.7%	18.2%
Ages 18 to 64.....	1,283,654	1,407,972	9.7%	17.4%	11.9%	10.1%
Ages 65 to 74.....	136,300	147,057	7.9%	4.0%	8.0%	6.9%
Ages 75 and Over.....	85,827	104,747	22.0%	25.1%	9.8%	7.7%
Females.....	2,232,484	2,369,561	6.1%	11.9%	18.6%	14.7%
Under Age 18.....	527,178	544,608	3.3%	6.8%	23.4%	18.5%
Ages 18 to 64.....	1,365,964	1,461,160	7.0%	15.0%	17.6%	13.8%
Ages 65 to 74.....	178,213	180,233	1.1%	-1.0%	11.5%	10.2%
Ages 75 and Over.....	161,129	183,560	13.9%	17.3%	19.4%	13.5%

Source: U.S. Bureau of the Census

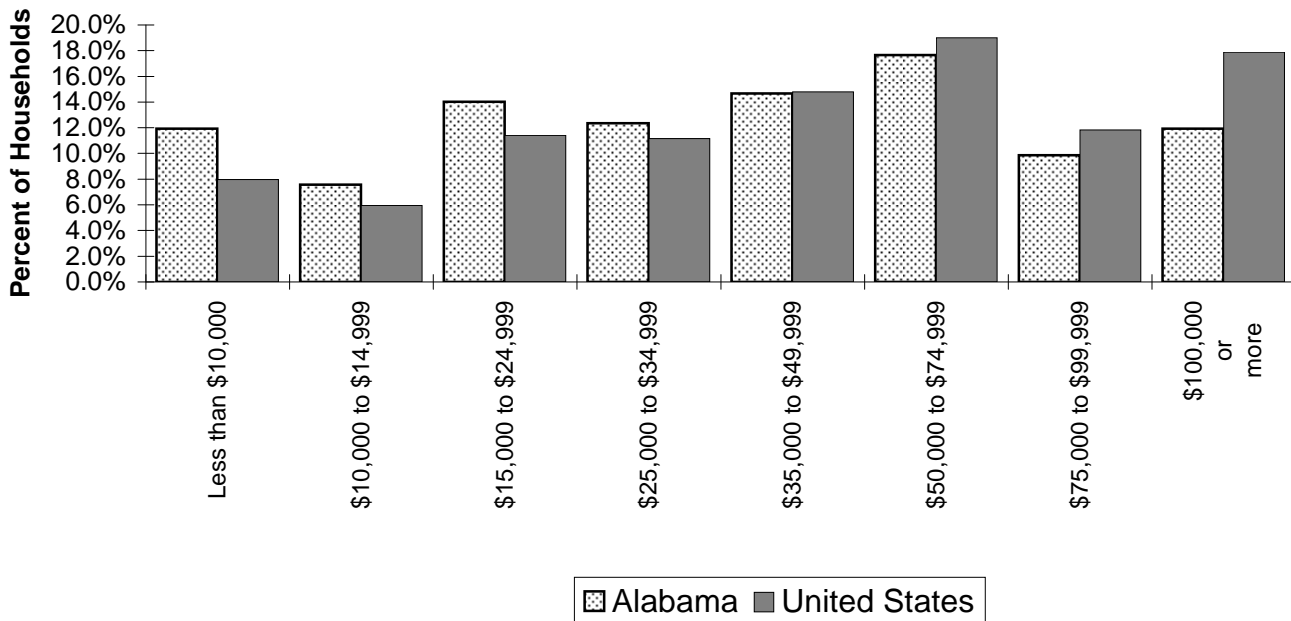
Alabama

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	29.1%	12.0%	20.8%	14.2%	11.3%	9.7%	2.0%	0.9%	100.0%
25 to 44 years.....	10.3%	5.1%	11.7%	12.3%	16.4%	20.6%	12.2%	11.5%	100.0%
45 to 64 years.....	9.5%	5.7%	11.4%	11.1%	13.8%	19.5%	11.8%	17.3%	100.0%
65 years and over.....	14.8%	13.8%	20.8%	14.1%	14.3%	11.5%	4.8%	5.9%	100.0%
Alabama (all ages).....	11.9%	7.6%	14.0%	12.4%	14.7%	17.7%	9.9%	11.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



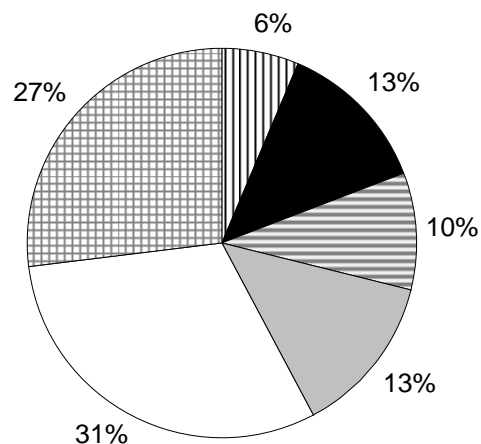
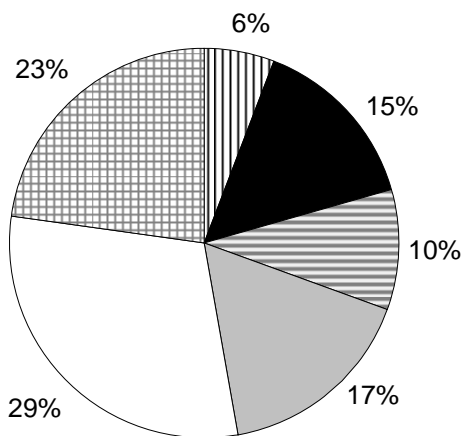
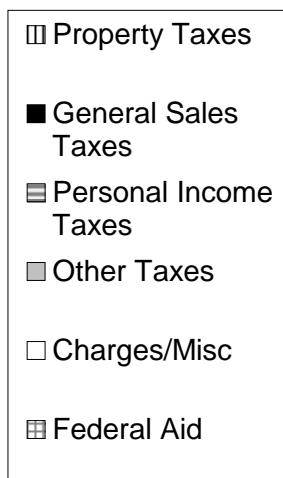
Alabama

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		AL	US	AL	US	AL	US
		Total General Revenues.....	\$27,599	\$6,068	\$6,816	21.9%	20.8%
Own Sources.....	\$20,162	\$4,433	\$5,338	16.0%	16.3%	5.4%	5.3%
Taxes.....	\$11,687	\$2,570	\$3,698	9.3%	11.3%	4.8%	5.2%
Property Taxes.....	\$1,792	\$394	\$1,132	1.4%	3.5%	6.9%	5.1%
General Sales Taxes.....	\$3,533	\$777	\$887	2.8%	2.7%	4.6%	5.1%
Personal Income Taxes.....	\$2,645	\$582	\$813	2.1%	2.5%	5.5%	5.7%
Other Taxes.....	\$3,717	\$817	\$866	2.9%	2.6%	3.8%	4.9%
Charges/Miscellaneous.....	\$8,475	\$1,863	\$1,640	6.7%	5.0%	6.2%	5.7%
Federal Aid.....	\$7,438	\$1,635	\$1,478	5.9%	4.5%	7.8%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Alabama

I. Personal Income Tax (2006)

State Income Tax Base

Alabama's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their total gross income equals or exceeds \$1,875 (single) or \$3,750 (married, filing jointly).

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$500	2.0%	First \$1,000	2.0%
\$501 – \$3,000	4.0%	\$1,001 – \$6,000	4.0%
Over \$3,000	5.0%	Over \$6,000	5.0%

Public Pension Exemption	Full exemption
Private Pension Exemption	Full exemption with a defined-benefit plan; no exemption with other plans
Social Security Benefits	Full exemption
Medical Deduction	Medical expenses above 4% of Alabama adjusted gross income (AGI)
Long-Term Care Insurance Deduction	Full deduction for long-term care insurance premiums
Standard Deductions and Personal Exemptions Combined	
All ages	\$1,875 – \$3,500 (single); \$3,750 – \$7,000 (married, filing jointly)
Other Deductions	100% of federal income taxes
Local Income Taxes	None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Alabama

II. General Sales Tax Rates (2006)

State 4.0%
Combined state/local tax rates..... 5.0% to 11.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 6.5% All taxable income
Gasoline (per gallon) \$0.18 Local rates range from \$0.005 to \$0.04.
Cigarette (per pack of 20) \$0.425 Local taxes, where levied, are additional.
Beer (per gallon) \$0.533 Counties levy an additional \$0.52/gallon.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners..... \$4,000 assessed value on state taxes
\$2,000 assessed value on county taxes
(optional \$2,000 assessed value
exemption for other local taxing units)

Homeowners age 65 and older Full exemption from state taxes
\$2,000 assessed value on county taxes
(optional \$2,000 exemption for other
local taxing units)

Homeowners age 65 and older with state
adjusted gross income (AGI) less than \$12,000 \$5,000 assessed value on local taxes

Homeowners age 65 and older or totally disabled
with federal AGI less than \$7,500 Full exemption on state and local taxes

Circuit Breaker None

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Residential property tax rates cannot exceed one-tenth of 1% of fair market value (nominal rate) or 1% of fair market value (the effective rate using a 10% assessment ratio).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

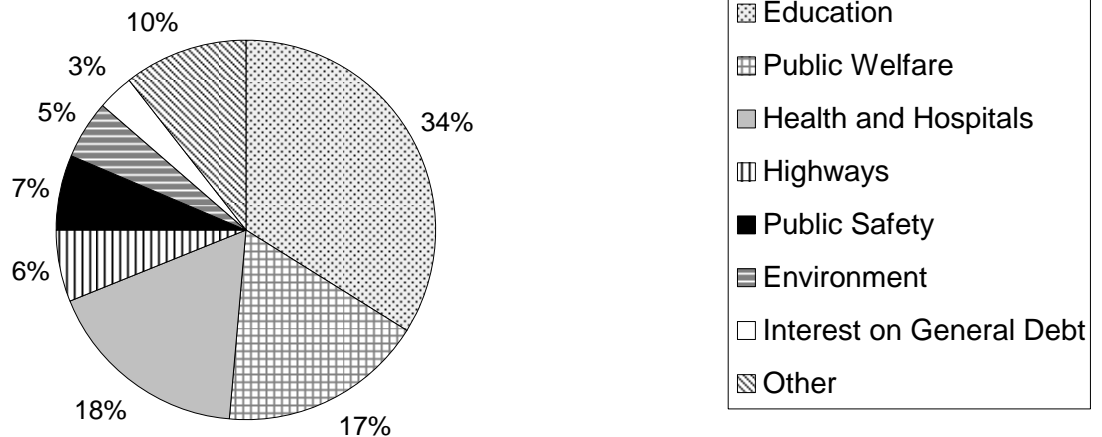
Alabama

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		AL	US	AL	US	AL	US
		State/Local Direct General Expenditures	\$29,029	\$6,382	\$6,794	23.0%	20.7%
To State/Local Government	\$29,029	\$6,382	\$6,778	23.0%	20.7%	6.3%	5.8%
Education*	\$9,877	\$2,172	\$2,325	7.8%	7.1%	6.5%	6.2%
Public Welfare	\$5,023	\$1,104	\$1,221	4.0%	3.7%	8.0%	6.5%
Health and Hospitals	\$5,101	\$1,121	\$574	4.0%	1.8%	5.8%	4.9%
Highways	\$1,753	\$385	\$418	1.4%	1.3%	4.1%	4.9%
Public Safety*	\$1,900	\$418	\$599	1.5%	1.8%	6.3%	5.8%
Environment	\$1,455	\$320	\$383	1.2%	1.2%	6.3%	4.7%
Interest on General Debt	\$883	\$194	\$273	0.7%	0.8%	4.1%	3.6%
Other	\$3,038	\$668	\$985	2.4%	3.0%	6.2%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Alabama (State and Local)	\$22.5	\$4,947	\$178.17	\$22.4	99.6%	\$0.09	0.4%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

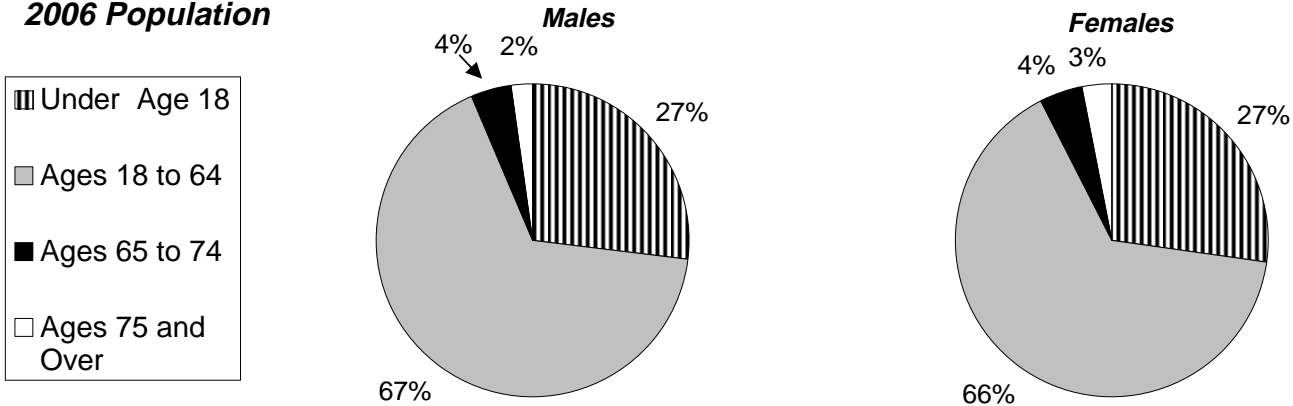
Source: U.S. Bureau of the Census

Alaska

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	AK	US	AK	US	AK	US
	Per Capita Income.....	\$25,805	\$24,175	\$38,622	\$36,629	4.1%
Median Household Income	\$52,779	\$35,492	\$56,418	\$48,201	0.7%	3.1%
Gross Domestic Product by State (in millions).....	\$26,083	\$7,659,651	\$41,105	\$13,149,033	4.7%	5.6%
Full- and Part-Time Positions (in thousands).....	371	152,150	443	178,343	1.8%	1.6%
Employed Persons (in thousands).....	286	126,708	324	144,427	1.3%	1.3%
Unemployment Rate.....	7.5%	5.4%	6.7%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	AK	AK	AK	US	AK	US
Total Population.....	604,918	670,053	10.8%	12.9%	10.9%	13.3%
Males.....	317,554	346,411	9.1%	13.9%	9.9%	11.9%
Under Age 18.....	96,485	93,616	-3.0%	6.6%	15.2%	18.2%
Ages 18 to 64.....	206,416	231,111	12.0%	17.4%	8.4%	10.1%
Ages 65 to 74.....	10,248	13,933	36.0%	4.0%	2.8%	6.9%
Ages 75 and Over.....	4,405	7,751	76.0%	25.1%	2.2%	7.7%
Females.....	287,364	323,642	12.6%	11.9%	11.9%	14.7%
Under Age 18.....	90,156	87,818	-2.6%	6.8%	15.0%	18.5%
Ages 18 to 64.....	180,881	211,878	17.1%	15.0%	11.4%	13.8%
Ages 65 to 74.....	10,415	13,620	30.8%	-1.0%	4.1%	10.2%
Ages 75 and Over.....	5,912	10,326	74.7%	17.3%	7.6%	13.5%

Source: U.S. Bureau of the Census

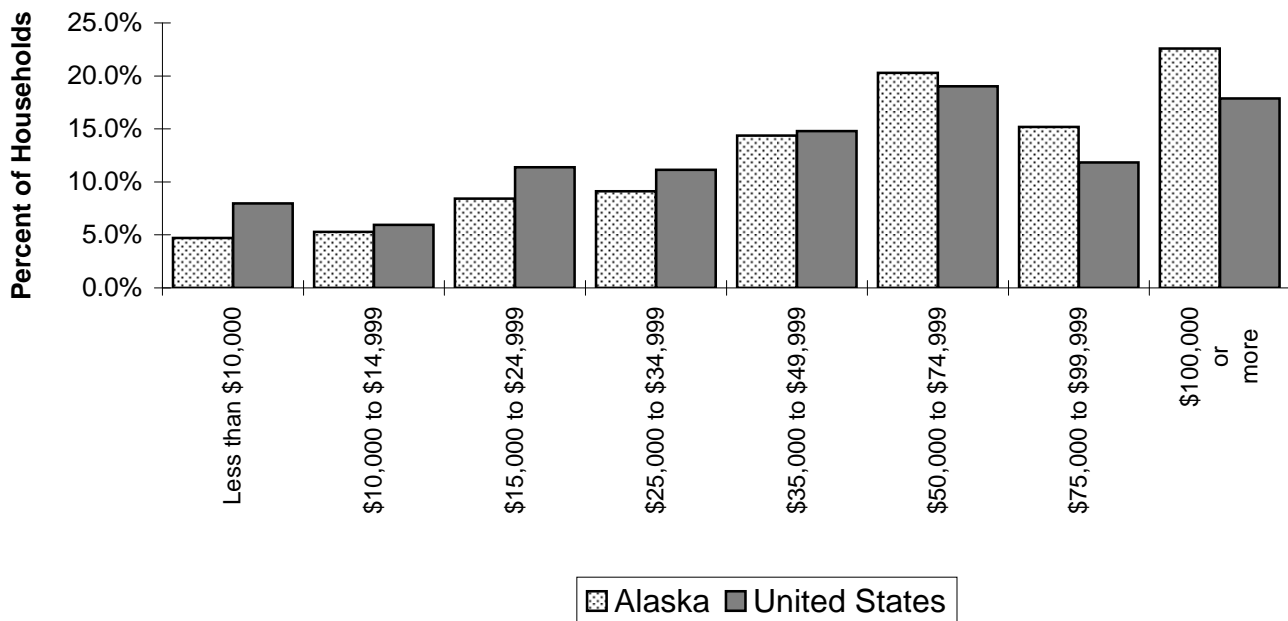
Alaska

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	5.6%	6.7%	15.4%	17.2%	25.4%	17.7%	5.2%	6.8%	100.0%
25 to 44 years.....	4.3%	3.7%	7.6%	9.5%	16.8%	22.4%	17.0%	18.8%	100.0%
45 to 64 years.....	5.5%	5.2%	6.5%	6.4%	10.7%	19.6%	16.4%	29.9%	100.0%
65 years and over.....	2.8%	10.9%	16.1%	14.9%	15.0%	16.6%	8.7%	15.0%	100.0%
Alaska (all ages).....	4.7%	5.3%	8.4%	9.1%	14.4%	20.3%	15.2%	22.6%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



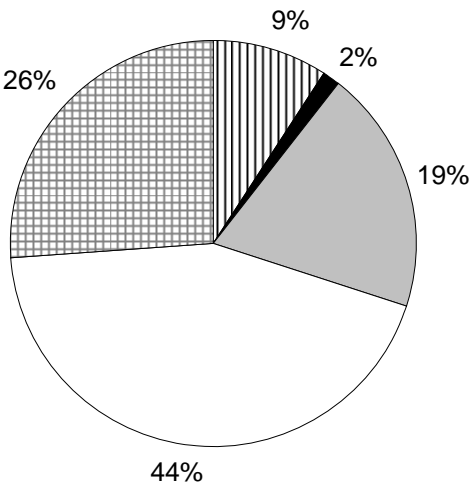
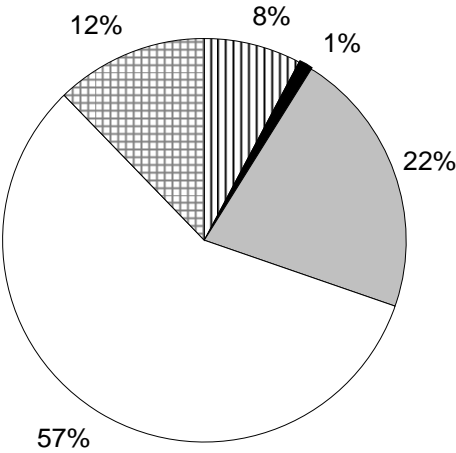
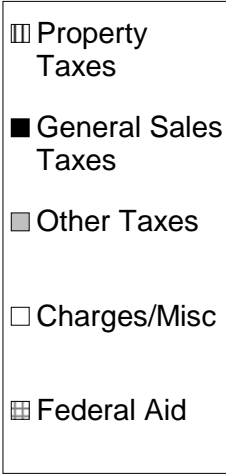
Alaska

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995-2005	
		AK	US	AK	US	AK	US
Total General Revenues.....	\$9,825	\$14,813	\$6,816	43.7%	20.8%	1.0%	5.6%
Own Sources.....	\$7,272	\$10,964	\$5,338	32.4%	16.3%	-0.7%	5.3%
Taxes.....	\$2,947	\$4,443	\$3,698	13.1%	11.3%	0.9%	5.2%
Property Taxes.....	\$892	\$1,345	\$1,132	4.0%	3.5%	2.8%	5.1%
General Sales Taxes.....	\$157	\$237	\$887	0.7%	2.7%	3.9%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$1,898	\$2,861	\$866	8.4%	2.6%	-0.1%	4.9%
Charges/Miscellaneous.....	\$4,324	\$6,519	\$1,640	19.3%	5.0%	-1.6%	5.7%
Federal Aid.....	\$2,553	\$3,849	\$1,478	11.4%	4.5%	8.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Alaska

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State None
Local..... 0% to 7%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 9.4% On income over \$90,000
Gasoline (per gallon) \$0.08 There may be additional local taxes.
Cigarette (per pack of 20) \$1.80* Local taxes, where levied, are additional.
Beer (per gallon) \$1.07

*The cigarette tax rate increased to \$2.00 per pack effective July 1, 2007.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners Local option exemption of up to \$20,000 assessed value

Homeowners age 65 and older, disabled veterans, or surviving spouses age 60 or older \$150,000 assessed value

Volunteer firefighters or EMT (emergency medical technician) homeowners..... Local option exemption of up to \$10,000 assessed value

Circuit Breaker None

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Local real property tax rates cannot exceed the following rates:

Home rule and first-class cities \$3 per \$100 of assessed value
Second-class cities \$2 per \$100 of assessed value
Boroughs \$3 per \$100 of assessed value

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

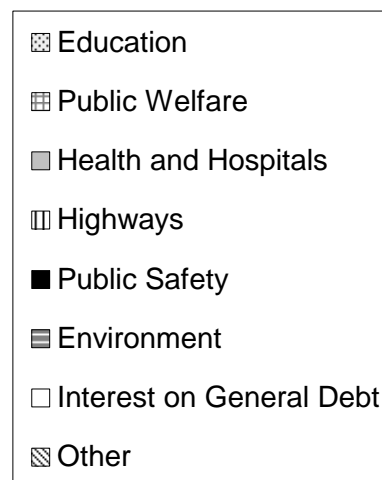
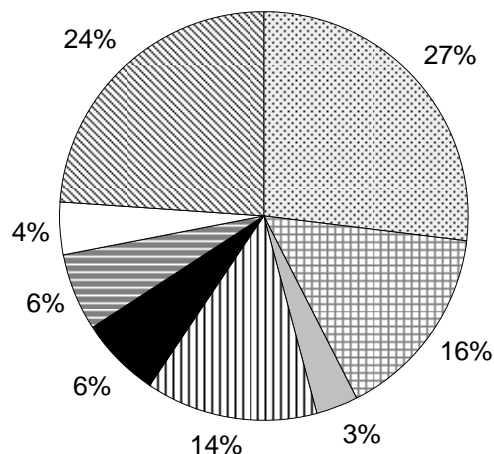
Alaska

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		AK	US	AK	US	AK	US
		State/Local Direct General Expenditures	\$8,795	\$13,261	\$6,794	39.2%	20.7%
To State/Local Government	\$8,795	\$13,261	\$6,778	39.2%	20.7%	3.5%	5.8%
Education*	\$2,361	\$3,560	\$2,325	10.5%	7.1%	4.6%	6.2%
Public Welfare	\$1,379	\$2,079	\$1,221	6.1%	3.7%	9.4%	6.5%
Health and Hospitals	\$298	\$450	\$574	1.3%	1.8%	2.8%	4.9%
Highways	\$1,202	\$1,812	\$418	5.4%	1.3%	6.1%	4.9%
Public Safety*	\$541	\$815	\$599	2.4%	1.8%	3.6%	5.8%
Environment	\$539	\$812	\$383	2.4%	1.2%	2.7%	4.7%
Interest on General Debt	\$375	\$565	\$273	1.7%	0.8%	-3.0%	3.6%
Other	\$2,101	\$3,167	\$985	9.4%	3.0%	0.5%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005 (excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Alaska (State and Local)	\$8.8	\$13,208	\$390.04	\$8.6	98.4%	\$0.14	1.6%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

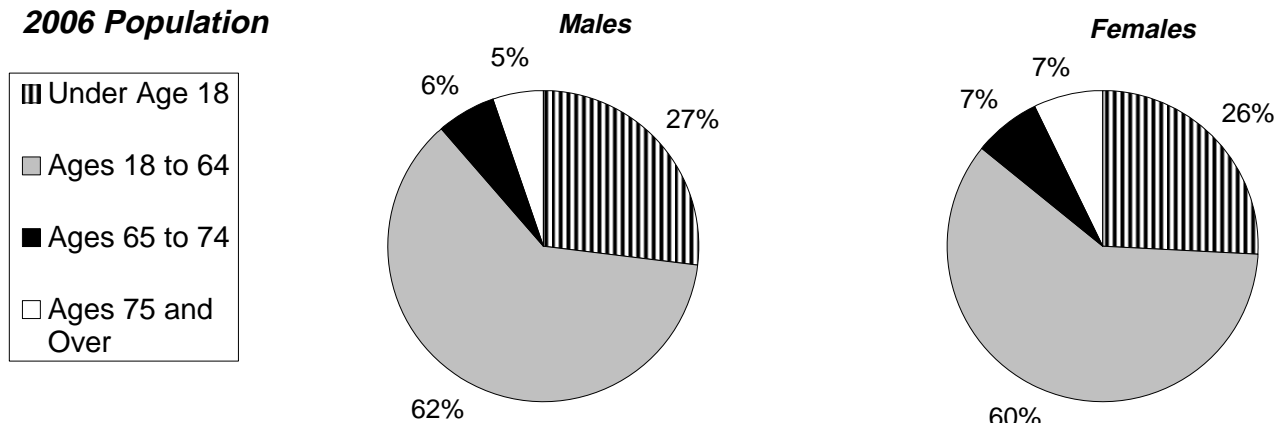
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Arizona

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	AZ	US	AZ	US	AZ	US
	Per Capita Income.....	\$20,823	\$24,175	\$31,949	\$36,629	4.4%
Median Household Income	\$31,637	\$35,492	\$46,657	\$48,201	4.0%	3.1%
Gross Domestic Product by State (in millions).....	\$113,138	\$7,659,651	\$232,463	\$13,149,033	7.5%	5.6%
Full- and Part-Time Positions (in thousands).....	2,406	152,150	3,366	178,343	3.4%	1.6%
Employed Persons (in thousands)	2,146	126,708	2,854	144,427	2.9%	1.3%
Unemployment Rate.....	5.5%	5.4%	4.1%	4.6%	n/a	n/a

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	AZ	AZ	AZ	US	AZ	US
Total Population.....	4,432,308	6,166,318	39.1%	12.9%	14.2%	13.3%
Males.....	2,191,176	3,085,755	40.8%	13.9%	13.0%	11.9%
Under Age 18.....	624,806	833,054	33.3%	6.6%	19.0%	18.2%
Ages 18 to 64.....	1,306,208	1,901,211	45.6%	17.4%	11.6%	10.1%
Ages 65 to 74.....	154,111	188,211	22.1%	4.0%	6.5%	6.9%
Ages 75 and Over.....	106,051	163,279	54.0%	25.1%	6.4%	7.7%
Females.....	2,241,132	3,080,563	37.5%	11.9%	15.4%	14.7%
Under Age 18.....	596,035	795,144	33.4%	6.8%	20.1%	18.5%
Ages 18 to 64.....	1,312,098	1,846,623	40.7%	15.0%	14.7%	13.8%
Ages 65 to 74.....	181,172	214,721	18.5%	-1.0%	8.3%	10.2%
Ages 75 and Over.....	151,827	224,075	47.6%	17.3%	10.2%	13.5%

Source: U.S. Bureau of the Census

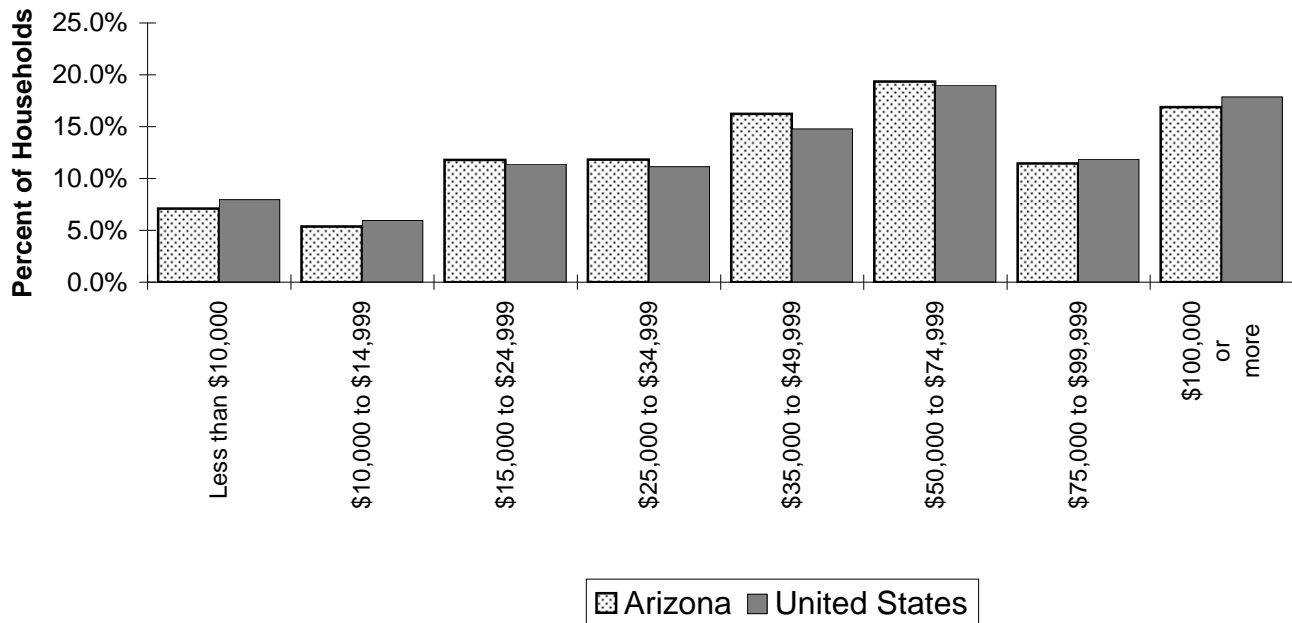
Arizona

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	16.4%	8.8%	18.0%	15.4%	17.5%	16.5%	4.3%	3.2%	100.0%
25 to 44 years.....	5.7%	3.5%	10.1%	11.4%	17.4%	22.0%	12.9%	17.0%	100.0%
45 to 64 years.....	6.5%	3.8%	8.9%	9.3%	14.4%	19.9%	13.7%	23.5%	100.0%
65 years and over.....	8.3%	10.3%	18.0%	15.9%	16.9%	14.5%	6.8%	9.2%	100.0%
Arizona (all ages).....	7.1%	5.4%	11.8%	11.8%	16.2%	19.3%	11.4%	16.9%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



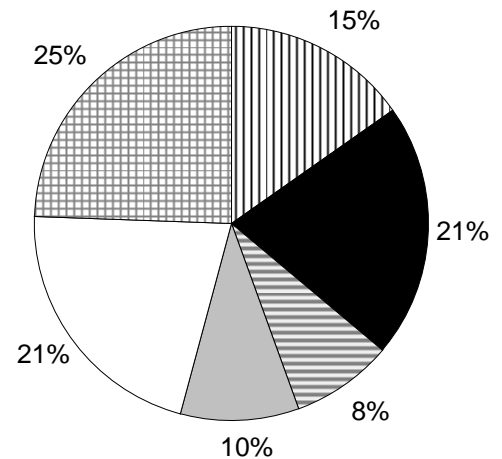
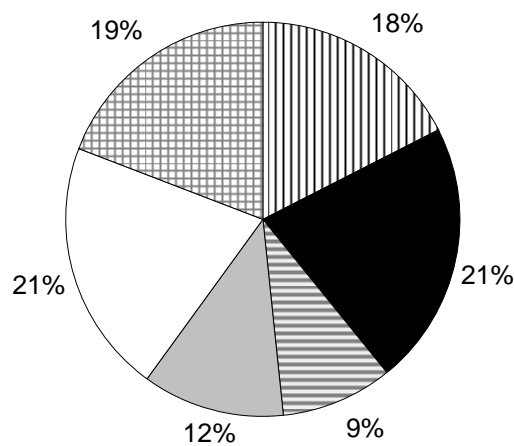
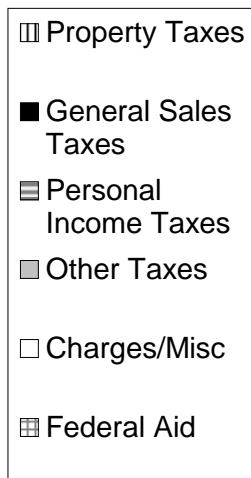
Arizona

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		AZ	US	AZ	US	AZ	US
Total General Revenues.....	\$33,776	\$5,674	\$6,816	20.5%	20.8%	7.7%	5.6%
Own Sources.....	\$25,538	\$4,290	\$5,338	15.5%	16.3%	7.0%	5.3%
Taxes.....	\$18,331	\$3,079	\$3,698	11.1%	11.3%	6.6%	5.2%
Property Taxes.....	\$5,126	\$861	\$1,132	3.1%	3.5%	6.1%	5.1%
General Sales Taxes.....	\$7,026	\$1,180	\$887	4.3%	2.7%	7.4%	5.1%
Personal Income Taxes.....	\$2,848	\$478	\$813	1.7%	2.5%	6.7%	5.7%
Other Taxes.....	\$3,331	\$560	\$866	2.0%	2.6%	5.8%	4.9%
Charges/Miscellaneous.....	\$7,207	\$1,211	\$1,640	4.4%	5.0%	7.9%	5.7%
Federal Aid.....	\$8,239	\$1,384	\$1,478	5.0%	4.5%	10.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Arizona

I. Personal Income Tax (2006)

State Income Tax Base

Arizona's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their gross income or Arizona adjusted gross income equals or exceeds the following:

Filing Status	Gross Income	Arizona Adjusted Gross Income
Single	\$15,000	\$5,500
Married, Filing Jointly	\$15,000	\$11,000

Rate Structure

Single		Married, Filing Jointly	
Taxable Income	Rate*	Taxable Income	Rate*
First \$10,000	2.73%	First \$20,000	2.73%
\$10,001 – \$25,000	3.04%	\$20,001 – \$50,000	3.04%
\$25,001 – \$50,000	3.55%	\$50,001 – \$100,000	3.55%
\$50,001 – \$150,000	4.48%	\$100,001 – \$300,000	4.48%
\$150,001 and over	4.79%	\$300,001 and over	4.79%

*Income tax rates are scheduled to fall for tax years beginning after December 31, 2006.

Public Pension Exemption \$2,500

Private Pension Exemption None

Social Security Benefits Full exemption

Medical Savings Account (MSA) Deduction

Taxpayers may be able to subtract deposits made into an MSA if the following conditions are met:

- The MSA qualifies as an MSA under Arizona law but not federal law.
- The taxpayer or his/her employer made deposits into the MSA.
- The taxpayer had to include the deposits as part of federal adjusted gross income.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Arizona

Standard Deductions and Personal Exemptions Combined

Under age 65	\$6,347 (single); \$12,694 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$8,447 (single); \$16,894 (married, filing jointly; both spouses are age 65 or older)

Local Income Taxes None

II. General Sales Tax (2006)

State	5.6%
Combined state/local tax rates	7.60% to 10.7%

III. Miscellaneous Tax Rates (2006)

Corporate income (flat rate)	6.968%	All taxable income (\$50 minimum)
Gasoline (per gallon)	\$0.18	
Cigarette (per pack of 20)	\$2.00	
Beer (per gallon)	\$0.16	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners 37% of school taxes for operating and maintenance costs with a \$540 cap on tax reduction (This will rise to 40% and \$600 cap by 2010.)

Widows, widowers, disabled whose household income is \$25,000 or less (no children under age 18 are living in the residence) or \$30,000 or less (at least one child under 18 or disabled is living in residence) and whose home's total assessed value does not exceed \$20,000..... \$3,000 assessed value

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Arizona

Circuit Breaker

Requirements

Homeowners and renters age 65 or older whose income is less than \$3,751 (single) or \$5,501 (married, filing jointly), excluding Social Security

Benefits

benefits Up to \$502 for income taxes paid

Deferral Program

Homeowners can defer all of their property taxes if they meet the following requirements: (1) are age 70 or older; (2) have lived in their residence for at least six years; (3) have lived in Arizona for at least 10 years; (4) have a taxable income of \$10,000 or less; (5) may not own or have legal, equitable, beneficial, or security interest in any other residence or other real property; (6) have a real property cash value of \$150,000 or less; and (7) must have paid all property taxes for all years preceding the year of applying for the deferral program.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Assessed property values for operating expenses cannot annually increase by more than 10%, or 25% of the difference between the full cash value of the property (used for debt service) in the current year and the limited value of the property in the preceding year (whichever is greater). Generally, the limited assessed property value will not increase annually by more than 10% unless property values increase significantly.

Local property tax rates must be adjusted so that total existing property tax revenues in assessment districts do not increase by more than 2%. This limitation can be exceeded with voter approval, and it does not pertain to new construction or to bonded indebtedness. In addition, this limitation applies only to counties, cities, towns, and community college districts.

Property tax rates for individual homeowners cannot exceed 10% of the assessed property value. This limitation does not apply to bonded indebtedness.

Homeowners age 65 or older whose income is 400% of Supplemental Security Income (SSI) or less (single) or 500% of SSI (two or more persons) and who have lived in their primary residence at least two years are eligible for a freeze on the market value of their primary residence.

VI. Local Expenditure Limits (2007)

Counties, cities, and towns cannot increase their expenditures by more than the annual increase in the cost of living and population growth. Voters can approve higher expenditure growth.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

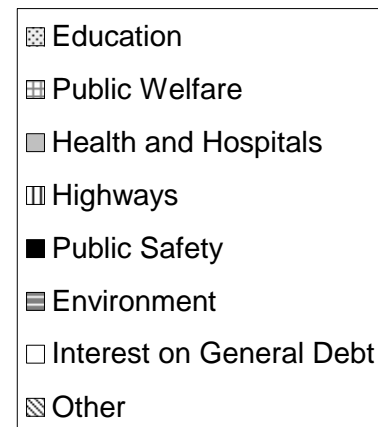
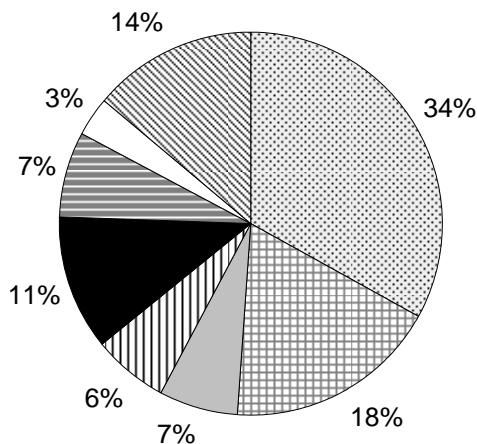
Arizona

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		AZ	US	AZ	US	AZ	US
State/Local Direct General Expenditures.....	\$32,929	\$5,531	\$6,794	20.0%	20.7%	7.6%	5.8%
To State/Local Government.....	\$32,929	\$5,531	\$6,778	20.0%	20.7%	7.6%	5.8%
Education*.....	\$10,878	\$1,827	\$2,325	6.6%	7.1%	6.7%	6.2%
Public Welfare.....	\$5,912	\$993	\$1,221	3.6%	3.7%	9.3%	6.5%
Health and Hospitals.....	\$2,250	\$378	\$574	1.4%	1.8%	10.0%	4.9%
Highways.....	\$2,070	\$348	\$418	1.3%	1.3%	7.2%	4.9%
Public Safety*.....	\$3,779	\$635	\$599	2.3%	1.8%	8.7%	5.8%
Environment.....	\$2,384	\$401	\$383	1.4%	1.2%	8.2%	4.7%
Interest on General Debt.....	\$1,117	\$188	\$273	0.7%	0.8%	2.3%	3.6%
Other.....	\$4,538	\$762	\$985	2.8%	3.0%	7.5%	6.1%
To Federal Government.....	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Arizona (State and Local).....	\$32.8	\$5,515	\$199.04	\$32.7	99.5%	\$0.17	0.5%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

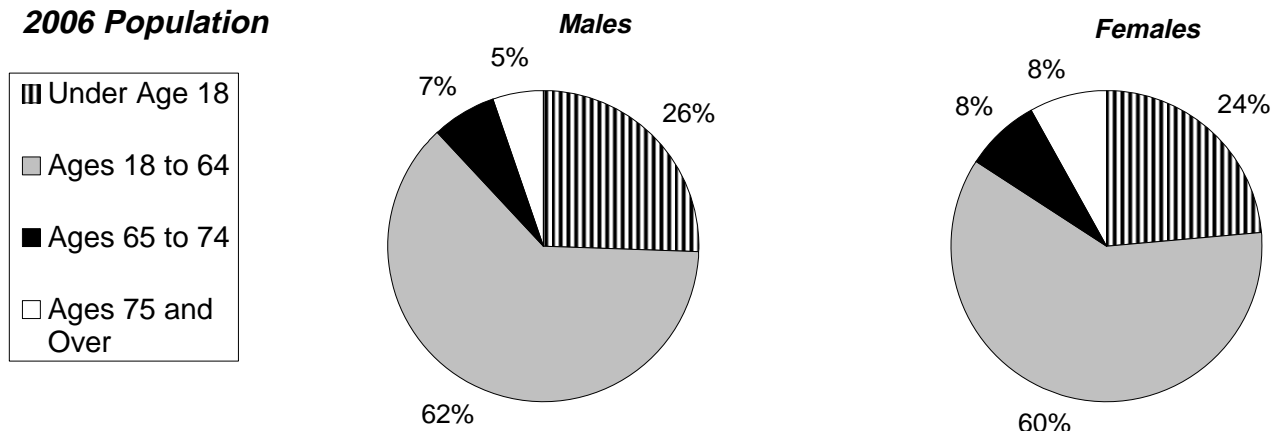
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Arkansas

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	AR	US	AR	US	AR	US
	Per Capita Income.....	\$18,926	\$24,175	\$28,444	\$36,629	4.2%
Median Household Income	\$27,123	\$35,492	\$37,057	\$48,201	3.2%	3.1%
Gross State Product (in millions).....	\$56,455	\$7,659,651	\$91,837	\$13,149,033	5.0%	5.6%
Full- and Part-Time Positions (in thousands).....	1,414	152,150	1,602	178,343	1.3%	1.6%
Employed Persons (in thousands)	1,179	126,708	1,293	144,427	0.9%	1.3%
Unemployment Rate.....	5.1%	5.4%	5.3%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	AR	AR	AR	US	AR	US
Total Population.....	2,504,858	2,810,872	12.2%	12.9%	17.3%	13.3%
Males.....	1,209,516	1,377,711	13.9%	13.9%	15.1%	11.9%
Under Age 18.....	339,745	353,375	4.0%	6.6%	23.8%	18.2%
Ages 18 to 64.....	720,724	859,886	19.3%	17.4%	12.9%	10.1%
Ages 65 to 74.....	87,510	93,226	6.5%	4.0%	6.5%	6.9%
Ages 75 and Over.....	61,537	71,224	15.7%	25.1%	8.2%	7.7%
Females.....	1,295,342	1,433,161	10.6%	11.9%	19.3%	14.7%
Under Age 18.....	321,090	337,811	5.2%	6.8%	24.9%	18.5%
Ages 18 to 64.....	760,953	869,379	14.2%	15.0%	18.0%	13.8%
Ages 65 to 74.....	107,767	109,993	2.1%	-1.0%	12.9%	10.2%
Ages 75 and Over.....	105,532	115,978	9.9%	17.3%	19.3%	13.5%

Source: U.S. Bureau of the Census

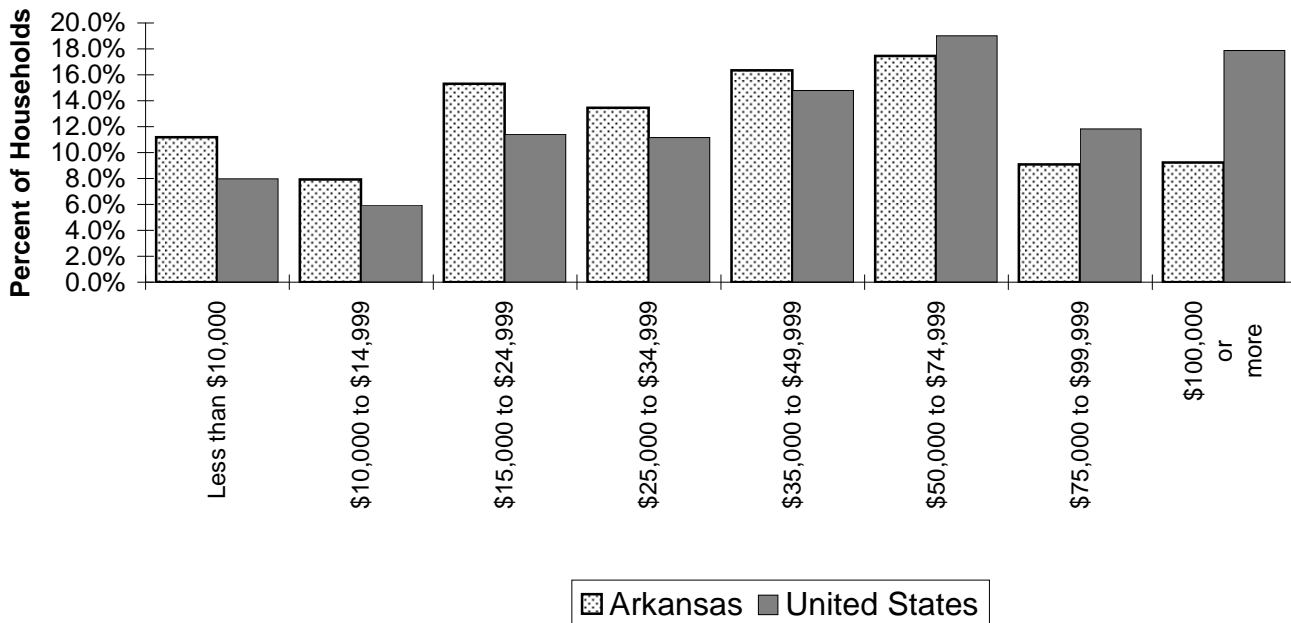
Arkansas

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	27.0%	9.7%	20.6%	14.8%	15.1%	9.5%	2.7%	0.5%	100.0%
25 to 44 years.....	8.7%	5.4%	12.6%	14.0%	18.3%	20.5%	11.1%	9.4%	100.0%
45 to 64 years.....	8.9%	6.8%	12.4%	12.0%	16.2%	19.6%	10.7%	13.4%	100.0%
65 years and over.....	14.4%	13.2%	22.8%	14.7%	13.8%	11.5%	5.0%	4.6%	100.0%
Arkansas (all ages).....	11.2%	7.9%	15.3%	13.5%	16.3%	17.4%	9.1%	9.2%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



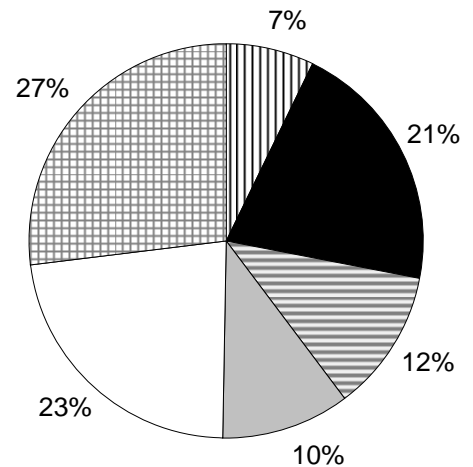
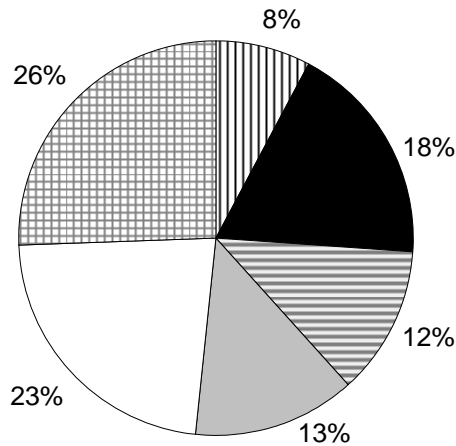
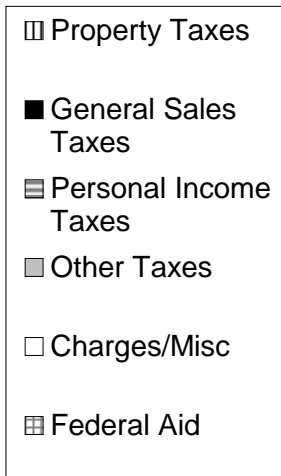
Arkansas

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		AR	US	AR	US	AR	US
		Total General Revenues.....	\$16,034	\$5,777	\$6,816	22.7%	20.8%
Own Sources.....	\$11,695	\$4,213	\$5,338	16.5%	16.3%	6.4%	5.3%
Taxes.....	\$8,054	\$2,902	\$3,698	11.4%	11.3%	6.3%	5.2%
Property Taxes.....	\$1,172	\$422	\$1,132	1.7%	3.5%	6.1%	5.1%
General Sales Taxes.....	\$3,328	\$1,199	\$887	4.7%	2.7%	7.9%	5.1%
Personal Income Taxes.....	\$1,875	\$676	\$813	2.7%	2.5%	6.0%	5.7%
Other Taxes.....	\$1,679	\$605	\$866	2.4%	2.6%	4.0%	4.9%
Charges/Miscellaneous.....	\$3,641	\$1,312	\$1,640	5.1%	5.0%	6.6%	5.7%
Federal Aid.....	\$4,339	\$1,563	\$1,478	6.1%	4.5%	7.2%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Arkansas

I. Personal Income Tax (2006)

State Income Tax Base

Arkansas's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their gross income equals or exceeds the following:

Filing Status	Gross Income
Single and under age 65	\$7,800
Single and age 65 or older	\$9,300
Married, filing jointly, and both spouses under age 65	\$15,500
Married, filing jointly, and both spouses age 65 or older	\$16,200

Rate Structure

All Taxpayers

<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$3,599	1.0%	\$10,800 – \$17,999	4.5%
\$3,600 – \$7,199	2.5%	\$18,000 – \$30,099	6.0%
\$7,200 – \$10,799	3.5%	Over \$30,099	7.0%

Public and Private Pension Exemptions \$6,000*

*The \$6,000 exemption can include IRA distributions if a taxpayer is age 59½ or older.

Military Income Exemption.....\$9,000 (enlisted compensation)
\$6,000 (officer compensation)

Social Security Benefits Full exemption

Standard Deductions

All ages \$2,000 (single); \$4,000 (married, filing jointly)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Arkansas

Personal Tax Credits \$22 per person (under age 65)
\$44 per person (age 65 or older)
\$66 per person (age 65 or older)**

**The \$22 extra personal tax credit for taxpayers age 65 and older applies only if they did not claim the \$6,000 retirement income exemption (which includes the deduction of pension income).

Medically Necessary Food Credit Up to \$2,400 per person for a child with phenylketonuria and other metabolic disorders

Local Income Taxes Localities are allowed to levy a net income tax in first-class cities.

II. General Sales Tax Rates (2006)

State 6%*
Combined state/local tax rates 6.5% to 10.5%

*The state imposes a statewide tax of 7% in the city of Texarkana.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 6.5% On income over \$100,000
Gasoline (per gallon) \$0.215
Cigarette (per pack of 20) \$0.59
Beer (per gallon) \$0.242

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners	\$300 credit (maximum credit increases to \$350 in 2008)

Circuit Breaker None

Deferral Program None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Arkansas

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real Property Tax Rate Limits*

Cities	\$5 per \$1,000 of taxable value
Counties	\$5 per \$1,000 of taxable value
Libraries	\$5 per \$1,000 of taxable value
Police pensions	\$1 per \$1,000 of taxable value
Fire pensions.....	\$1 per \$1,000 of taxable value
County road tax.....	\$3 per \$1,000 of taxable value

Assessed property values may not increase by more than 5% per year for homeowners under age 65. Unless there are substantial improvements to the property, assessed property values may not increase for homeowners age 65 and older or disabled. However, assessed property values can decrease for all homeowners if property values decrease.

*School property tax rates have no limits but must be approved by the voters.

Local taxing district property tax revenue is limited to a 10% annual increase because of higher reassessments in property value.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

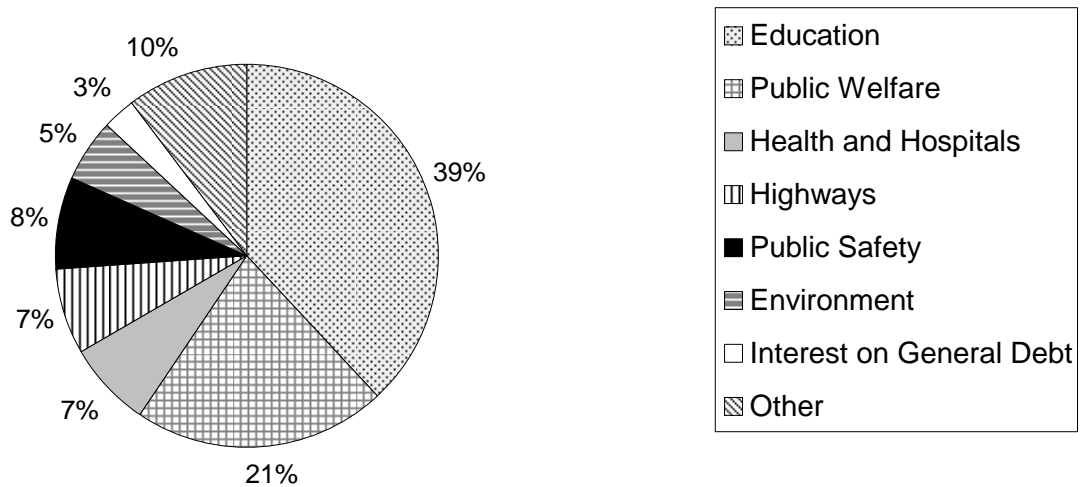
Arkansas

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		AR	US	AR	US	AR	US
		State/Local Direct General Expenditures	\$15,505	\$5,586	\$6,794	21.9%	20.7%
To State/Local Government	\$15,504	\$5,586	\$6,778	21.9%	20.7%	6.8%	5.8%
Education*	\$5,915	\$2,131	\$2,325	8.4%	7.1%	7.2%	6.2%
Public Welfare	\$3,304	\$1,190	\$1,221	4.7%	3.7%	8.1%	6.5%
Health and Hospitals	\$1,137	\$410	\$574	1.6%	1.8%	2.8%	4.9%
Highways	\$1,115	\$402	\$418	1.6%	1.3%	4.4%	4.9%
Public Safety*	\$1,193	\$430	\$599	1.7%	1.8%	8.0%	5.8%
Environment	\$828	\$298	\$383	1.2%	1.2%	6.7%	4.7%
Interest on General Debt	\$415	\$150	\$273	0.6%	0.8%	3.8%	3.6%
Other	\$1,597	\$575	\$985	2.3%	3.0%	8.5%	6.1%
To Federal Government	\$1	\$0	\$16	0.0%	0.0%	0.4%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Arkansas (State and Local)	\$11.2	\$4,035	\$158.40	\$11.2	99.8%	\$0.03	0.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

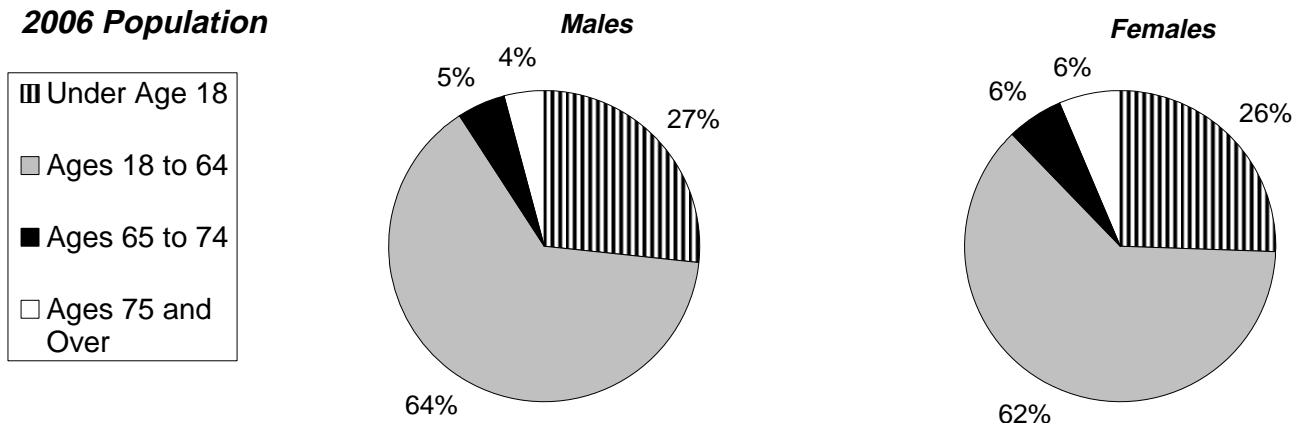
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California

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	CA	US	CA	US	CA	US
	Per Capita Income.....	\$25,312	\$24,175	\$39,358	\$36,629	4.5%
Median Household Income	\$38,812	\$35,492	\$55,319	\$48,201	3.6%	3.1%
Gross State Product (in millions).....	\$958,476	\$7,659,651	\$1,727,355	\$13,149,033	6.1%	5.6%
Full- and Part-Time Positions (in thousands).....	17,466	152,150	20,531	178,343	1.6%	1.6%
Employed Persons (in thousands)	14,304	126,708	17,029	144,427	1.8%	1.3%
Unemployment Rate.....	7.3%	5.4%	4.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	CA	CA	CA	US	CA	US
Total Population.....	31,780,829	36,457,549	14.7%	12.9%	13.1%	13.3%
Males.....	15,881,311	18,224,444	14.8%	13.9%	12.1%	11.9%
Under Age 18.....	4,566,976	4,881,203	6.9%	6.6%	18.0%	18.2%
Ages 18 to 64.....	9,830,910	11,665,308	18.7%	17.4%	10.3%	10.1%
Ages 65 to 74.....	879,644	921,047	4.7%	4.0%	6.9%	6.9%
Ages 75 and Over.....	603,781	756,886	25.4%	25.1%	6.9%	7.7%
Females.....	15,899,518	18,233,105	14.7%	11.9%	14.2%	14.7%
Under Age 18.....	4,330,023	4,651,411	7.4%	6.8%	18.2%	18.5%
Ages 18 to 64.....	9,533,740	11,328,113	18.8%	15.0%	13.4%	13.8%
Ages 65 to 74.....	1,078,409	1,081,077	0.2%	-1.0%	8.3%	10.2%
Ages 75 and Over.....	957,346	1,172,504	22.5%	17.3%	10.6%	13.5%

Source: U.S. Bureau of the Census

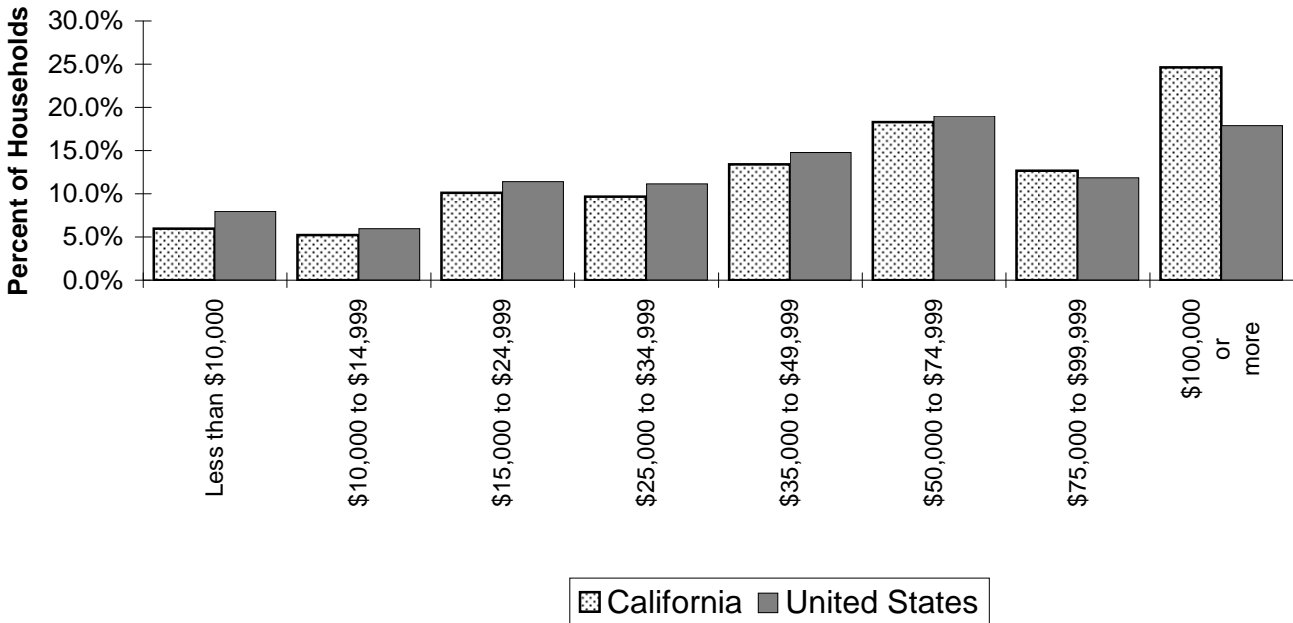
California

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	15.4%	7.8%	17.7%	14.4%	16.8%	15.9%	6.8%	5.2%	100.0%
25 to 44 years.....	4.7%	3.6%	8.8%	9.7%	14.1%	20.2%	13.9%	25.0%	100.0%
45 to 64 years.....	4.9%	3.8%	7.4%	7.5%	11.7%	18.2%	14.3%	32.2%	100.0%
65 years and over.....	8.7%	11.0%	16.6%	13.0%	14.6%	14.9%	8.2%	13.0%	100.0%
California (all ages).....	6.0%	5.2%	10.1%	9.7%	13.4%	18.3%	12.7%	24.6%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



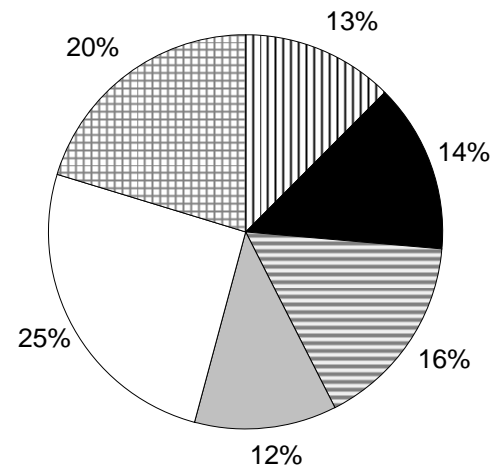
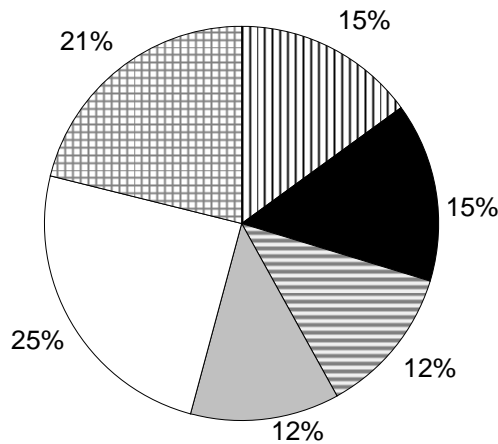
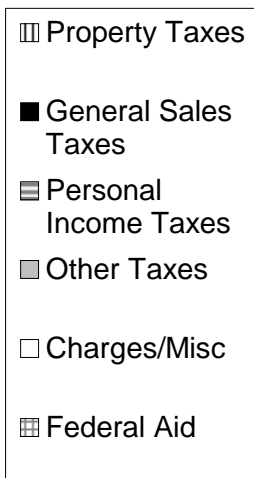
California

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		CA	US	CA	US	CA	US
		Total General Revenues.....	\$270,104	\$7,471	\$6,816	21.3%	20.8%
Own Sources.....	\$215,526	\$5,961	\$5,338	17.0%	16.3%	6.2%	5.3%
Taxes.....	\$146,617	\$4,055	\$3,698	11.6%	11.3%	6.1%	5.2%
Property Taxes.....	\$34,058	\$942	\$1,132	2.7%	3.5%	4.2%	5.1%
General Sales Taxes.....	\$37,575	\$1,039	\$887	3.0%	2.7%	5.6%	5.1%
Personal Income Taxes.....	\$42,992	\$1,189	\$813	3.4%	2.5%	8.9%	5.7%
Other Taxes.....	\$31,992	\$885	\$866	2.5%	2.6%	5.6%	4.9%
Charges/Miscellaneous.....	\$68,909	\$1,906	\$1,640	5.4%	5.0%	6.5%	5.7%
Federal Aid.....	\$54,578	\$1,510	\$1,478	4.3%	4.5%	5.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



California

I. Personal Income Tax (2006)

State Income Tax Base

California's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if either California gross income or California adjusted gross income is more than the following income thresholds.

Gross Income Thresholds

Age and Filing Status	Number of Dependents		
	0	1	2 or more
Under age 65 (single)	\$13,713	\$23,213	\$30,338
Under age 65 (married, filing jointly); both spouses are under age 65	\$27,426	\$36,926	\$44,051
Age 65 and older (single)	\$18,263	\$25,388	\$31,088
Age 65 and older (married, filing jointly); both spouses are age 65 or older	\$36,526	\$43,651	\$49,351

Adjusted Gross Income Thresholds

Age and Filing Status	Number of Dependents		
	0	1	2 or more
Under age 65 (single)	\$10,970	\$20,470	\$27,595
Under age 65 (married, filing jointly); both spouses are under age 65	\$21,940	\$31,440	\$38,565
Age 65 and older (single)	\$15,520	\$22,645	\$28,345
Age 65 and older (married, filing jointly); both spouses are age 65 or older	\$31,040	\$38,165	\$43,865

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

California

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$6,622	1.0%	First \$13,244	1.0%
\$6,623 – \$15,698	2.0%	\$13,245 – \$31,396	2.0%
\$15,699 – \$24,776	4.0%	\$31,397 – \$49,552	4.0%
\$24,777 – \$34,394	6.0%	\$49,553 – \$68,788	6.0%
\$34,395 – \$43,467	8.0%	\$68,789 – \$86,934	8.0%
\$43,468 and over	9.3%	\$86,935 and over	9.3%

Public and Private Pension Exemptions None

Social Security Benefits Full exemption

Standard Deductions

All ages \$3,410 (single); \$6,820 (married, filing jointly)

Personal Credits*

Under age 65 \$91 (single); \$182 (married, filing jointly; both spouses are under age 65)

Age 65 or older \$182 (single); \$364 (married, filing jointly; both spouses are age 65 or older)

*Personal tax credits begin to phase out for taxpayers whose federal adjusted gross income is more than \$150,743 (single) or \$301,491 (married, filing jointly).

Renter Credit

Renters whose income is \$32,272 or less (single) or \$64,544 or less (married, filing jointly) are eligible to receive an income tax credit of \$60 (single) or \$120 (married, filing jointly).

Local Income Taxes None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

California

II. General Sales Tax Rates (2006)

State 6.25%
Combined state/local tax rates..... 7.25% to 8.75%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 8.84% All taxable income (tax minimum of \$800)
Gasoline (per gallon) \$0.18 An additional 6.0% sales tax is levied.
Cigarette (per pack of 20) \$0.87
Beer (per gallon) \$0.20

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners \$7,000 assessed value
Disabled veterans \$107,296 assessed value*
Disabled veterans whose income is \$48,325 or less \$161,420 assessed value*

*Disabled veterans may not receive the \$7,000 exemption for the general population if they are receiving the disabled veteran exemption.

Circuit Breaker

Requirements

Benefits

Homeowners and renters age 62 and older, blind,
or disabled whose income is \$42,770 or less Homeowners: up to \$473
Renters: up to \$348

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

California

Deferral Program

Requirements

Homeowners age 62 and older, blind, or disabled whose income is \$31,500 or less and who have at least a 20% equity in their home

Benefits

Deferral of up to all property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Growth in assessed property values for individual property owners cannot increase by more than 2% or the inflation rate (whichever is less).

Property tax rates cannot exceed 1% of market value (this limit does not include bonded indebtedness).

VI. Local Expenditure Limits (2007)

Local governments (excluding school districts and community colleges) cannot annually increase their expenditures by more than the increase in California per capita personal income or percentage growth in non-residential new construction (depending on local government) and population growth. School districts and community colleges cannot annually increase their expenditures by more than the increase in California per capita personal income and population growth. Voters can, if desired, approve higher expenditure growth, and the expenditure limit does not apply to bonded indebtedness and may not apply to emergencies.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

California

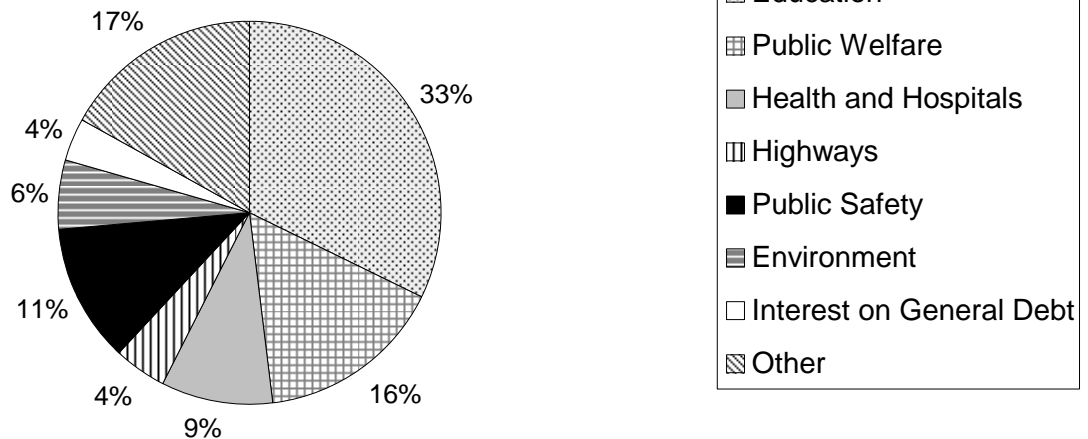
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		CA	US	CA	US	CA	US
		State/Local Direct General Expenditures	\$279,163	\$7,721	\$6,794	22.1%	20.7%
To State/Local Government	\$275,715	\$7,626	\$6,778	21.8%	20.7%	6.6%	5.8%
Education*	\$88,631	\$2,451	\$2,325	7.0%	7.1%	8.0%	6.2%
Public Welfare	\$44,226	\$1,223	\$1,221	3.5%	3.7%	6.3%	6.5%
Health and Hospitals	\$25,938	\$717	\$574	2.0%	1.8%	5.9%	4.9%
Highways	\$12,306	\$340	\$418	1.0%	1.3%	6.2%	4.9%
Public Safety*	\$31,519	\$872	\$599	2.5%	1.8%	6.3%	5.8%
Environment	\$16,483	\$456	\$383	1.3%	1.2%	4.2%	4.7%
Interest on General Debt	\$10,137	\$280	\$273	0.8%	0.8%	4.4%	3.6%
Other	\$46,475	\$1,285	\$985	3.7%	3.0%	6.7%	6.1%
To Federal Government	\$3,448	\$95	\$16	0.3%	0.0%	5.2%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
California (State and Local)	\$283.7	\$7,847	\$224.15	\$281.5	99.2%	\$2.17	0.8%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

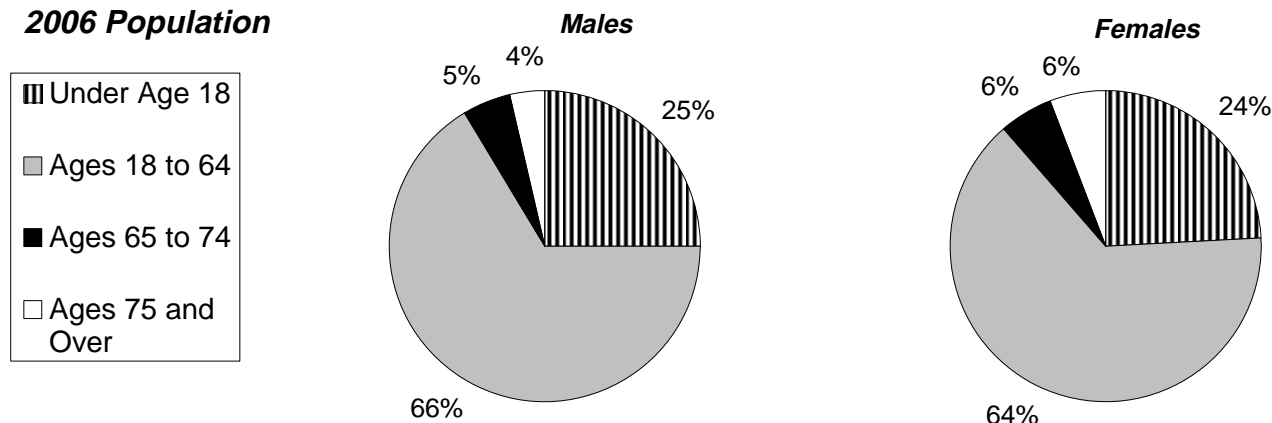
Source: U.S. Bureau of the Census

Colorado

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	CO	US	CO	US	CO	US
	Per Capita Income.....	\$25,570	\$24,175	\$39,587	\$36,629	4.5%
Median Household Income	\$40,950	\$35,492	\$55,697	\$48,201	3.1%	3.1%
Gross State Product (in millions).....	\$116,045	\$7,659,651	\$230,478	\$13,149,033	7.1%	5.6%
Full- and Part-Time Positions (in thousands).....	2,537	152,150	3,176	178,343	2.3%	1.6%
Employed Persons (in thousands)	2,084	126,708	2,537	144,427	2.0%	1.3%
Unemployment Rate.....	4.2%	5.4%	4.3%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	CO	CO	CO	US	CO	US
Total Population.....	3,812,716	4,753,377	24.7%	12.9%	12.0%	13.3%
Males.....	1,888,726	2,393,004	26.7%	13.9%	11.0%	11.9%
Under Age 18.....	510,789	599,328	17.3%	6.6%	15.8%	18.2%
Ages 18 to 64.....	1,215,198	1,586,321	30.5%	17.4%	9.8%	10.1%
Ages 65 to 74.....	99,707	120,890	21.2%	4.0%	5.9%	6.9%
Ages 75 and Over.....	63,032	86,465	37.2%	25.1%	6.1%	7.7%
Females.....	1,923,990	2,360,373	22.7%	11.9%	12.9%	14.7%
Under Age 18.....	485,265	569,973	17.5%	6.8%	15.5%	18.5%
Ages 18 to 64.....	1,214,882	1,520,569	25.2%	15.0%	12.4%	13.8%
Ages 65 to 74.....	118,860	134,964	13.5%	-1.0%	8.4%	10.2%
Ages 75 and Over.....	104,983	134,867	28.5%	17.3%	12.2%	13.5%

Source: U.S. Bureau of the Census

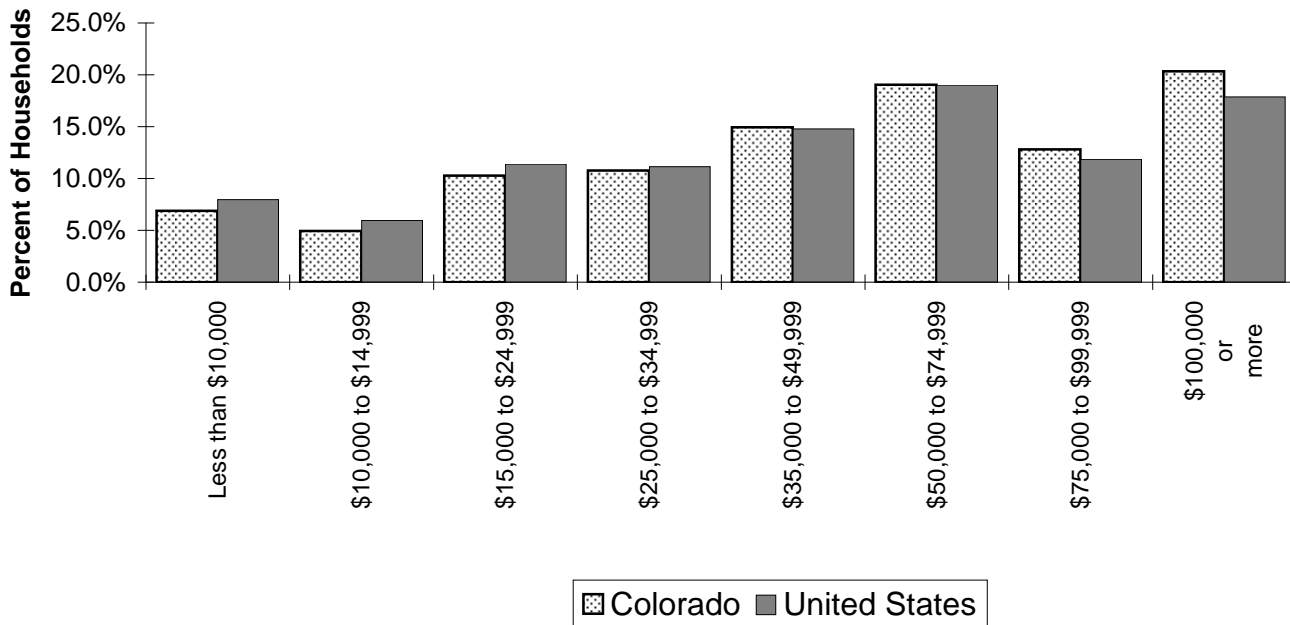
Colorado

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	18.7%	9.2%	19.6%	16.9%	17.5%	12.5%	3.6%	2.0%	100.0%
25 to 44 years.....	5.3%	3.7%	8.9%	10.9%	15.8%	21.1%	14.5%	19.8%	100.0%
45 to 64 years.....	5.8%	3.3%	6.8%	8.3%	13.5%	19.5%	14.5%	28.3%	100.0%
65 years and over.....	9.3%	10.4%	18.7%	14.1%	15.2%	15.1%	8.0%	9.2%	100.0%
Colorado (all ages).....	6.9%	4.9%	10.3%	10.8%	14.9%	19.1%	12.8%	20.3%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



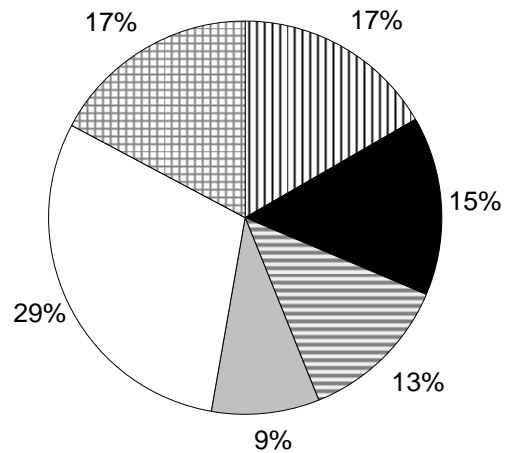
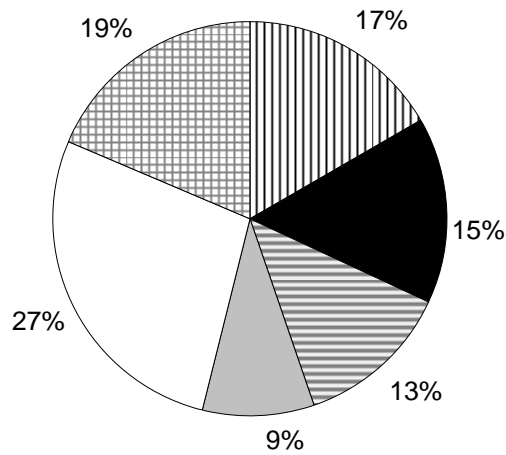
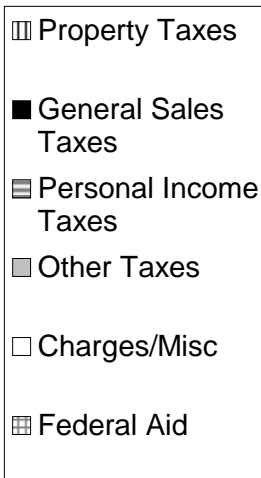
Colorado

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		CO	US	CO	US	CO	US
		Total General Revenues.....	\$29,788	\$6,388	\$6,816	18.2%	20.8%
Own Sources.....	\$24,686	\$5,294	\$5,338	15.1%	16.3%	6.4%	5.3%
Taxes.....	\$15,681	\$3,363	\$3,698	9.6%	11.3%	6.0%	5.2%
Property Taxes.....	\$4,940	\$1,059	\$1,132	3.0%	3.5%	6.1%	5.1%
General Sales Taxes.....	\$4,391	\$942	\$887	2.7%	2.7%	6.0%	5.1%
Personal Income Taxes.....	\$3,771	\$809	\$813	2.3%	2.5%	6.0%	5.7%
Other Taxes.....	\$2,579	\$553	\$866	1.6%	2.6%	5.8%	4.9%
Charges/Miscellaneous.....	\$9,005	\$1,931	\$1,640	5.5%	5.0%	7.2%	5.7%
Federal Aid.....	\$5,102	\$1,094	\$1,478	3.1%	4.5%	5.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Colorado

I. Personal Income Tax (2006)

State Income Tax Base

Colorado's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers must file a tax return if they are required to file a federal income tax return or if they have a current-year Colorado income tax liability.

Rate Structure

4.63% of federal taxable income

Public and Private Pension Exemptions \$20,000 for persons ages 55 to 64
\$24,000 for persons age 65 and older

Social Security Benefits

The \$20,000 (ages 55 to 64) or \$24,000 (age 65 and older) pension exemption also includes Social Security benefits to the extent included in federal taxable income. If pension income and Social Security benefits exceed the pension exemptions, the excess income is taxed. Only taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Standard Deductions and Personal Exemptions Combined**

Under age 65** \$8,450 (single); \$16,900 (married, filing jointly;
both spouses are under age 65)
Age 65 and older** \$9,700 (single); \$18,900 (married, filing jointly;
both spouses are age 65 or older)

**Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Medical Savings Accounts..... Taxpayers can deduct contributions and interest that were not already deducted on the federal return.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Colorado

Interest Deduction..... Interest on obligations of the United States that were part of federal taxable income

Capital Gains Deduction Colorado capital gains income for assets held five years or more and included in federal taxable income is deductible.

Long-Term Care Insurance Premiums Credit

Eligible taxpayers can claim a tax credit of 25% of their insurance premiums up to a maximum of \$150 per policy. Taxpayers need to have a federal taxable income of less than \$50,000 (single filers and married, filing jointly for one insurance policy) to qualify for the credit.

Local Income Taxes..... None

II. General Sales Tax Rates (2006)

State 2.9%
Combined state/local tax rates..... 2.9% to 9.2%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 4.63% All taxable income
Gasoline (per gallon)..... \$0.22
Cigarette (per pack of 20) \$0.84 Local taxes, where levied, are additional.
Beer (per gallon) \$0.08

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption

Requirements

Homeowners 65 and older who have owned and occupied property for 10 consecutive years or more and disabled veterans.....

Benefits

50% reduction in first \$200,000 value of residential property*

*Program funding reinstated for assessment year 2006 payable in 2007 after being suspended since 2003.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Colorado

Circuit Breaker

Requirements

Homeowners and renters age 65 and older, disabled, or surviving spouse age 58 or older whose income is \$11,000 or less (single) or \$14,700 or less (married couples)*

Benefits

Up to \$600

Deferral Program*

Requirements

Homeowners age 65 and older with 25% or more home equity and military enlistees with 10% or more home equity.....

Benefits

Full deferral of property taxes

*Colorado also has an additional local option program to work to pay off tax liability.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real Property Tax Rate Limits

Local taxing districts cannot increase real property tax rates from the previous year without voter approval.

Real Property Tax Limits

Except for local growth, local taxing districts cannot annually increase property taxes by more than the inflation rate. This inflation limit may be exceeded with voter approval, such as bonded indebtedness. Local growth for school districts is the percentage change in school enrollment; local growth for other local governments is the growth in new property value.

Counties, cities, and towns not chartered as home rule cannot raise property taxes more than 5.5% above the previous year's revenue. This limitation may be exceeded by capital expenditures and bonded indebtedness. Moreover, it does not apply to property additions and improvements. All taxing entities must obtain voter approval to exceed the 5.5% limit.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

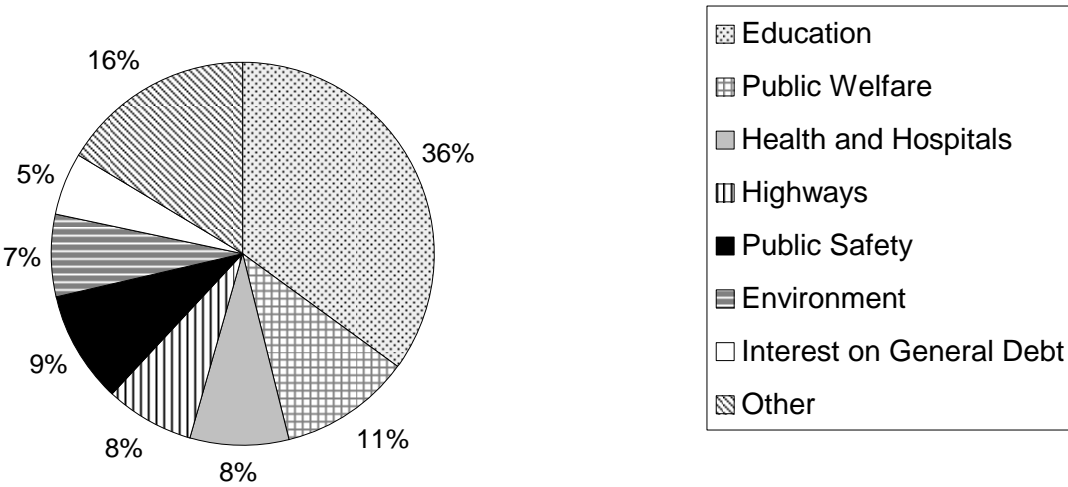
Colorado

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		CO	US	CO	US	CO	US
		State/Local Direct General Expenditures	\$28,996	\$6,218	\$6,794	17.7%	20.7%
To State/Local Government	\$28,991	\$6,217	\$6,778	17.7%	20.7%	6.3%	5.8%
Education*	\$10,131	\$2,172	\$2,325	6.2%	7.1%	5.9%	6.2%
Public Welfare	\$3,232	\$693	\$1,221	2.0%	3.7%	4.1%	6.5%
Health and Hospitals	\$2,384	\$511	\$574	1.5%	1.8%	8.8%	4.9%
Highways	\$2,207	\$473	\$418	1.3%	1.3%	6.9%	4.9%
Public Safety*	\$2,743	\$588	\$599	1.7%	1.8%	7.6%	5.8%
Environment	\$2,030	\$435	\$383	1.2%	1.2%	6.9%	4.7%
Interest on General Debt	\$1,541	\$330	\$273	0.9%	0.8%	3.8%	3.6%
Other	\$4,724	\$1,013	\$985	2.9%	3.0%	7.7%	6.1%
To Federal Government	\$5	\$1	\$16	0.0%	0.0%	-3.4%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Colorado (State and Local)	\$39.1	\$8,385	\$238.70	\$38.5	98.5%	\$0.60	1.5%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

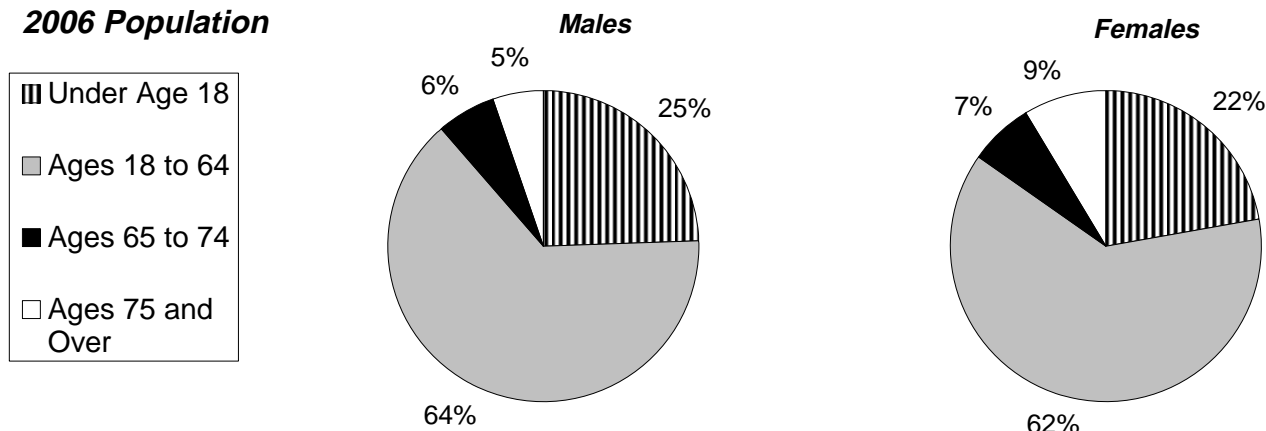
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Connecticut

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	CT	US	CT	US	CT	US
	Per Capita Income.....	\$32,424	\$24,175	\$50,787	\$36,629	4.6%
Median Household Income	\$42,119	\$35,492	\$62,404	\$48,201	4.0%	3.1%
Gross State Product (in millions).....	\$126,744	\$7,659,651	\$204,134	\$13,149,033	4.9%	5.6%
Full- and Part-Time Positions (in thousands).....	1,989	152,150	2,237	178,343	1.2%	1.6%
Employed Persons (in thousands)	1,660	126,708	1,765	144,427	0.6%	1.3%
Unemployment Rate.....	5.3%	5.4%	4.3%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	CT	CT	CT	US	CT	US
Total Population.....	3,267,030	3,504,809	7.3%	12.9%	8.3%	13.3%
Males.....	1,584,374	1,706,188	7.7%	13.9%	7.2%	11.9%
Under Age 18.....	404,862	418,647	3.4%	6.6%	11.1%	18.2%
Ages 18 to 64.....	990,437	1,093,706	10.4%	17.4%	6.0%	10.1%
Ages 65 to 74.....	109,326	102,759	-6.0%	4.0%	5.3%	6.9%
Ages 75 and Over.....	79,749	91,076	14.2%	25.1%	5.3%	7.7%
Females.....	1,682,656	1,798,621	6.9%	11.9%	9.2%	14.7%
Under Age 18.....	385,343	399,639	3.7%	6.8%	10.9%	18.5%
Ages 18 to 64.....	1,017,367	1,122,374	10.3%	15.0%	9.2%	13.8%
Ages 65 to 74.....	136,690	122,134	-10.6%	-1.0%	6.0%	10.2%
Ages 75 and Over.....	143,256	154,474	7.8%	17.3%	7.3%	13.5%

Source: U.S. Bureau of the Census

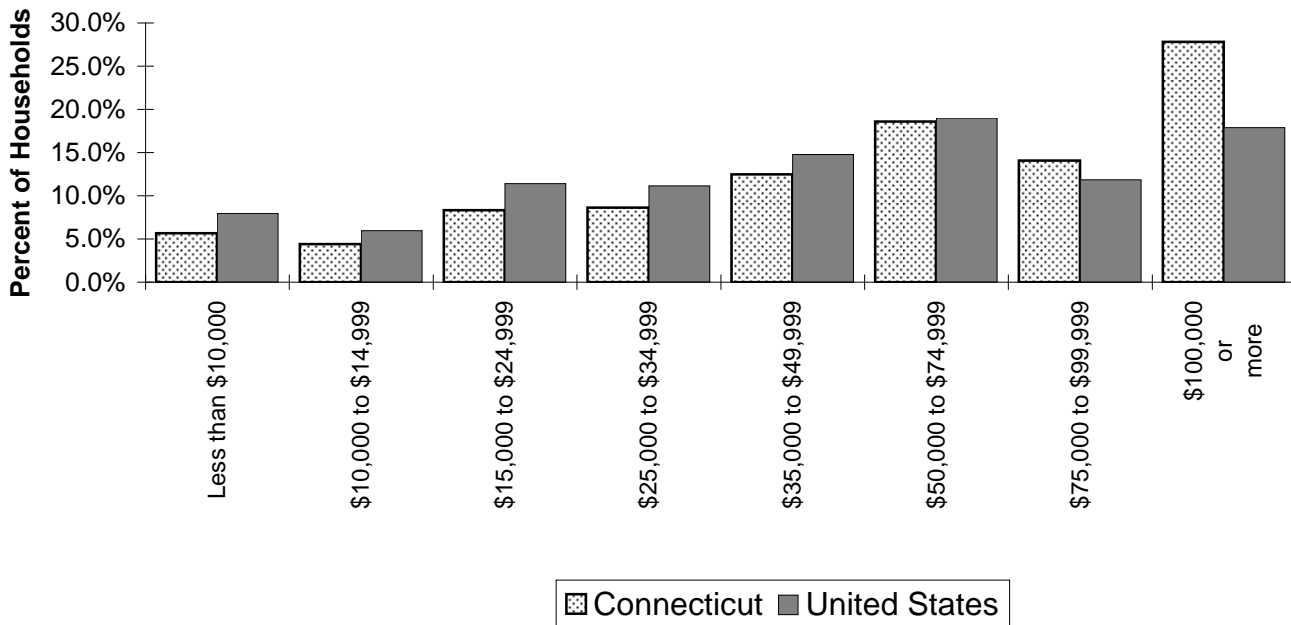
Connecticut

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	16.8%	5.6%	12.9%	14.1%	19.8%	19.7%	6.4%	4.7%	100.0%
25 to 44 years.....	4.3%	2.6%	6.0%	7.8%	13.2%	21.4%	15.9%	28.8%	100.0%
45 to 64 years.....	5.2%	2.5%	5.0%	6.4%	10.0%	18.4%	16.0%	36.5%	100.0%
65 years and over.....	7.3%	10.9%	17.9%	13.4%	14.9%	14.3%	8.4%	12.9%	100.0%
Connecticut (all ages)....	5.7%	4.4%	8.3%	8.6%	12.5%	18.6%	14.1%	27.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



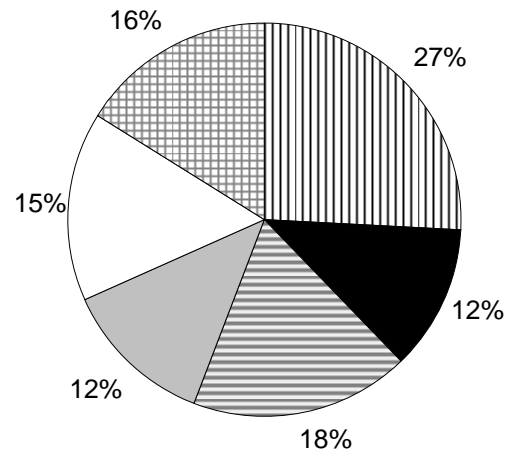
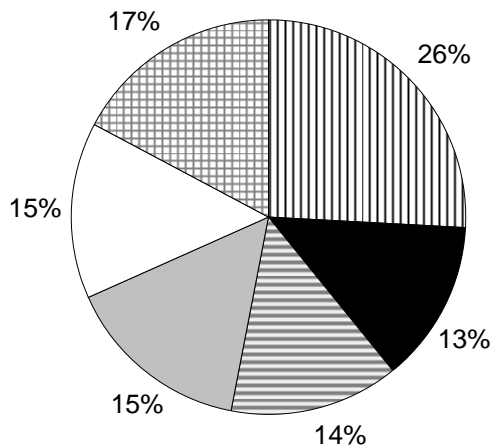
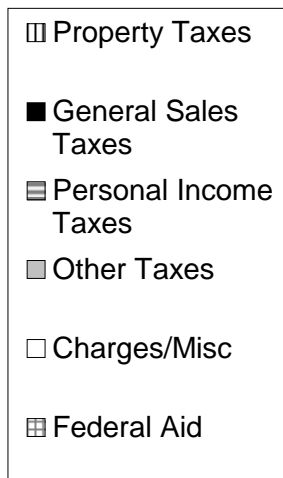
Connecticut

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		CT	US	CT	US	CT	US
		Total General Revenues.....	\$27,619	\$7,890	\$6,816	17.3%	20.8%
Own Sources.....	\$23,170	\$6,619	\$5,338	14.5%	16.3%	4.7%	5.3%
Taxes.....	\$18,897	\$5,398	\$3,698	11.9%	11.3%	4.6%	5.2%
Property Taxes.....	\$7,156	\$2,044	\$1,132	4.5%	3.5%	4.6%	5.1%
General Sales Taxes.....	\$3,268	\$934	\$887	2.1%	2.7%	3.3%	5.1%
Personal Income Taxes.....	\$5,033	\$1,438	\$813	3.2%	2.5%	7.4%	5.7%
Other Taxes.....	\$3,440	\$983	\$866	2.2%	2.6%	2.5%	4.9%
Charges/Miscellaneous.....	\$4,273	\$1,221	\$1,640	2.7%	5.0%	5.1%	5.7%
Federal Aid.....	\$4,449	\$1,271	\$1,478	2.8%	4.5%	3.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Connecticut

I. Personal Income Tax (2006)

State Income Tax Base

Connecticut's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file a tax return if they had Connecticut income tax withheld, or made estimated tax payments to Connecticut, or had a federal alternative minimum tax liability, or if their gross income exceeds \$12,625 (single) or \$24,000 (married, filing jointly).

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$10,000	3.0%	First \$20,000	3.0%
Over \$10,000	5.0%	Over \$20,000	5.0%

Public and Private Pension Exemptions

No exemptions in 2006; however, starting in 2008, military pensioners will be eligible for a 50% exemption on their military pension.

Social Security Benefits

Only taxpayers whose federal adjusted gross income is \$50,000 or higher (single) or \$60,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits. For those taxpayers who are taxed, up to 25% of their benefits can be taxed.

Personal Exemptions

All ages Ranges from \$0 to \$12,625 (single) and \$0 to \$24,000 (married, filing jointly), depending on adjusted gross income

Personal Tax Credits

Taxpayers whose Connecticut adjusted gross income is between \$12,625 and \$55,000 (single) and between \$24,000 and \$100,500 (married, filing jointly) receive tax credits depending on income. Tax credit percentages decrease as income increases. Taxpayers with adjusted gross incomes of less than \$12,625 (single) or \$24,000 (married, filing jointly) do not have to pay taxes due to personal exemptions.

Local Income Taxes None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Connecticut

II. General Sales Tax Rates (2006)

State	6.0%
Combined state/local tax rates	6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	7.5%	All taxable income
Gasoline (per gallon)	\$0.25	
Cigarette (per pack of 20)	\$1.51	
Beer (per gallon)	\$0.19	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Homeowners age 65 or older or fully disabled homeowners

Benefits

Local option property tax relief

Circuit Breaker*

Requirements

Homeowners and renters age 65 and older, fully disabled, or surviving spouses 50 or older whose income is \$28,800 or less (single) or \$35,300 or less (married couples).....

Benefits

Up to \$1,000 (single) or \$1,250 (married couples) for homeowners; renters receive 35% of rent and utilities up to \$700 (single) or \$900 (married couples)

*Connecticut also offers a circuit breaker program whereby residents of all ages with income levels up to \$145,000 (single) or \$190,500 (married, filing jointly) are eligible for a nonrefundable income tax credit of up to \$500 off their real estate or car tax.

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

No statewide limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

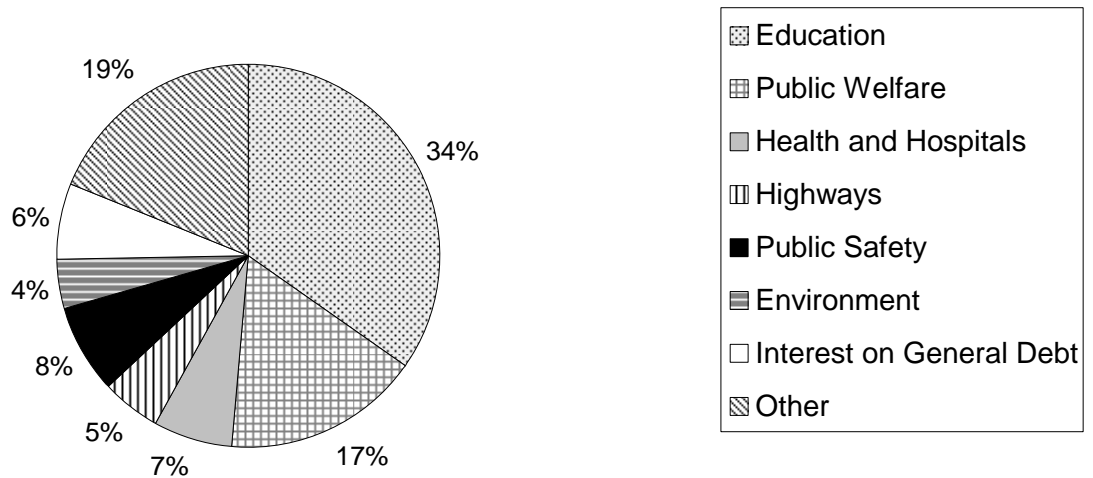
Connecticut

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		CT	US	CT	US	CT	US
		State/Local Direct General Expenditures	\$26,212	\$7,488	\$6,794	16.5%	20.7%
To State/Local Government	\$26,212	\$7,488	\$6,778	16.5%	20.7%	4.4%	5.8%
Education*	\$9,097	\$2,599	\$2,325	5.7%	7.1%	6.0%	6.2%
Public Welfare	\$4,360	\$1,245	\$1,221	2.7%	3.7%	4.1%	6.5%
Health and Hospitals	\$1,736	\$496	\$574	1.1%	1.8%	2.9%	4.9%
Highways	\$1,304	\$372	\$418	0.8%	1.3%	2.5%	4.9%
Public Safety*	\$1,984	\$567	\$599	1.2%	1.8%	2.9%	5.8%
Environment	\$1,105	\$316	\$383	0.7%	1.2%	1.7%	4.7%
Interest on General Debt	\$1,676	\$479	\$273	1.1%	0.8%	4.6%	3.6%
Other	\$4,950	\$1,414	\$985	3.1%	3.0%	4.4%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Connecticut (State and Local)	\$31.1	\$8,870	\$194.97	\$30.6	98.6%	\$0.43	1.4%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

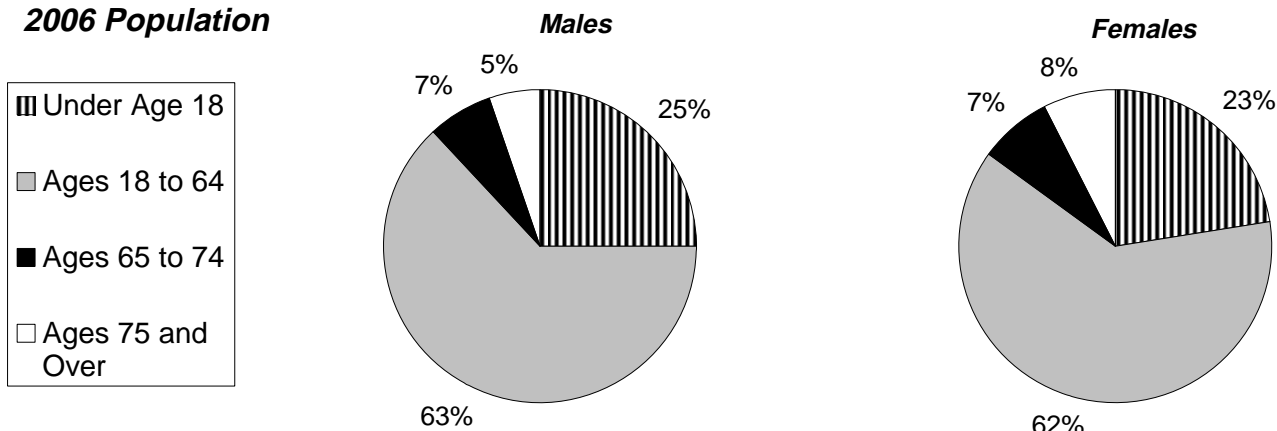
Source: U.S. Bureau of the Census

Delaware

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	DE	US	DE	US	DE	US
	Per Capita Income.....	\$25,727	\$24,175	\$38,984	\$36,629	4.2%
Median Household Income	\$39,309	\$35,492	\$52,438	\$48,201	2.9%	3.1%
Gross State Product (in millions).....	\$28,885	\$7,659,651	\$60,361	\$13,149,033	7.6%	5.6%
Full- and Part-Time Positions (in thousands).....	456	152,150	543	178,343	1.8%	1.6%
Employed Persons (in thousands)	372	126,708	425	144,427	1.3%	1.3%
Unemployment Rate.....	4.3%	5.4%	3.6%	4.6%	n/a	n/a

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	DE	DE	DE	US	DE	US
Total Population.....	727,090	853,476	17.4%	12.9%	11.1%	13.3%
Males.....	353,510	414,244	17.2%	13.9%	9.9%	11.9%
Under Age 18.....	90,622	103,967	14.7%	6.6%	16.5%	18.2%
Ages 18 to 64.....	223,809	261,373	16.8%	17.4%	8.3%	10.1%
Ages 65 to 74.....	24,581	27,552	12.1%	4.0%	4.2%	6.9%
Ages 75 and Over.....	14,498	21,352	47.3%	25.1%	4.5%	7.7%
Females.....	373,580	439,232	17.6%	11.9%	12.2%	14.7%
Under Age 18.....	86,502	99,399	14.9%	6.8%	15.1%	18.5%
Ages 18 to 64.....	232,684	274,163	17.8%	15.0%	12.0%	13.8%
Ages 65 to 74.....	29,761	32,485	9.2%	-1.0%	6.7%	10.2%
Ages 75 and Over.....	24,633	33,185	34.7%	17.3%	11.4%	13.5%

Source: U.S. Bureau of the Census

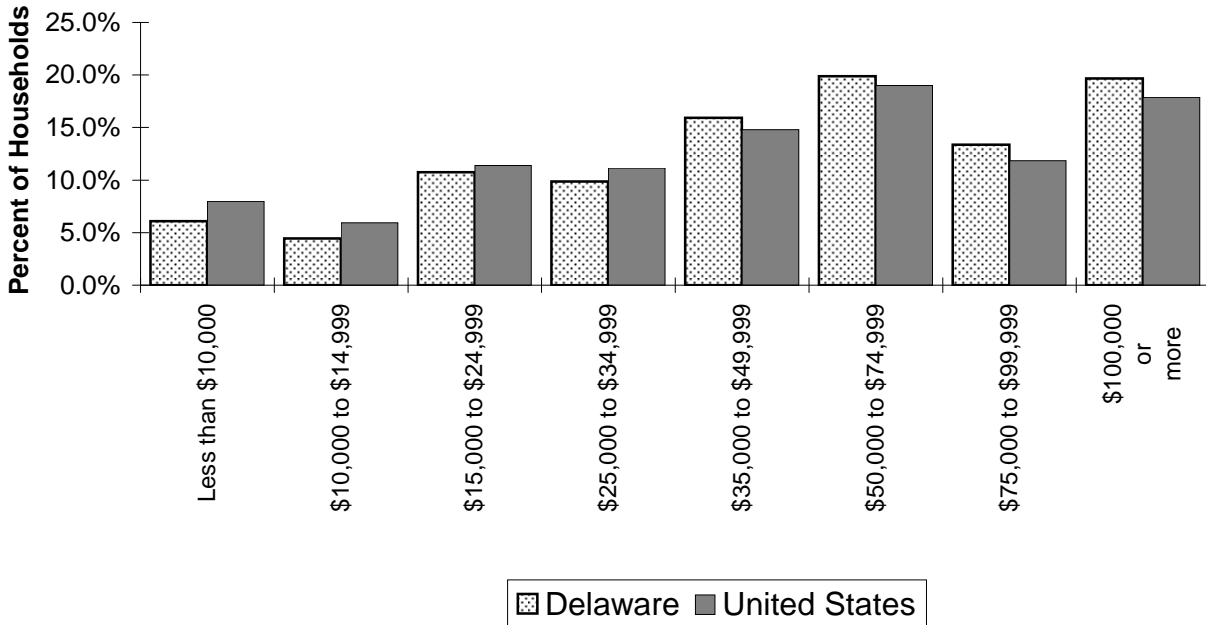
Delaware

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.2%	9.6%	10.9%	15.1%	17.4%	15.7%	11.6%	2.5%	100.0%
25 to 44 years.....	4.8%	2.5%	9.5%	7.7%	16.0%	23.4%	16.0%	20.1%	100.0%
45 to 64 years.....	4.9%	2.8%	6.6%	8.7%	14.6%	20.6%	14.8%	27.1%	100.0%
65 years and over.....	8.3%	9.8%	19.9%	14.6%	17.8%	13.6%	6.8%	9.2%	100.0%
Delaware (all ages).....	6.1%	4.5%	10.7%	9.9%	15.9%	19.9%	13.4%	19.7%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



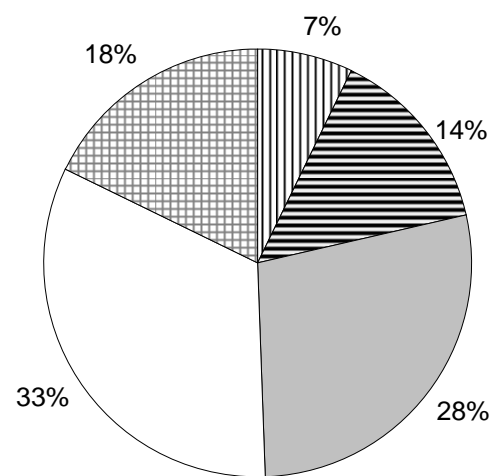
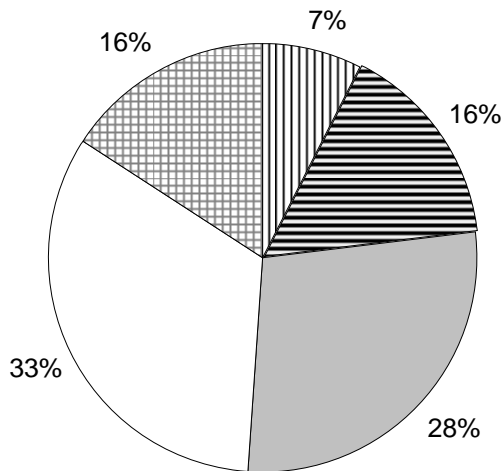
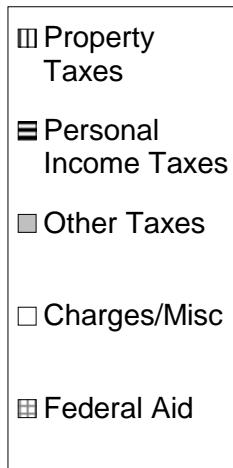
Delaware

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		DE	US	DE	US	DE	US
Total General Revenues.....	\$6,643	\$7,892	\$6,816	22.7%	20.8%	5.7%	5.6%
Own Sources.....	\$5,459	\$6,485	\$5,338	18.7%	16.3%	5.5%	5.3%
Taxes.....	\$3,277	\$3,893	\$3,698	11.2%	11.3%	5.4%	5.2%
Property Taxes.....	\$486	\$577	\$1,132	1.7%	3.5%	5.6%	5.1%
General Sales Taxes.....	\$0	\$0	\$887	0.0%	2.7%	0.0%	5.1%
Personal Income Taxes.....	\$932	\$1,107	\$813	3.2%	2.5%	4.6%	5.7%
Other Taxes.....	\$1,859	\$2,209	\$866	6.4%	2.6%	5.7%	4.9%
Charges/Miscellaneous.....	\$2,181	\$2,591	\$1,640	7.5%	5.0%	5.6%	5.7%
Federal Aid.....	\$1,184	\$1,407	\$1,478	4.0%	4.5%	7.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Delaware

I. Personal Income Tax (2006)

State Income Tax Base

Delaware's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file a tax return if their gross income exceeds the following amounts:

Filing Status	Gross Income	Filing Status	Gross Income
Single, under age 60	\$9,400	Married, filing jointly, under age 60	\$15,450
Single, ages 60 to 64	\$12,200	Married, filing jointly, ages 60 to 64	\$17,950
Single, age 65 or older	\$14,700	Married, filing jointly, age 65 or older	\$20,450

Rate Structure

All Taxpayers

<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
\$0 – \$2,000	0.0%	\$20,000 – \$25,000	5.2%
\$2,000 – \$5,000	2.2%	\$25,000 – \$60,000	5.5%
\$5,000 – \$10,000	3.9%	Over \$60,000	5.95%
\$10,000 – \$20,000	4.8%		

Public and Private Pension Exemptions \$12,500 for persons age 60 and older
 \$2,000 for persons under age 60

Social Security Benefits Full exemption

Standard Deductions

Under age 65 \$3,250 (single); \$6,500 (married, filing jointly)
 Age 65 or older \$5,750 (single); \$11,500 (married, filing jointly;
 both spouses are age 65 or older)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Delaware

Deduction for Persons Age 60 or Older or Disabled

Persons age 60 or older or disabled can receive a \$2,000 (single) or \$4,000 (married, filing jointly) deduction if their annual earned income is less than \$2,500 (single) or \$5,000 (married, filing jointly) and their federal AGI plus and minus adjustments (excluding the standard or itemized deduction) is \$10,000 (single) or \$20,000 (married, filing jointly) or less.

Personal Tax Credits

Under age 60 \$110 (single); \$220 (married, filing jointly)
Age 60 and older \$220 (single); \$440 (married, filing jointly)

Local Income Taxes The city of Wilmington has a 1.25% wage tax.

II. General Sales Tax Rates (2006)

No state or local general sales tax is levied.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 8.7% All taxable income
Gasoline (per gallon) \$0.23
Cigarette (per pack of 20) \$0.55
Beer (per gallon) \$0.156

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

Homeowners age 65 and older Up to a 50% tax credit or \$500
(whichever is less) on school property taxes*

*The homestead credit is a local option program. Some localities offer homestead exemptions for non-school property taxes for homeowners age 65 and older or disabled.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Delaware

Circuit Breaker None

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2005)

When property is reassessed, total county property tax revenues for taxing districts cannot increase by more than 15% from the previous year. This limitation does not include new construction and new additions to existing property.

Moreover, when property is reassessed, total school property taxes cannot increase by more than 10% from the previous year. Voters can approve an increase higher than the 10% limit in subsequent years.

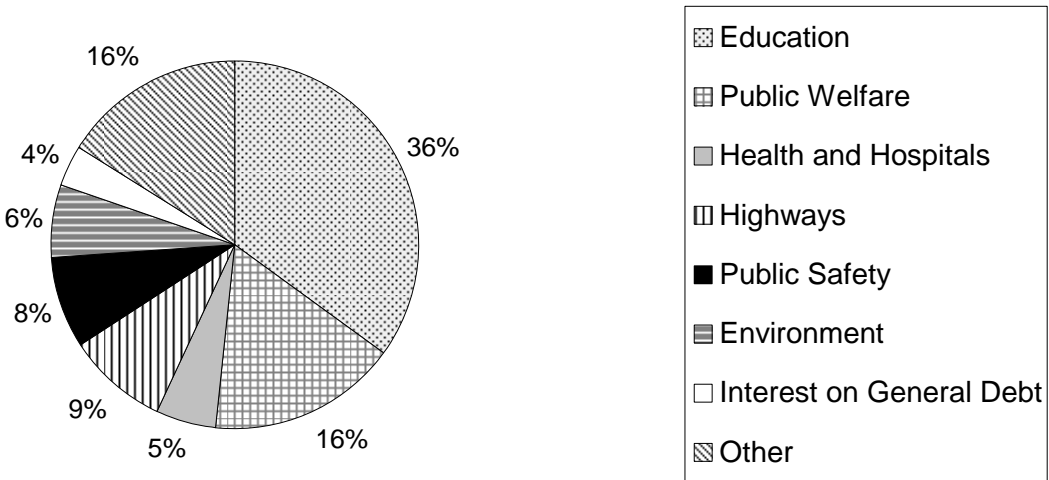
Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Delaware

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		DE	US	DE	US	DE	US
		State/Local Direct General Expenditures...	\$6,823	\$8,106	\$6,794	23.3%	20.7%
To State/Local Government.....	\$6,822	\$8,105	\$6,778	23.3%	20.7%	6.9%	5.8%
Education*.....	\$2,396	\$2,846	\$2,325	8.2%	7.1%	6.4%	6.2%
Public Welfare.....	\$1,122	\$1,333	\$1,221	3.8%	3.7%	10.5%	6.5%
Health and Hospitals.....	\$369	\$438	\$574	1.3%	1.8%	6.4%	4.9%
Highways.....	\$611	\$726	\$418	2.1%	1.3%	7.0%	4.9%
Public Safety*.....	\$548	\$651	\$599	1.9%	1.8%	7.1%	5.8%
Environment.....	\$428	\$508	\$383	1.5%	1.2%	5.0%	4.7%
Interest on General Debt.....	\$250	\$297	\$273	0.9%	0.8%	-1.1%	3.6%
Other.....	\$1,099	\$1,306	\$985	3.8%	3.0%	9.2%	6.1%
To Federal Government.....	\$1	\$1	\$16	0.0%	0.0%	2.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.
 Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
 (excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Delaware (State and Local).....	\$6.2	\$7,401	\$212.85	\$6.2	99.2%	\$0.05	0.8%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

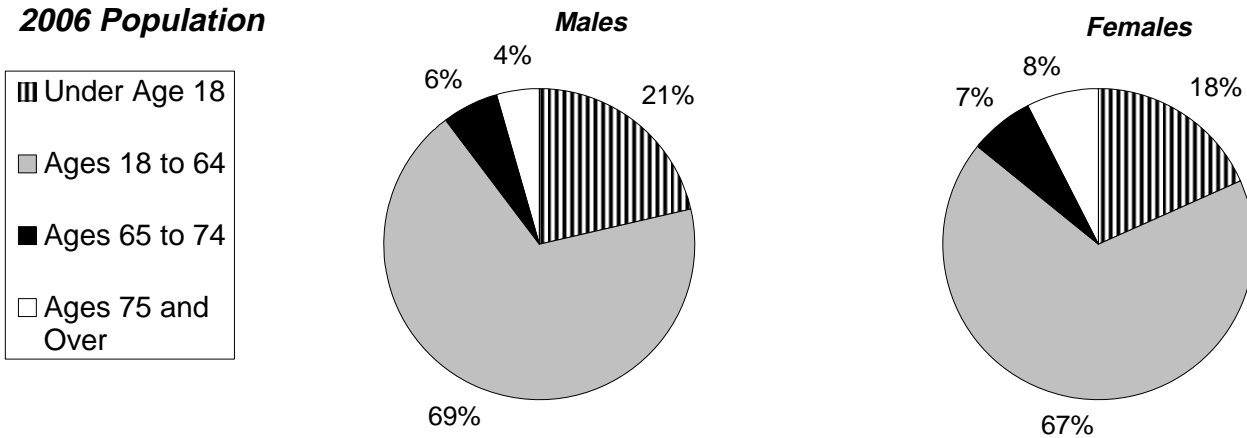
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District of Columbia

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	DC	US	DC	US	DC	US
	Per Capita Income.....	\$32,786	\$24,175	\$57,358	\$36,629	5.8%
Median Household Income	\$31,966	\$35,492	\$48,477	\$48,201	4.3%	3.1%
Gross Domestic Product by State (in millions).....	\$47,560	\$7,659,651	\$87,664	\$13,149,033	6.3%	5.6%
Full- and Part-Time Positions (in thousands).....	721	152,150	807	178,343	1.1%	1.6%
Employed Persons (in thousands)	266	126,708	297	144,427	1.1%	1.3%
Unemployment Rate.....	8.5%	5.4%	6.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	DC	DC	DC	US	DC	US
Total Population.....	538,273	581,530	8.0%	12.9%	19.6%	13.3%
Males.....	251,460	272,664	8.4%	13.9%	18.3%	11.9%
Under Age 18.....	55,402	57,989	4.7%	6.6%	33.6%	18.2%
Ages 18 to 64.....	168,108	186,956	11.2%	17.4%	14.5%	10.1%
Ages 65 to 74.....	16,735	15,561	-7.0%	4.0%	10.3%	6.9%
Ages 75 and Over.....	11,215	12,158	8.4%	25.1%	10.8%	7.7%
Females.....	286,813	308,866	7.7%	11.9%	20.7%	14.7%
Under Age 18.....	54,103	56,892	5.2%	6.8%	31.7%	18.5%
Ages 18 to 64.....	185,839	208,362	12.1%	15.0%	18.2%	13.8%
Ages 65 to 74.....	24,299	20,404	-16.0%	-1.0%	18.5%	10.2%
Ages 75 and Over.....	22,572	23,208	2.8%	17.3%	17.6%	13.5%

Source: U.S. Bureau of the Census

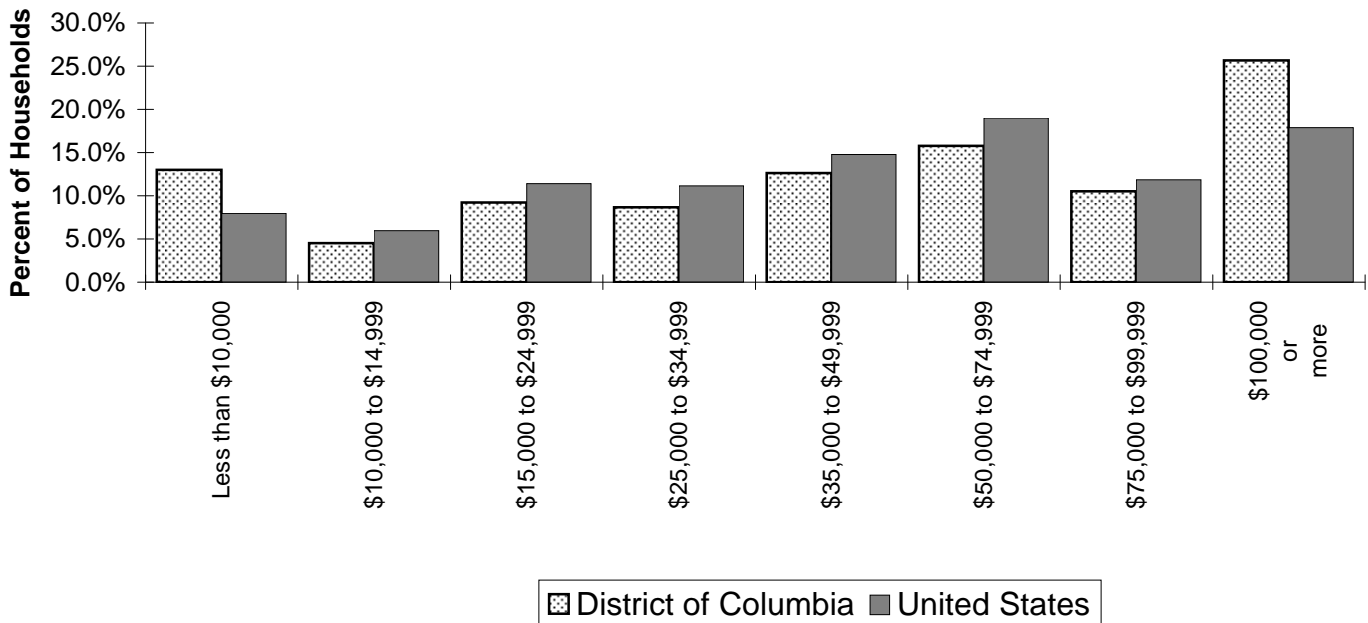
District of Columbia

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	27.9%	4.4%	10.5%	13.2%	19.4%	12.0%	6.0%	6.6%	100.0%
25 to 44 years.....	9.3%	3.3%	6.5%	7.9%	13.3%	19.5%	11.6%	28.6%	100.0%
45 to 64 years.....	13.2%	4.2%	8.9%	8.2%	10.7%	14.3%	11.7%	28.8%	100.0%
65 years and over.....	15.8%	7.6%	14.9%	9.8%	12.6%	11.8%	7.7%	19.8%	100.0%
District of Columbia (all ages).	13.0%	4.5%	9.2%	8.7%	12.6%	15.8%	10.5%	25.7%	100.0%
United States (all ages).....	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



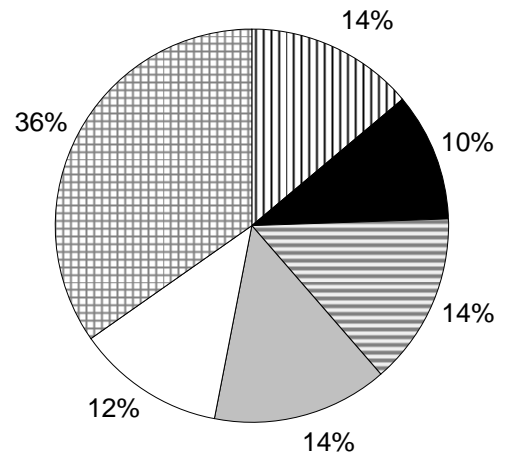
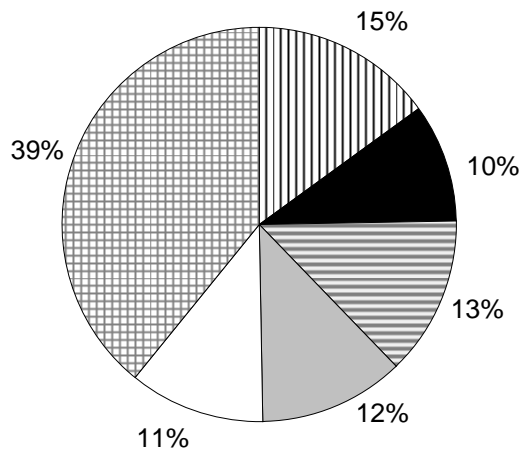
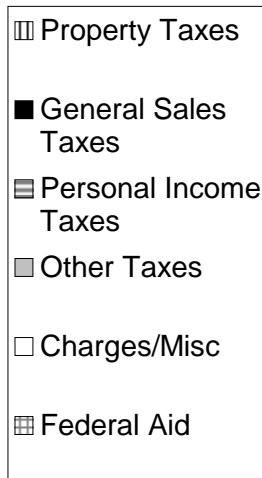
District of Columbia

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		DC	US	DC	US	DC	US
Total General Revenues.....	\$8,105	\$13,925	\$6,816	27.7%	20.8%	5.1%	5.6%
Own Sources.....	\$5,290	\$9,089	\$5,338	18.1%	16.3%	5.9%	5.3%
Taxes.....	\$4,297	\$7,383	\$3,698	14.7%	11.3%	5.8%	5.2%
Property Taxes.....	\$1,136	\$1,951	\$1,132	3.9%	3.5%	4.5%	5.1%
General Sales Taxes.....	\$847	\$1,455	\$887	2.9%	2.7%	5.7%	5.1%
Personal Income Taxes.....	\$1,148	\$1,972	\$813	3.9%	2.5%	6.0%	5.7%
Other Taxes.....	\$1,166	\$2,004	\$866	4.0%	2.6%	7.3%	4.9%
Charges/Miscellaneous.....	\$993	\$1,706	\$1,640	3.4%	5.0%	6.1%	5.7%
Federal Aid.....	\$2,815	\$4,836	\$1,478	9.6%	4.5%	3.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



District of Columbia

I. Personal Income Tax (2006)

State Income Tax Base

The District of Columbia's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal return.

Rate Structure

All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>
First \$10,000	4.5%
\$10,001 – \$40,000	7.0%
Over \$40,000	8.7%

Public Pension Exemption \$3,000 for persons age 62 and older

Private Pension Exemption None

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

Under age 65 \$4,000 (single); \$5,500 (married, filing jointly;
both spouses are under age 65)

Age 65 and older \$5,500 (single); \$8,500 (married, filing jointly;
both spouses are age 65 or older)

Local Income Taxes Not applicable

II. General Sales Tax Rates (2006)

General sales tax rate 5.75%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

District of Columbia

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.975%	Includes two 2.5% surtaxes
Gasoline (per gallon)	\$0.20	
Cigarette (per pack of 20)	\$1.00	
Beer (per gallon)	\$0.09	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners	\$60,000 assessed value
Homeowners age 65 and older or disabled persons whose income is \$100,000 or less	50% reduction in tax liability

Circuit Breaker

Requirements

Benefits

Homeowners and renters whose income is \$20,000 or less	Up to a \$750 tax credit
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Deferral Program

Requirements

Benefits

All homeowners	Defer taxes owed in excess of 110% of prior tax liability
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Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

District of Columbia

Homeowners whose income is less than \$50,000 Defer taxes owed in excess of prior year's taxes as long as the total amount of deferred taxes (plus accrued interest) does not equal or exceed 25% of the assessed property value

Homeowners age 65 and older whose income is less than \$50,000 Defer all property taxes owed until the total amount of deferred taxes (plus accrued interest) equals or exceeds 25% of the assessed property value

V. Real Property Tax Limits, Caps, or Freezes (2007)

Homeowners do not have to pay property taxes on any assessments that exceed 10% of the prior year's assessment. This effectively limits property tax assessments to a 10% annual increase.

Homeowners who have lived in their home for at least seven consecutive years and whose household income equaled or was less than \$31,605 (one household member) to \$63,210 (eight household members) are eligible for limiting annual increases in their property taxes to no more than 5%. This limit is accomplished through an income tax credit equal to the amount of property taxes exceeding a 5% annual increase.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

District of Columbia

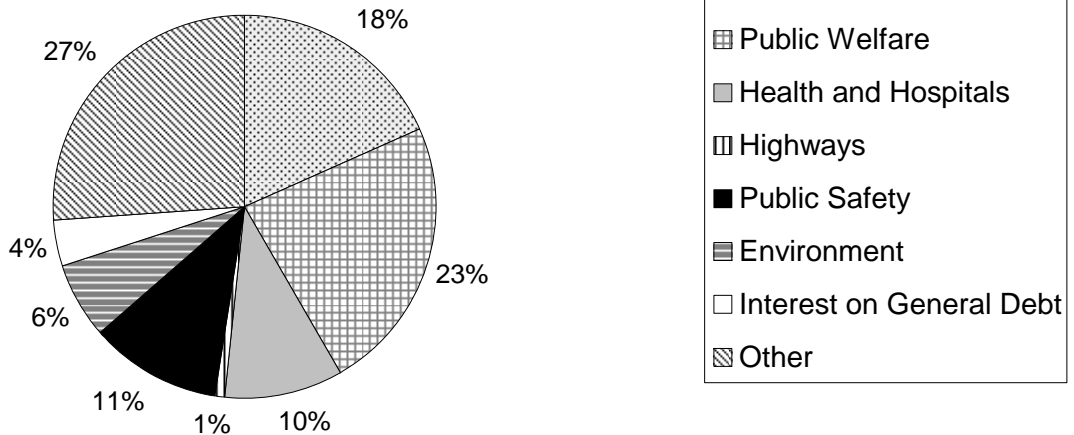
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		DC	US	DC	US	DC	US
		State/Local Direct General Expenditures	\$7,244	\$12,446	\$6,794	24.8%	20.7%
To State/Local Government	\$7,244	\$12,446	\$6,778	24.8%	20.7%	5.3%	5.8%
Education*	\$1,336	\$2,295	\$2,325	4.6%	7.1%	6.6%	6.2%
Public Welfare	\$1,689	\$2,902	\$1,221	5.8%	3.7%	4.0%	6.5%
Health and Hospitals	\$717	\$1,232	\$574	2.5%	1.8%	5.4%	4.9%
Highways	\$71	\$122	\$418	0.2%	1.3%	-4.4%	4.9%
Public Safety*	\$801	\$1,377	\$599	2.7%	1.8%	1.9%	5.8%
Environment	\$459	\$789	\$383	1.6%	1.2%	8.1%	4.7%
Interest on General Debt	\$279	\$479	\$273	1.0%	0.8%	-1.1%	3.6%
Other	\$1,891	\$3,250	\$985	6.5%	3.0%	9.9%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
District of Columbia (State and Local)	\$6.0	\$10,326	\$205.68	\$6.0	100.0%	\$0.00	0.0%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

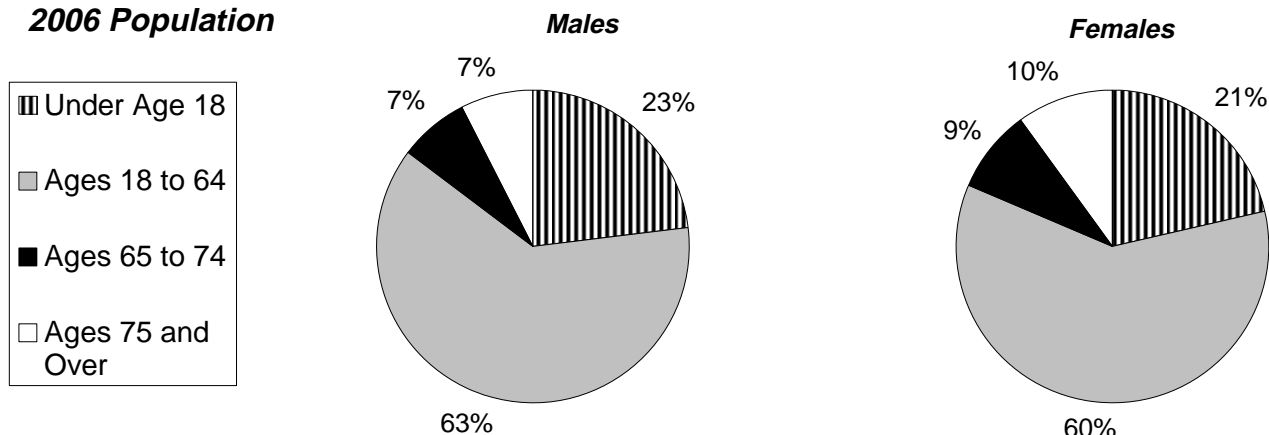
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Florida

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	FL	US	FL	US	FL	US
	Per Capita Income.....	\$23,655	\$24,175	\$36,665	\$36,629	4.5%
Median Household Income	\$30,641	\$35,492	\$45,676	\$48,201	4.1%	3.1%
Gross Domestic Product by State (in millions).....	\$362,950	\$7,659,651	\$713,505	\$13,149,033	7.0%	5.6%
Full- and Part-Time Positions (in thousands).....	7,804	152,150	10,521	178,343	3.0%	1.6%
Employed Persons (in thousands)	6,827	126,708	8,693	144,427	2.4%	1.3%
Unemployment Rate.....	5.3%	5.4%	3.3%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	FL	FL	FL	US	FL	US
Total Population.....	14,426,911	18,089,888	25.4%	12.9%	12.6%	13.3%
Males.....	6,993,956	8,884,135	27.0%	13.9%	11.2%	11.9%
Under Age 18.....	1,748,512	2,059,269	17.8%	6.6%	17.8%	18.2%
Ages 18 to 64.....	4,090,587	5,505,662	34.6%	17.4%	9.5%	10.1%
Ages 65 to 74.....	661,791	664,999	0.5%	4.0%	7.5%	6.9%
Ages 75 and Over.....	493,066	654,205	32.7%	25.1%	8.1%	7.7%
Females.....	7,432,955	9,205,753	23.9%	11.9%	13.9%	14.7%
Under Age 18.....	1,664,011	1,962,286	17.9%	6.8%	17.2%	18.5%
Ages 18 to 64.....	4,247,642	5,524,967	30.1%	15.0%	13.4%	13.8%
Ages 65 to 74.....	798,712	786,343	-1.5%	-1.0%	11.0%	10.2%
Ages 75 and Over.....	722,590	932,157	29.0%	17.3%	12.5%	13.5%

Source: U.S. Bureau of the Census

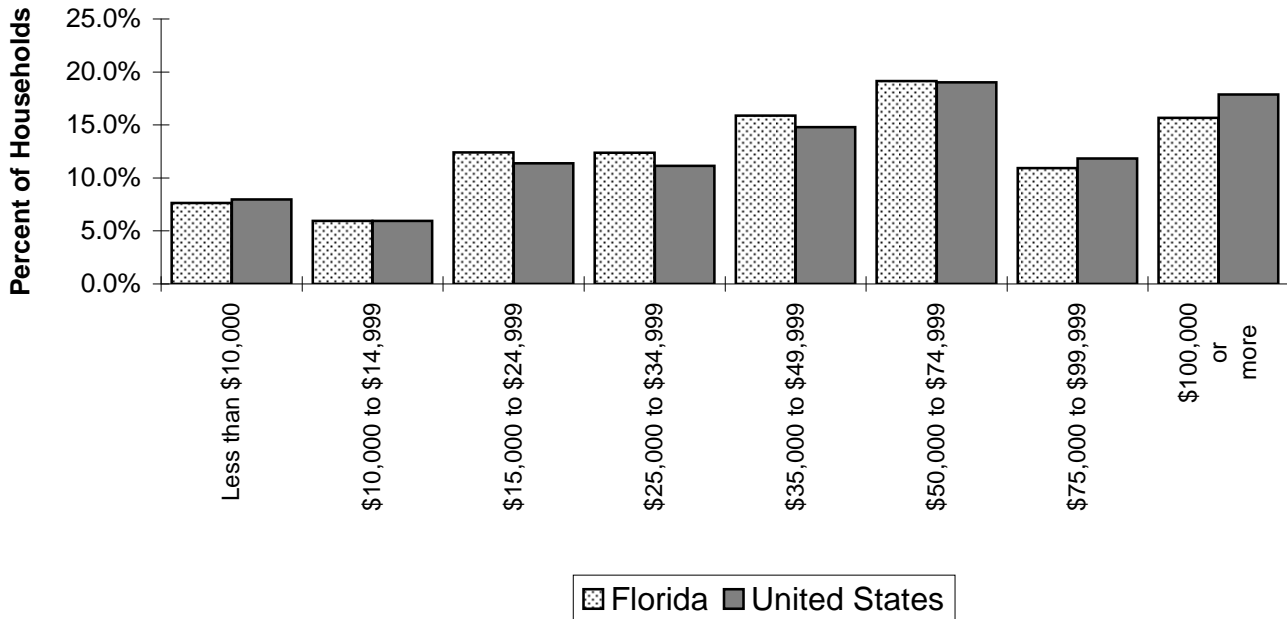
Florida

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.2%	8.7%	20.5%	16.8%	16.2%	13.4%	4.2%	2.9%	100.0%
25 to 44 years.....	5.1%	3.7%	9.7%	12.3%	17.4%	22.8%	13.2%	15.9%	100.0%
45 to 64 years.....	6.7%	4.1%	9.2%	10.4%	14.8%	20.0%	13.0%	21.8%	100.0%
65 years and over.....	10.6%	11.0%	19.0%	14.5%	15.4%	14.2%	6.3%	9.0%	100.0%
Florida (all ages).....	7.6%	6.0%	12.4%	12.4%	15.9%	19.1%	10.9%	15.7%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



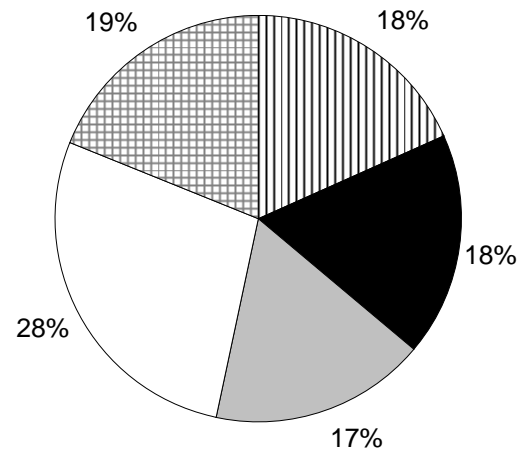
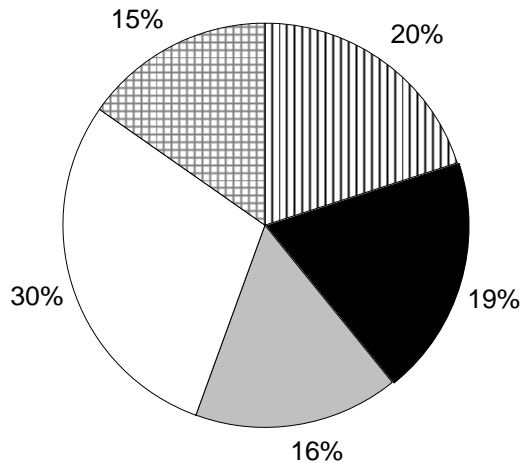
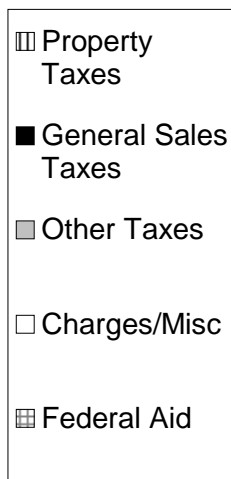
Florida

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		FL	US	FL	US	FL	US
		Total General Revenues.....	\$112,060	\$6,307	\$6,816	19.8%	20.8%
Own Sources.....	\$90,961	\$5,119	\$5,338	16.1%	16.3%	6.5%	5.3%
Taxes.....	\$59,864	\$3,369	\$3,698	10.6%	11.3%	6.5%	5.2%
Property Taxes.....	\$20,389	\$1,148	\$1,132	3.6%	3.5%	5.9%	5.1%
General Sales Taxes.....	\$20,079	\$1,130	\$887	3.6%	2.7%	6.2%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$19,396	\$1,092	\$866	3.4%	2.6%	7.4%	4.9%
Charges/Miscellaneous.....	\$31,098	\$1,750	\$1,640	5.5%	5.0%	6.4%	5.7%
Federal Aid.....	\$21,098	\$1,187	\$1,478	3.7%	4.5%	9.2%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Florida

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 6.0%
Combined state/local tax rates..... 7.0% to 7.5%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 5.5% All taxable income
Gasoline (per gallon)..... \$0.153 Does not include \$0.0207 pollution tax.
County tax rates range from \$0.102 to
\$0.182 per gallon.
Cigarette (per pack of 20) \$0.339
Beer (per gallon) \$0.48

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners.....	\$25,000 assessed value
Widows, blind, disabled.....	Additional \$500 assessed value
Fully disabled whose income is \$23,604 or less	Full exemption
Fully disabled veterans	Full exemption

Additional Homestead Exemption or Credit

Requirements	Benefits
Homeowners age 65 and older whose income is \$24,214 or less.....	Additional exemption of \$25,000 in assessed value (available by county or municipal ordinance)

Circuit Breaker None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Florida

Deferral Program

Requirements	Benefits
All homeowners.....	Defer taxes exceeding 5% of income
Homeowners age 65 and older	Defer taxes exceeding 3% of income
Homeowners age 65 and older whose income is \$24,214 or less.....	Full deferral of property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Limits on Growth in Assessed Property Values

For homestead property that has not changed ownership in the previous year, annual growth in assessed property values shall not exceed 3% or the inflation rate (Consumer Price Index, or CPI) (whichever is lower). This is known as the “Save Our Home Provision” and applies to individual property owners.

Limits on Growth in Property Taxes

For fiscal year 2007-08, local counties, cities, and special districts cannot receive more property taxes than in fiscal year 2006-07 minus a percentage amount (between 0% and 9%). The percentage amount depends on how much per capita property taxes increased in the last five years; the higher the increase, the higher the percentage amount. This limitation does not apply to new construction, and the governing board can override this limitation with a two-thirds vote.

Real Property Tax Rate Limits*

County	\$1.00 per \$100 of assessed value
Cities	\$1.00 per \$100 of assessed value
School districts	\$1.00 per \$100 of assessed value

*These limits do not apply to bonded indebtedness.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers’ offices, state assessors’ offices, and state treasury offices.

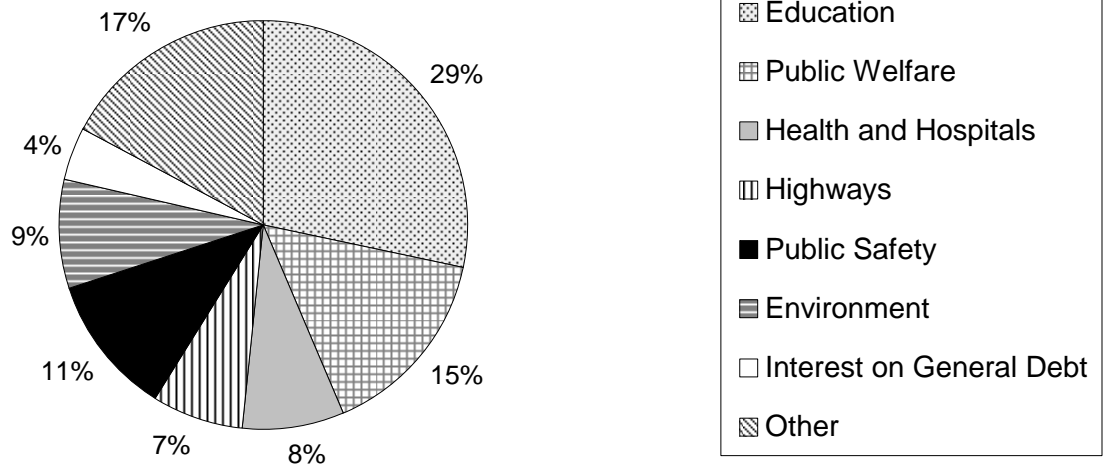
Florida

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		FL	US	FL	US	FL	US
		State/Local Direct General Expenditures	\$112,637	\$6,339	\$6,794	19.9%	20.7%
To State/Local Government	\$112,637	\$6,339	\$6,778	19.9%	20.7%	6.9%	5.8%
Education*	\$32,043	\$1,803	\$2,325	5.7%	7.1%	6.3%	6.2%
Public Welfare	\$17,235	\$970	\$1,221	3.0%	3.7%	9.3%	6.5%
Health and Hospitals	\$8,981	\$505	\$574	1.6%	1.8%	4.6%	4.9%
Highways	\$7,955	\$448	\$418	1.4%	1.3%	6.2%	4.9%
Public Safety*	\$12,541	\$706	\$599	2.2%	1.8%	6.2%	5.8%
Environment	\$9,654	\$543	\$383	1.7%	1.2%	6.3%	4.7%
Interest on General Debt	\$4,872	\$274	\$273	0.9%	0.8%	4.1%	3.6%
Other	\$19,355	\$1,089	\$985	3.4%	3.0%	9.5%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Florida (State and Local)	\$110.7	\$6,231	\$195.87	\$110.3	99.6%	\$0.44	0.4%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

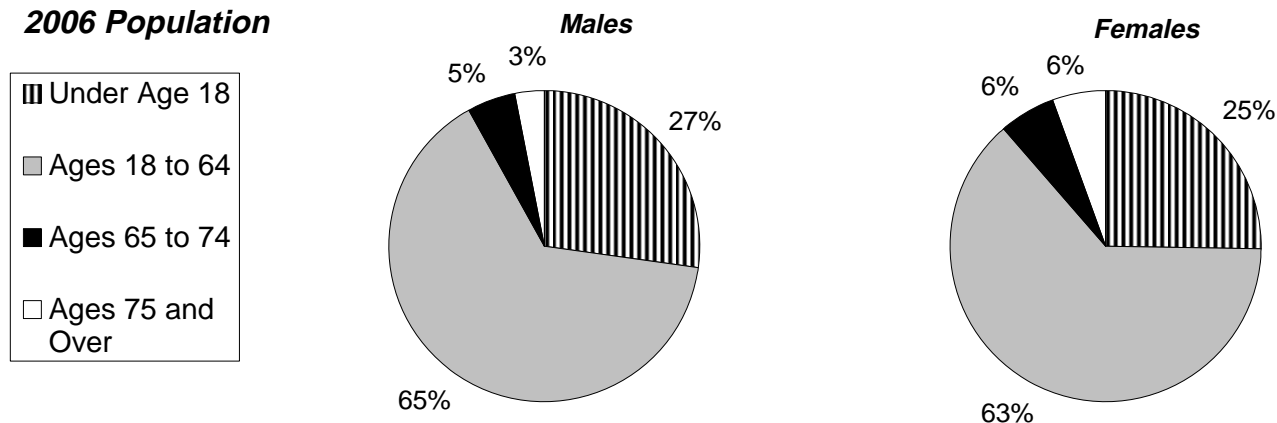
Source: U.S. Bureau of the Census

Georgia

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	GA	US	GA	US	GA	US
	Per Capita Income.....	\$22,945	\$24,175	\$32,025	\$36,629	3.4%
Median Household Income.....	\$32,496	\$35,492	\$49,344	\$48,201	4.3%	3.1%
Gross State Product (in millions).....	\$215,128	\$7,659,651	\$379,550	\$13,149,033	5.8%	5.6%
Full- and Part-Time Positions (in thousands).....	4,362	152,150	5,383	178,343	2.1%	1.6%
Employed Persons (in thousands)	3,638	126,708	4,522	144,427	2.2%	1.3%
Unemployment Rate.....	4.6%	5.4%	4.6%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	GA	GA	GA	US	GA	US
Total Population.....	7,332,225	9,363,941	27.7%	12.9%	14.7%	13.3%
Males.....	3,564,754	4,611,078	29.4%	13.9%	12.9%	11.9%
Under Age 18.....	1,000,982	1,253,307	25.2%	6.6%	20.0%	18.2%
Ages 18 to 64.....	2,277,470	2,983,063	31.0%	17.4%	10.4%	10.1%
Ages 65 to 74.....	179,806	228,261	26.9%	4.0%	8.0%	6.9%
Ages 75 and Over.....	106,496	146,447	37.5%	25.1%	10.0%	7.7%
Females.....	3,767,471	4,752,863	26.2%	11.9%	16.4%	14.7%
Under Age 18.....	955,018	1,201,713	25.8%	6.8%	20.3%	18.5%
Ages 18 to 64.....	2,366,814	3,012,984	27.3%	15.0%	14.9%	13.8%
Ages 65 to 74.....	236,232	276,088	16.9%	-1.0%	13.4%	10.2%
Ages 75 and Over.....	209,407	262,078	25.2%	17.3%	17.6%	13.5%

Source: U.S. Bureau of the Census

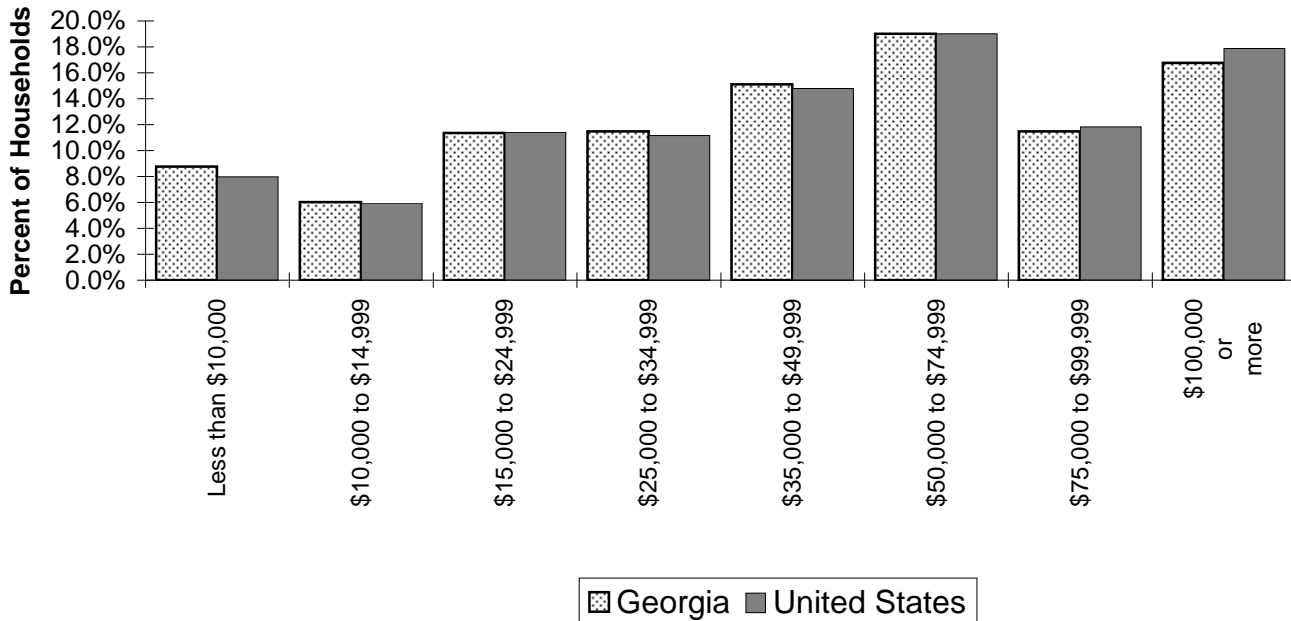
Georgia

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	21.1%	10.8%	18.9%	16.8%	16.6%	9.9%	3.7%	2.2%	100.0%
25 to 44 years.....	6.3%	4.0%	10.2%	11.9%	17.0%	21.7%	12.7%	16.2%	100.0%
45 to 64 years.....	7.6%	4.7%	8.5%	9.6%	13.5%	19.4%	13.5%	23.2%	100.0%
65 years and over.....	14.0%	12.6%	18.7%	13.1%	13.6%	14.1%	6.1%	7.8%	100.0%
Georgia (all ages).....	8.8%	6.0%	11.4%	11.5%	15.1%	19.0%	11.5%	16.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



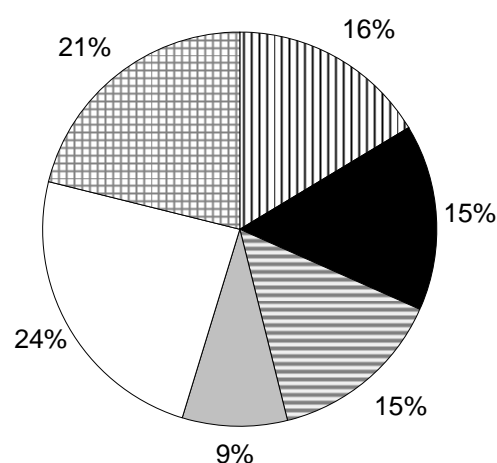
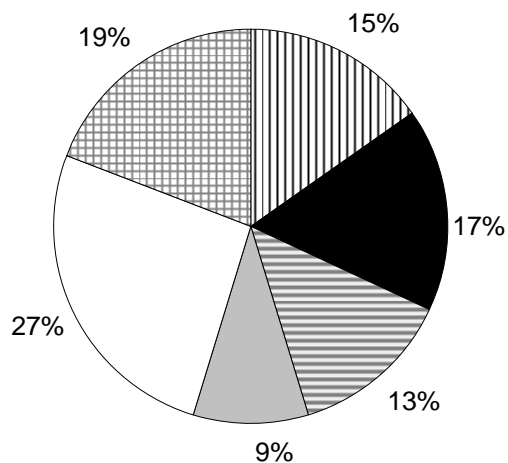
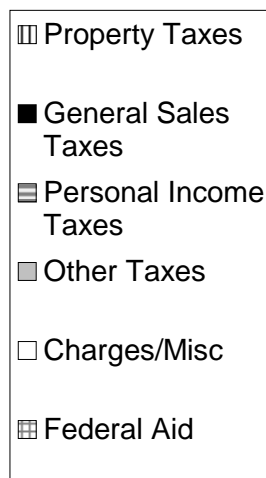
Georgia

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		GA	US	GA	US	GA	US
Total General Revenues.....	\$50,180	\$5,495	\$6,816	19.0%	20.8%	3.8%	5.6%
Own Sources.....	\$39,606	\$4,337	\$5,338	15.0%	16.3%	5.3%	5.3%
Taxes.....	\$27,486	\$3,010	\$3,698	10.4%	11.3%	5.6%	5.2%
Property Taxes.....	\$8,215	\$899	\$1,132	3.1%	3.5%	6.2%	5.1%
General Sales Taxes.....	\$7,664	\$839	\$887	2.9%	2.7%	4.7%	5.1%
Personal Income Taxes.....	\$7,326	\$802	\$813	2.8%	2.5%	6.7%	5.7%
Other Taxes.....	\$4,281	\$469	\$866	1.6%	2.6%	4.5%	4.9%
Charges/Miscellaneous.....	\$12,120	\$1,327	\$1,640	4.6%	5.0%	4.7%	5.7%
Federal Aid.....	\$10,574	\$1,158	\$1,478	4.0%	4.5%	6.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Georgia

I. Personal Income Tax (2006)

State Income Tax Base

Georgia's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their income exceeds the following:

Filing Status	Income
Under Age 65	\$5,000 (single); \$8,400 (married, filing jointly; both spouses under age 65)
Age 65 and older	\$6,300 (single); \$11,000 (married, filing jointly; both spouses age 65 or older)

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$750	1.0%	First \$1,000	1.0%
\$751 – \$2,250	2.0%	\$1,001 – \$3,000	2.0%
\$2,251 – \$3,750	3.0%	\$3,001 – \$5,000	3.0%
\$3,751 – \$5,250	4.0%	\$5,001 – \$7,000	4.0%
\$5,251 – \$7,000	5.0%	\$7,001 – \$10,000	5.0%
Over \$7,000	6.0%	Over \$10,000	6.0%

Retirement Income Exemption

\$25,000 exemption (persons age 62 and older or disabled); the first \$4,000 of the \$25,000 exemption may be earned income.*

*Exemption amount rises to \$30,000 in 2007 and to \$35,000 in 2008.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Standard Deductions and Personal Exemptions Combined

Under age 65	\$5,000 (single); \$8,400 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$6,300 (single); \$11,000 (married, filing jointly; both spouses are age 65 or older)

Low-Income Credit

Taxpayers whose federal adjusted gross income is less than \$20,000 may be eligible for a tax credit up to the following amounts:

Filing Status	Income
Under Age 65	\$26 (single); \$52 (married filing jointly; both spouses under age 65 with no children)
Age 65 and older	\$52 (single); \$104 (married filing jointly; both spouses age 65 or older with no children)

Local Income Taxes Localities can levy a 1% tax on Georgia taxable income only if they do not levy a local general sales tax.

II. General Sales Tax Rates (2006)

State	4.0%
Combined state/local tax rates.....	6.0% to 8.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.0%	All taxable income
Gasoline (per gallon).....	\$0.075	Plus a prepaid sales tax equal to 4% of the average statewide retail selling price of motor fuel adjusted semiannually
Cigarette (per pack of 20)	\$0.37	
Beer (per gallon)	\$0.323	For container sizes and \$0.48 for non-container sizes, such as kegs. Local taxes, where levied, are additional.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Georgia

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners	\$2,000 assessed value (from state, county, and school taxes, except for school taxes levied by municipalities and bonded indebtedness)
	\$8,000 assessed value (from state, county, school, municipal, and some special district taxes)
Homeowners age 65 and older whose household income is \$10,000 or less; household income does not include retirement income up to \$52,440.	\$4,000 assessed value for state and county taxes
Homeowners age 62 and older whose household income is \$10,000 or less; household income does not include retirement income up to \$52,440	\$10,000 assessed value for school property taxes
Disabled veterans and surviving spouses.....	\$50,000 assessed value for state, county, municipal, and school taxes
Circuit Breaker	None

Deferral Program

Requirements	Benefits
Homeowners age 62 and older whose income is \$15,000 or less.....	Defer taxes on the first \$50,000 of assessed value

V. Real Property Tax Limits, Caps, or Freezes (2007)

Homeowners age 62 and older whose federal adjusted household gross income is \$30,000 or less are eligible to receive a freeze on their assessed property value for state and county property taxes (except for bonded indebtedness). If homeowners are granted this freeze, they do not qualify for homestead exemptions. The freeze does not apply to improvements or land that is added to the homestead.

County school systems cannot levy a property tax rate greater than \$20 per \$1,000 of assessed value without state legislative approval. This limit does not pertain to bonded indebtedness.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

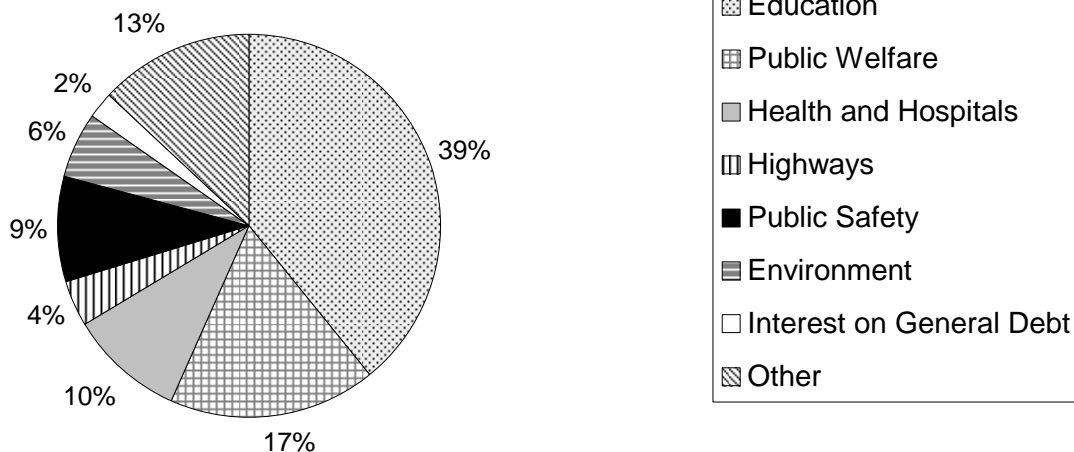
Georgia

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		GA	US	GA	US	GA	US
		State/Local Direct General Expenditures	\$50,701	\$5,552	\$6,794	19.2%	20.7%
To State/Local Government	\$50,701	\$5,552	\$6,778	19.2%	20.7%	5.7%	5.8%
Education*	\$19,916	\$2,181	\$2,325	7.5%	7.1%	7.1%	6.2%
Public Welfare	\$8,823	\$966	\$1,221	3.3%	3.7%	6.6%	6.5%
Health and Hospitals	\$4,979	\$545	\$574	1.9%	1.8%	2.3%	4.9%
Highways	\$1,908	\$209	\$418	0.7%	1.3%	-0.1%	4.9%
Public Safety*	\$4,538	\$497	\$599	1.7%	1.8%	6.7%	5.8%
Environment	\$2,850	\$312	\$383	1.1%	1.2%	6.6%	4.7%
Interest on General Debt	\$1,087	\$119	\$273	0.4%	0.8%	1.8%	3.6%
Other	\$6,600	\$723	\$985	2.5%	3.0%	6.1%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005 (excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Georgia (State and Local)	\$37.9	\$4,152	\$143.29	\$37.5	98.8%	\$0.45	1.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

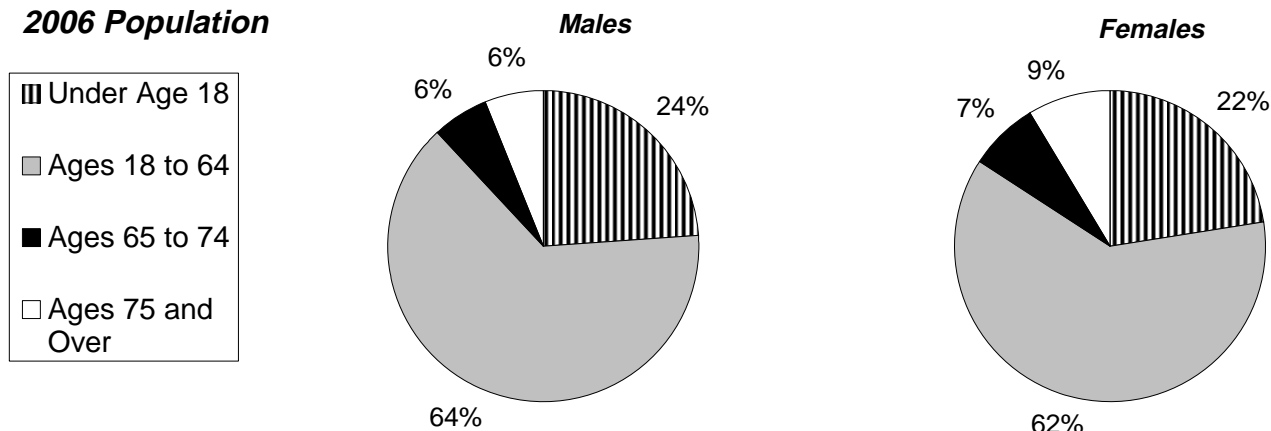
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Hawaii

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	HI	US	HI	US	HI	US
	Per Capita Income.....	\$25,024	\$24,175	\$36,826	\$36,629	3.9%
Median Household Income	\$41,772	\$35,492	\$60,470	\$48,201	3.8%	3.1%
Gross Domestic Product by State (in millions)....	\$36,959	\$7,659,651	\$58,307	\$13,149,033	4.7%	5.6%
Full- and Part-Time Positions (in thousands).....	739	152,150	864	178,343	1.6%	1.6%
Employed Persons (in thousands)	562	126,708	628	144,427	1.1%	1.3%
Unemployment Rate.....	5.9%	5.4%	2.4%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	HI	HI	HI	US	HI	US
Total Population.....	1,184,434	1,285,498	8.5%	12.9%	9.3%	13.3%
Males.....	596,520	643,328	7.8%	13.9%	7.9%	11.9%
Under Age 18.....	156,817	154,398	-1.5%	6.6%	10.6%	18.2%
Ages 18 to 64.....	369,256	411,442	11.4%	17.4%	7.1%	10.1%
Ages 65 to 74.....	41,355	39,023	-5.6%	4.0%	5.7%	6.9%
Ages 75 and Over.....	29,092	38,465	32.2%	25.1%	7.2%	7.7%
Females.....	587,914	642,170	9.2%	11.9%	10.6%	14.7%
Under Age 18.....	147,571	143,683	-2.6%	6.8%	12.2%	18.5%
Ages 18 to 64.....	357,293	396,605	11.0%	15.0%	9.9%	13.8%
Ages 65 to 74.....	48,229	46,221	-4.2%	-1.0%	9.4%	10.2%
Ages 75 and Over.....	34,821	55,661	59.8%	17.3%	12.7%	13.5%

Source: U.S. Bureau of the Census

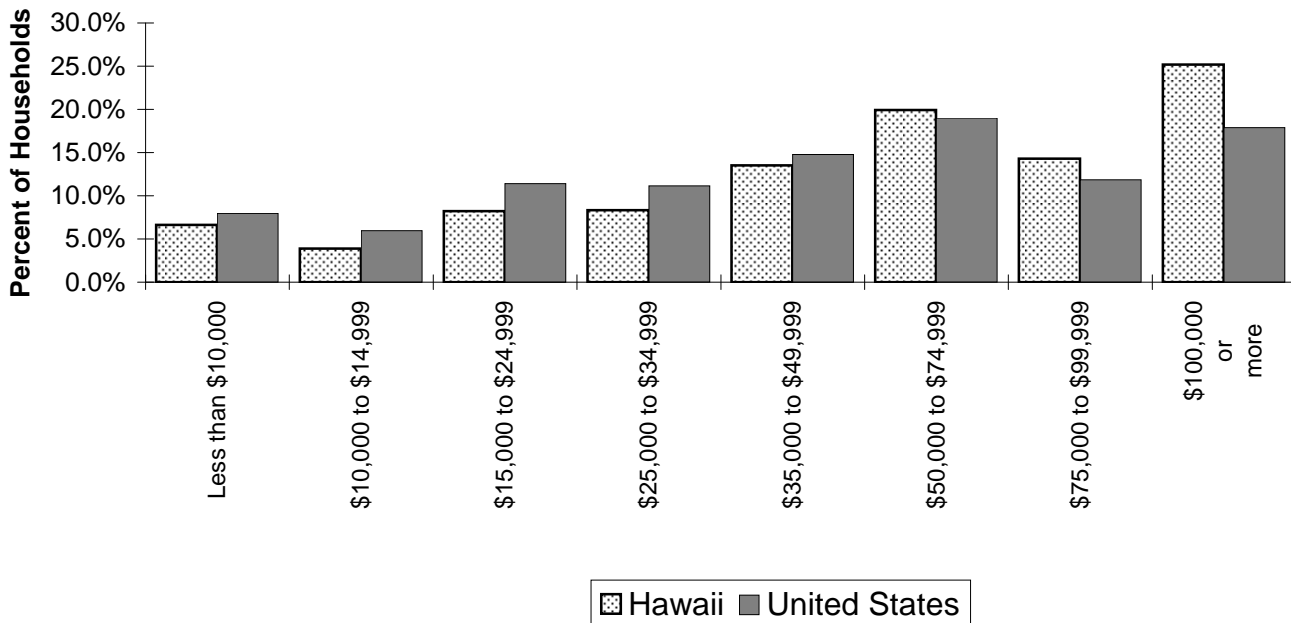
Hawaii

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	14.2%	2.3%	15.7%	13.9%	19.7%	19.1%	7.6%	7.5%	100.0%
25 to 44 years.....	5.2%	2.4%	7.5%	8.0%	15.2%	23.5%	16.6%	21.5%	100.0%
45 to 64 years.....	5.9%	3.1%	6.3%	6.0%	10.9%	19.4%	15.0%	33.4%	100.0%
65 years and over.....	8.4%	7.7%	11.0%	11.6%	14.4%	15.9%	11.1%	19.9%	100.0%
Hawaii (all ages).....	6.6%	3.9%	8.2%	8.3%	13.5%	19.9%	14.3%	25.2%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



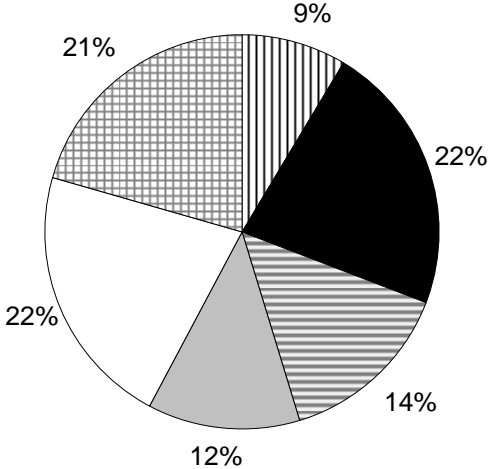
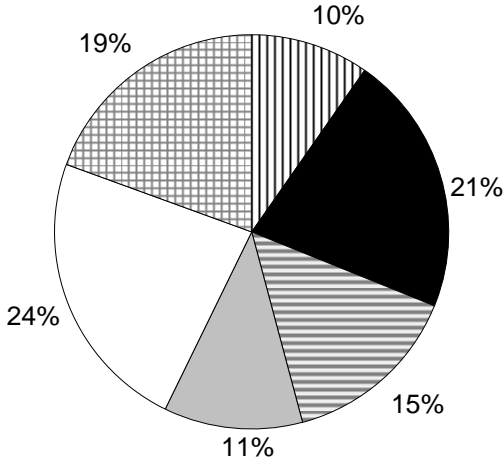
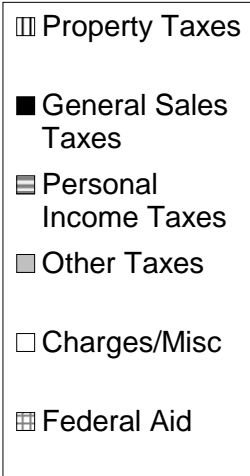
Hawaii

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		HI	US	HI	US	HI	US
Total General Revenues.....	\$9,554	\$7,503	\$6,816	23.3%	20.8%	4.2%	5.6%
Own Sources.....	\$7,590	\$5,961	\$5,338	18.5%	16.3%	4.0%	5.3%
Taxes.....	\$5,524	\$4,338	\$3,698	13.4%	11.3%	4.3%	5.2%
Property Taxes.....	\$818	\$643	\$1,132	2.0%	3.5%	2.9%	5.1%
General Sales Taxes.....	\$2,137	\$1,678	\$887	5.2%	2.7%	4.6%	5.1%
Personal Income Taxes.....	\$1,381	\$1,085	\$813	3.4%	2.5%	4.1%	5.7%
Other Taxes.....	\$1,188	\$933	\$866	2.9%	2.6%	5.0%	4.9%
Charges/Miscellaneous.....	\$2,066	\$1,623	\$1,640	5.0%	5.0%	3.4%	5.7%
Federal Aid.....	\$1,965	\$1,543	\$1,478	4.8%	4.5%	4.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Hawaii

I. Personal Income Tax (2006)

State Income Tax Base

Hawaii's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are doing business in Hawaii or if their gross income subject to Hawaii tax exceeds the following amounts:

Age Group	Income Thresholds
Under age 65	\$2,540 (single); \$3,980 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$3,580 (single); \$6,060 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

Single		Married, Filing Jointly	
Taxable Income	Rate	Taxable Income	Rate
First \$2,000	1.4%	First \$4,000	1.4%
\$2,000 – \$4,000	3.2%	\$4,000 – \$8,000	3.2%
\$4,000 – \$8,000	5.5%	\$8,000 – \$16,000	5.5%
\$8,000 – \$12,000	6.4%	\$16,000 – \$24,000	6.4%
\$12,000 – \$16,000	6.8%	\$24,000 – \$32,000	6.8%
\$16,000 – \$20,000	7.2%	\$32,000 – \$40,000	7.2%
\$20,000 – \$30,000	7.6%	\$40,000 – \$60,000	7.6%
\$30,000 – \$40,000	7.9%	\$60,000 – \$80,000	7.9%
Over \$40,000	8.25%	Over \$80,000	8.25%

Public Pensions Full exemption

Private Pensions Pensions with only employer contributions are exempt; pensions with employee contributions are partially taxable.

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

Under age 65 \$2,540 (single); \$3,980 (married, filing jointly; both spouses are under age 65)

Age 65 and older \$3,580 (single); \$6,060 (married, filing jointly; both spouses are age 65 or older)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 4.0%
 Combined state/local tax rates..... 4.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.4%	On income over \$100,000
Gasoline (per gallon)	\$0.16	County rates vary from \$0.088 to \$0.165 per gallon.
Cigarette (per pack of 20)	\$1.60*	Local taxes, where levied, are additional.
Beer (per gallon)	\$0.93	For draft beer; counties levy an additional \$0.54/gallon.

*The \$1.60 tax includes a stamp tax of \$0.017.

IV. Real Property Tax Relief Programs (Honolulu, HI) (2007)

Homestead Exemption or Credit*

Requirements	Benefits
Homeowners under age 65.....	\$80,000 assessed value
Homeowners ages 65 and older	\$120,000 assessed value
Disabled, blind, hearing impaired, or with Hansen's disease	\$25,000 assessed value in addition to normal exemption
Fully disabled veterans.....	Full exemption if owner-occupied
Low-income homeowners ages 75–79**	\$140,000 assessed value
80–84	\$160,000 assessed value
85–89	\$180,000 assessed value
90 and older	\$200,000 assessed value

*Household income cannot exceed limits established by U.S. Department of Housing and Urban Development. For Honolulu, those limits for 2007 are \$26,100 for a house occupied by one person and \$29,800 for a house occupied by two persons.

**All homeowners have to pay a minimum real property tax of \$100.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Hawaii

Circuit Breaker

Requirements

Homeowners under age 75 who are receiving a homestead exemption and whose income is \$50,000 or less

Benefits

The benefit equals the difference between property taxes paid and 4% of household income.*

Homeowners age 75 and older who are receiving a homestead exemption and whose income is \$50,000 or less

The benefit equals the difference between property taxes paid and 3% of household income.*

*All homeowners still have to pay a minimum real property tax of \$100. The above circuit breaker program starts in 2008.

Circuit Breaker

Low Income Refundable Income Tax Credit

Requirements

Homeowners whose income is \$20,000 or less.....

Benefits

Up to \$35 per qualified exemption

Renter's Income Tax Credit

Requirements

Renters whose annual rent is greater than \$1,000 and whose income is less than \$30,000

Benefits

\$50 per qualified exemption

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (Honolulu, HI) (2007)

No limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Hawaii

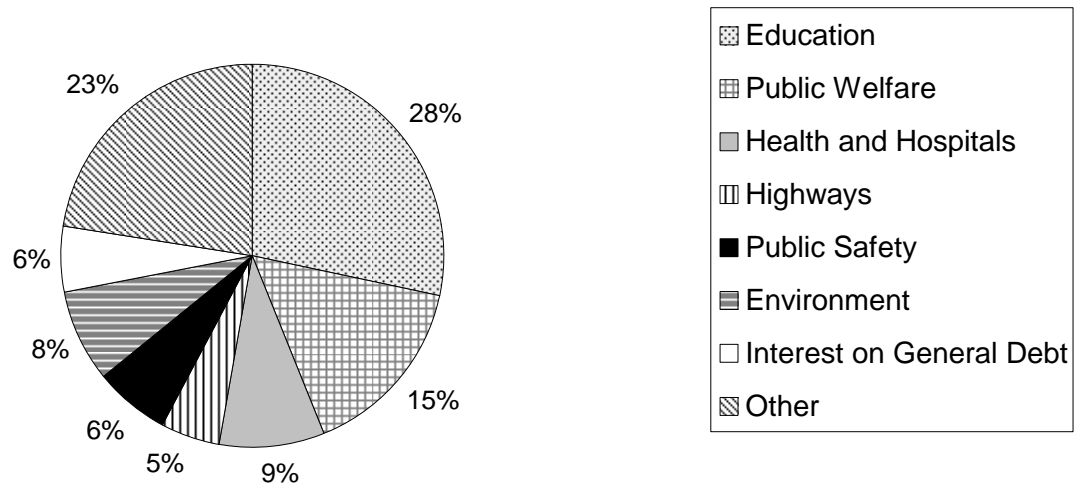
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		HI	US	HI	US	HI	US
		State/Local Direct General Expenditures	\$9,329	\$7,327	\$6,794	22.7%	20.7%
To State/Local Government	\$9,329	\$7,327	\$6,778	22.7%	20.7%	3.3%	5.8%
Education*	\$2,648	\$2,080	\$2,325	6.4%	7.1%	4.9%	6.2%
Public Welfare	\$1,440	\$1,131	\$1,221	3.5%	3.7%	4.9%	6.5%
Health and Hospitals	\$835	\$656	\$574	2.0%	1.8%	4.9%	4.9%
Highways	\$467	\$367	\$418	1.1%	1.3%	2.8%	4.9%
Public Safety*	\$600	\$471	\$599	1.5%	1.8%	3.7%	5.8%
Environment	\$712	\$559	\$383	1.7%	1.2%	0.8%	4.7%
Interest on General Debt	\$526	\$413	\$273	1.3%	0.8%	2.0%	3.6%
Other	\$2,101	\$1,650	\$985	5.1%	3.0%	1.6%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Hawaii (State and Local)	\$9.3	\$7,296	\$226.17	\$9.2	99.5%	\$0.05	0.5%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

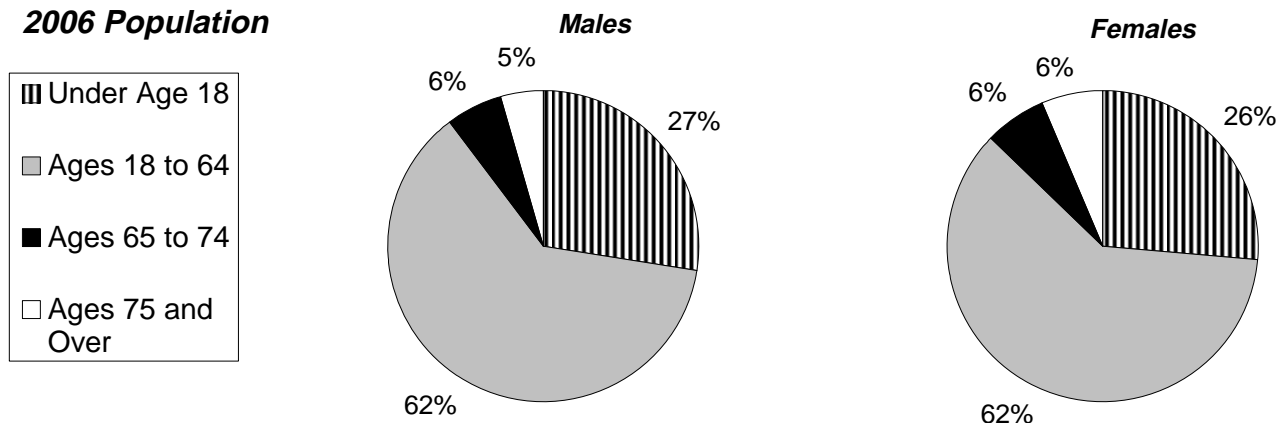
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Idaho

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	ID	US	ID	US	ID	US
	Per Capita Income.....	\$20,248	\$24,175	\$29,948	\$36,629	4.0%
Median Household Income	\$34,709	\$35,492	\$46,213	\$48,201	2.9%	3.1%
Gross State Product (in millions).....	\$28,152	\$7,659,651	\$49,907	\$13,149,033	5.9%	5.6%
Full- and Part-Time Positions (in thousands).....	694	152,150	915	178,343	2.8%	1.6%
Employed Persons (in thousands)	581	126,708	724	144,427	2.2%	1.3%
Unemployment Rate.....	5.3%	5.4%	3.4%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population			Poverty Rate		
	1996	2006	Percentage Change 1996–2006		2006	
	ID	ID	ID	US	ID	US
Total Population.....	1,187,706	1,466,465	23.5%	12.9%	12.6%	13.3%
Males.....	592,405	738,366	24.6%	13.9%	11.3%	11.9%
Under Age 18.....	178,958	202,396	13.1%	6.6%	14.1%	18.2%
Ages 18 to 64.....	353,741	459,496	29.9%	17.4%	10.9%	10.1%
Ages 65 to 74.....	34,191	43,186	26.3%	4.0%	5.1%	6.9%
Ages 75 and Over.....	25,515	33,288	30.5%	25.1%	6.9%	7.7%
Females.....	595,301	728,099	22.3%	11.9%	13.9%	14.7%
Under Age 18.....	169,112	191,884	13.5%	6.8%	16.1%	18.5%
Ages 18 to 64.....	350,111	443,516	26.7%	15.0%	13.5%	13.8%
Ages 65 to 74.....	38,417	45,538	18.5%	-1.0%	10.0%	10.2%
Ages 75 and Over.....	37,661	47,161	25.2%	17.3%	12.4%	13.5%

Source: U.S. Bureau of the Census

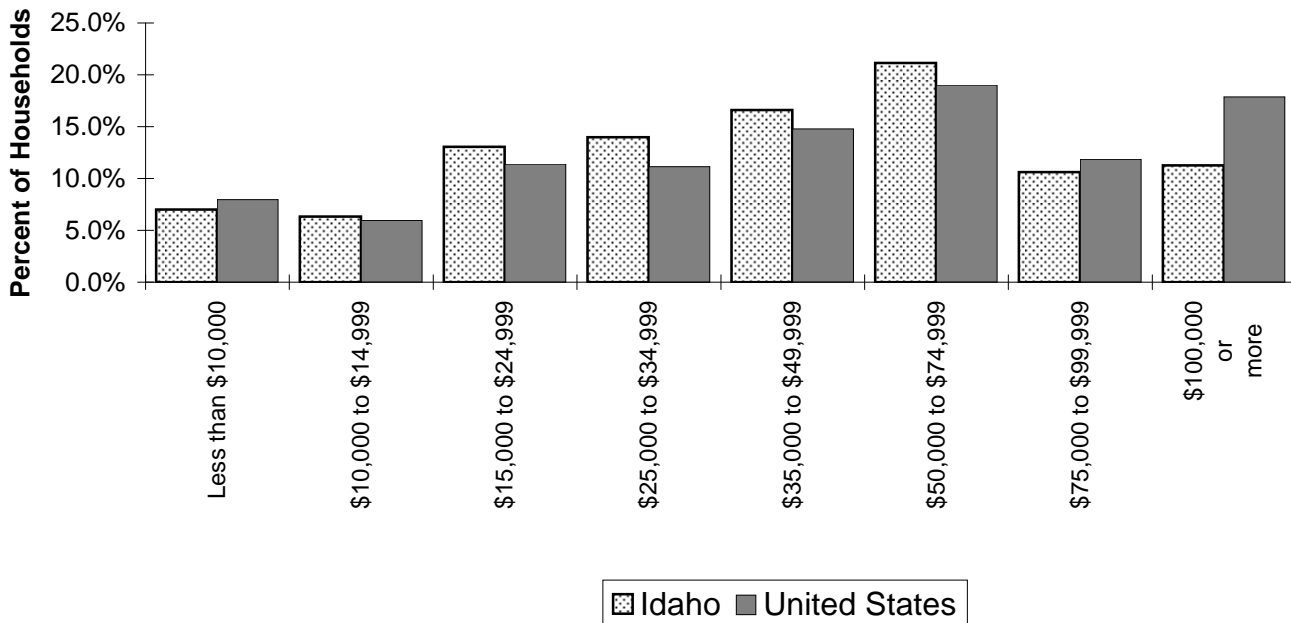
Idaho

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	14.1%	8.9%	22.1%	19.3%	15.5%	15.2%	3.7%	1.2%	100.0%
25 to 44 years.....	4.8%	4.4%	10.5%	14.7%	18.2%	24.5%	12.3%	10.6%	100.0%
45 to 64 years.....	6.5%	4.5%	9.8%	11.2%	15.8%	22.9%	12.5%	16.8%	100.0%
65 years and over.....	9.4%	12.5%	20.8%	15.8%	15.6%	13.6%	6.5%	5.8%	100.0%
Idaho (all ages).....	7.0%	6.3%	13.1%	14.0%	16.6%	21.1%	10.6%	11.3%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



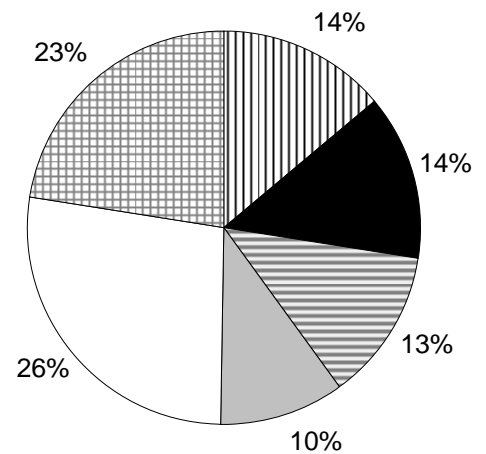
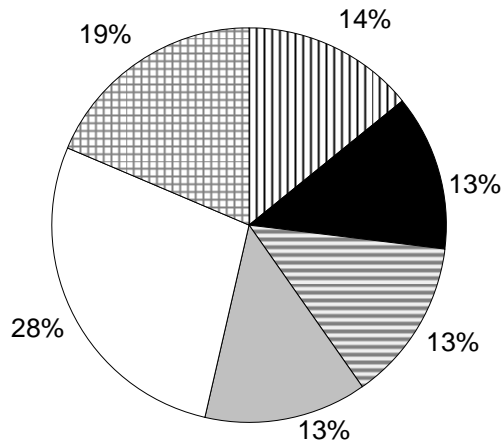
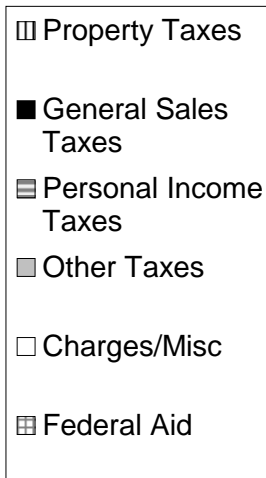
Idaho

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		ID	US	ID	US	ID	US
		Total General Revenues.....	\$8,299	\$5,806	\$6,816	21.8%	20.8%
Own Sources.....	\$6,423	\$4,494	\$5,338	16.8%	16.3%	5.8%	5.3%
Taxes.....	\$4,183	\$2,926	\$3,698	11.0%	11.3%	5.7%	5.2%
Property Taxes.....	\$1,154	\$807	\$1,132	3.0%	3.5%	6.2%	5.1%
General Sales Taxes.....	\$1,128	\$789	\$887	3.0%	2.7%	7.0%	5.1%
Personal Income Taxes.....	\$1,041	\$728	\$813	2.7%	2.5%	5.7%	5.7%
Other Taxes.....	\$860	\$602	\$866	2.3%	2.6%	3.9%	4.9%
Charges/Miscellaneous.....	\$2,240	\$1,567	\$1,640	5.9%	5.0%	6.0%	5.7%
Federal Aid.....	\$1,877	\$1,313	\$1,478	4.9%	4.5%	8.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Idaho

I. Personal Income Tax (2006)

State Income Tax Base

Idaho's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal tax return or if Idaho gross income exceeds the following income thresholds:

Age Group	Income Thresholds
Under age 65	\$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,197	1.6%	First \$2,395	1.6%
\$1,198 – \$2,395	3.6%	\$2,396 – \$4,791	3.6%
\$2,396 – \$3,593	4.1%	\$4,792 – \$7,187	4.1%
\$3,594 – \$4,792	5.1%	\$7,188 – \$9,585	5.1%
\$4,793 – \$5,990	6.1%	\$9,586 – \$11,981	6.1%
\$5,991 – \$8,985	7.1%	\$11,982 – \$17,971	7.1%
\$8,986 – \$23,962	7.4%	\$17,972 – \$47,925	7.4%
Over \$23,962	7.8%	Over \$47,925	7.8%

Public Pension Exemption

\$24,636 (single) and \$36,954 (married, filing jointly) exemption reduced by Social Security and Railroad Retirement benefits received for persons age 65 and older or ages 62–65 and disabled. Allowable state/municipal pension exemptions are limited to a city's police retirement fund or from the state's firefighters retirement fund.

Private Pension Exemption..... None

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Medical Savings Account (MSA)

Deduction* \$2,000 (single); \$4,000 (married) in contributions*

*Taxpayers cannot deduct reimbursements that were redeposited into an Idaho MSA and MSA amounts that were already deducted on the federal return.

Health Insurance Premiums Deduction Premiums can be deducted if they were not already deducted on the federal return.

Long-Term Care Insurance Deduction Premiums can be deducted if they were not already deducted on the Idaho return or the federal return.

Standard Deductions and Personal Exemptions Combined

Under age 65* \$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)

Age 65 and older* \$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (singles have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 6% (effective October 2006)

Combined state/local tax rates 6% to 9%*

*Almost all taxing jurisdictions levy a combined state/local tax rate of 6%. Only some local taxing jurisdictions levy an additional local tax rate of up to 3%.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 7.6% All taxable income

Gasoline (per gallon) \$0.25

Cigarette (per pack of 20) \$0.57

Beer (per gallon) \$0.15 A 15% surcharge is levied on beer sold in the state dispensary.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Idaho

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners	\$89,325 assessed value or 50% of assessed value, whichever is less, for residential improvements

Circuit Breaker

Requirements	Benefits
Homeowners age 65 and older, veterans, disabled, blind, surviving spouses whose income is \$28,000 or less.....	Up to \$1,320

Deferral Program

Requirements	Benefits
Homeowners age 65 and older, veterans, disabled, blind, surviving spouses whose income is \$28,000 or less.....	Up to a full deferral of property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Local taxing district property tax revenue is limited to a 3% annual increase. This limitation does not apply to new construction and annexations or to voter-approved increases.

Idaho has a number of statutory maximum tax rates for various taxing authorities, as shown below:

Airport (counties)	\$0.04 per \$100 of assessed value
District court (counties)	\$0.04 per \$100 of assessed value
Parks and recreation (counties)	\$0.01 per \$100 of assessed value

Of the two above limits, the 3% cap tends to dominate.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Idaho

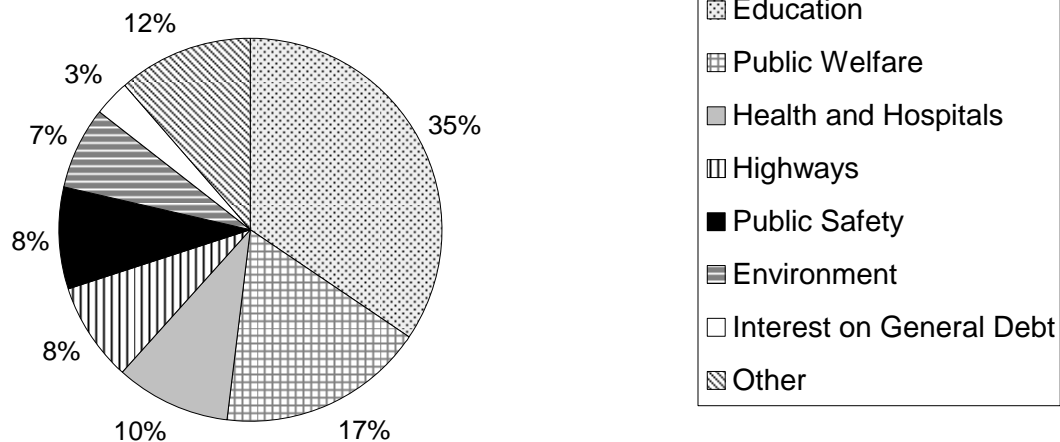
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		ID	US	ID	US	ID	US
		State/Local Direct General Expenditures	\$8,062	\$5,640	\$6,794	21.1%	20.7%
To State/Local Government	\$8,062	\$5,640	\$6,778	21.1%	20.7%	6.4%	5.8%
Education*	\$2,772	\$1,939	\$2,325	7.3%	7.1%	5.3%	6.2%
Public Welfare	\$1,405	\$983	\$1,221	3.7%	3.7%	10.5%	6.5%
Health and Hospitals	\$784	\$549	\$574	2.1%	1.8%	6.6%	4.9%
Highways	\$684	\$479	\$418	1.8%	1.3%	4.0%	4.9%
Public Safety*	\$682	\$477	\$599	1.8%	1.8%	7.0%	5.8%
Environment	\$564	\$395	\$383	1.5%	1.2%	5.1%	4.7%
Interest on General Debt	\$242	\$169	\$273	0.6%	0.8%	5.9%	3.6%
Other	\$929	\$650	\$985	2.4%	3.0%	7.3%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Idaho (State and Local)	\$4.0	\$2,784	\$104.40	\$4.0	99.2%	\$0.03	0.8%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

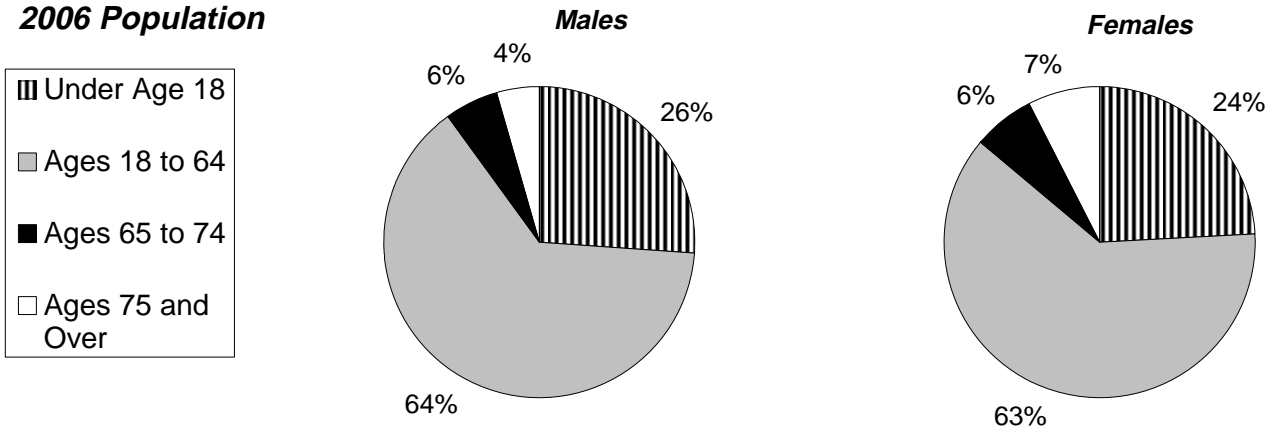
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Illinois

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	IL	US	IL	US	IL	US
	Per Capita Income.....	\$26,449	\$24,175	\$38,297	\$36,629	3.8%
Median Household Income	\$39,554	\$35,492	\$48,671	\$48,201	2.1%	3.1%
Gross State Product (in millions).....	\$377,271	\$7,659,651	\$589,598	\$13,149,033	4.6%	5.6%
Full- and Part-Time Positions (in thousands).....	6,925	152,150	7,603	178,343	0.9%	1.6%
Employed Persons (in thousands)	5,907	126,708	6,316	144,427	0.7%	1.3%
Unemployment Rate.....	5.3%	5.4%	4.5%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	IL	IL	IL	US	IL	US
Total Population.....	11,953,003	12,831,970	7.4%	12.9%	12.3%	13.3%
Males.....	5,823,442	6,317,460	8.5%	13.9%	10.9%	11.9%
Under Age 18.....	1,619,061	1,644,077	1.5%	6.6%	16.8%	18.2%
Ages 18 to 64.....	3,604,226	4,042,647	12.2%	17.4%	9.0%	10.1%
Ages 65 to 74.....	357,673	350,094	-2.1%	4.0%	6.8%	6.9%
Ages 75 and Over.....	242,482	280,642	15.7%	25.1%	7.1%	7.7%
Females.....	6,129,561	6,514,510	6.3%	11.9%	13.7%	14.7%
Under Age 18.....	1,540,563	1,571,167	2.0%	6.8%	17.5%	18.5%
Ages 18 to 64.....	3,689,514	4,039,603	9.5%	15.0%	12.9%	13.8%
Ages 65 to 74.....	451,356	420,128	-6.9%	-1.0%	9.3%	10.2%
Ages 75 and Over.....	448,128	483,612	7.9%	17.3%	11.6%	13.5%

Source: U.S. Bureau of the Census

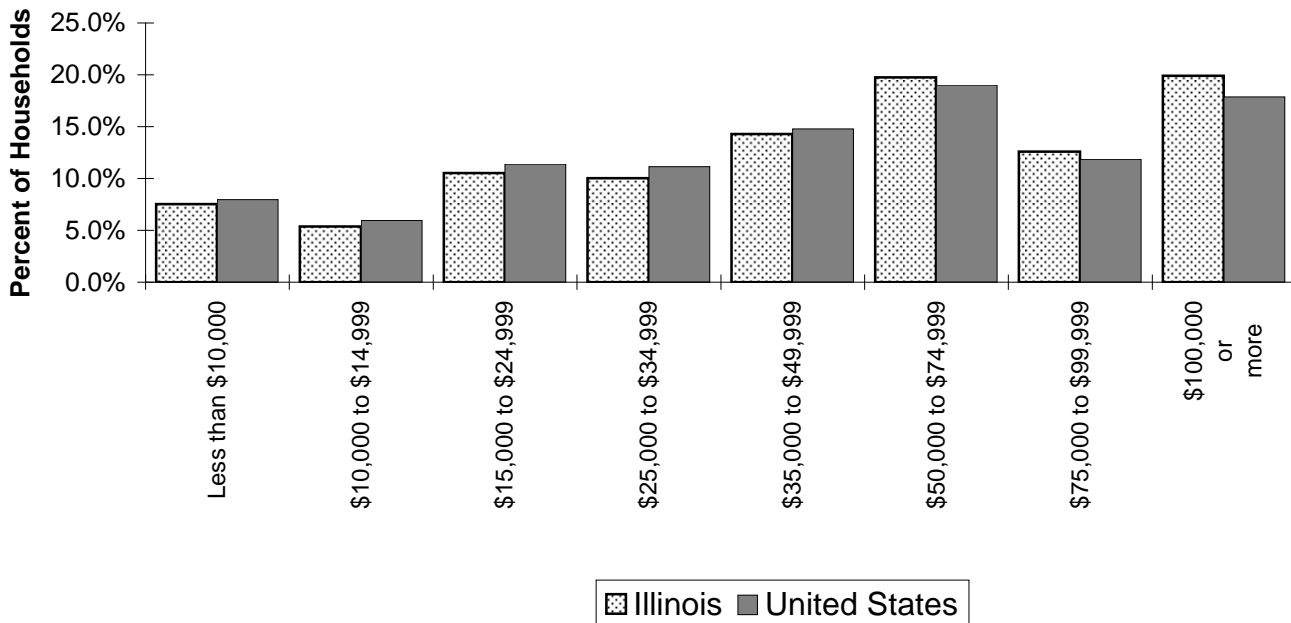
Illinois

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	22.9%	9.7%	17.2%	15.1%	16.0%	12.7%	3.4%	3.1%	100.0%
25 to 44 years.....	5.9%	3.4%	8.2%	9.3%	15.0%	22.9%	14.7%	20.5%	100.0%
45 to 64 years.....	6.2%	3.5%	7.1%	8.0%	13.0%	20.2%	14.7%	27.3%	100.0%
65 years and over.....	9.6%	11.6%	20.0%	14.1%	15.1%	14.4%	6.7%	8.5%	100.0%
Illinois (all ages).....	7.5%	5.4%	10.5%	10.0%	14.3%	19.7%	12.6%	19.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



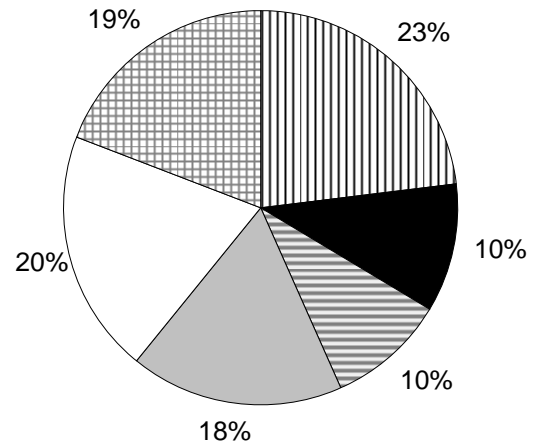
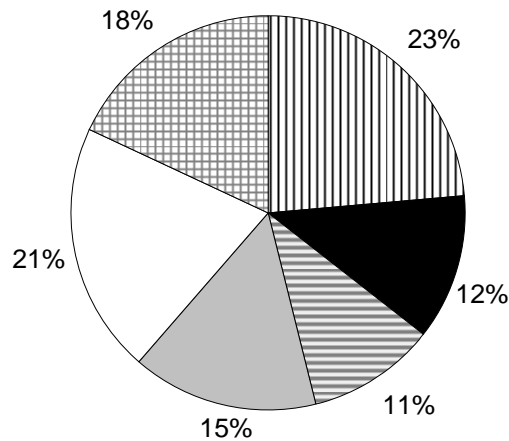
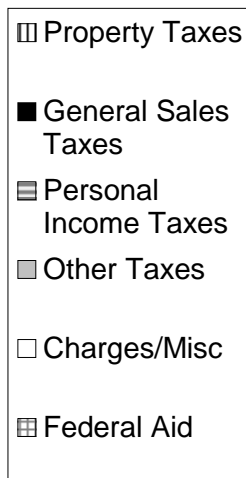
Illinois

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		IL	US	IL	US	IL	US
Total General Revenues.....	\$80,748	\$6,326	\$6,816	18.1%	20.8%	4.8%	5.6%
Own Sources.....	\$65,361	\$5,120	\$5,338	14.7%	16.3%	4.7%	5.3%
Taxes.....	\$49,138	\$3,849	\$3,698	11.0%	11.3%	4.7%	5.2%
Property Taxes.....	\$18,690	\$1,464	\$1,132	4.2%	3.5%	4.6%	5.1%
General Sales Taxes.....	\$8,361	\$655	\$887	1.9%	2.7%	3.3%	5.1%
Personal Income Taxes.....	\$7,937	\$622	\$813	1.8%	2.5%	4.1%	5.7%
Other Taxes.....	\$14,150	\$1,108	\$866	3.2%	2.6%	6.2%	4.9%
Charges/Miscellaneous.....	\$16,223	\$1,271	\$1,640	3.6%	5.0%	4.6%	5.7%
Federal Aid.....	\$15,387	\$1,205	\$1,478	3.5%	4.5%	5.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Illinois

I. Personal Income Tax (2006)

State Income Tax Base

Illinois's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they filed a federal return or if their Illinois base income exceeds their personal exemption (as shown below).

Rate Structure

3.0% of taxable income

Public and Private Pension Exemptions Full exemption

Social Security Benefits Full exemption

Personal Exemptions

Under age 65 \$2,000 (single); \$4,000 (married, filing jointly)

Age 65 and older \$3,000 (single); \$6,000 (married, filing jointly;
both spouses are age 65 or older)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 6.25%*

Combined state/local tax rates 6.25% to 9.25%**

*State-mandated rate of 6.25%; of which the state levy is 5.0%, the municipal levy is 1.0%, and the county levy is 0.25%.

**Includes sales taxes administered by the Illinois Department of Revenue; does not include any additional local sales taxes.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	4.8%	All taxable income; corporations also pay an additional 2.5% replacement tax.
Gasoline (per gallon)	\$0.19	An additional 5.0% state sales tax is levied. Local option taxes are additional.
Cigarette (per pack of 20)	\$0.98	Local taxes, where levied, are additional.
Beer (per gallon)	\$0.185	Local taxes, where levied, are additional.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemptions or Credits

Requirements	Benefits
All homeowners.....	Up to \$5,500 equalized assessed value based on the increase in equalized assessed value since 1977
All homeowners.....	Up to a \$75,000 exemption for the fair cash value that was added to the homestead property by any new improvement or by rebuilding after a catastrophic event; the exemption continues for four years from the date the improvement was completed and occupied.
All homeowners.....	An income tax credit equal to 5% of property taxes
Homeowners age 65 and older	Additional \$3,500 equalized assessed value

Circuit Breaker

Requirements	Benefits
Homeowners, renters, or nursing home residents age 65 and older or disabled whose income is \$21,218 or less (one-person household) or \$28,480 or less (two-person household) or \$35,740 or less (three or more persons per household)	Up to \$700

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Illinois

Deferral Program

Requirements

Benefits

Homeowners age 65 and older who have owned and occupied their homes for the last three years and whose income is \$50,000 or less Full deferral of property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Counties have the option of limiting increases in assessed property values to no more than 7% for homeowners. So far, only Cook County adopted this option, which is implemented through homestead exemptions that can vary from \$5,500 to \$20,000.

Homeowners age 65 and older whose household income is \$45,000 or less may receive a freeze on their equalized assessed real property value based on the value the year prior to the year they first apply and qualify for (base year value) or for a later year in which they apply and qualify if the property value is less than the base year value. The exemption is reduced for those whose income is greater than \$45,000. Homeowners who receive the freeze can only receive a \$5,000 exemption that Cook County uses to limit assessed property values to no more than 7%.

Some taxing districts cannot annually increase total property taxes by more than the inflation rate or 5% (whichever is less). In general, this limitation does not apply to improvements, additions, or to pre-existing bonded indebtedness. In addition, voters can override this limitation.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Illinois

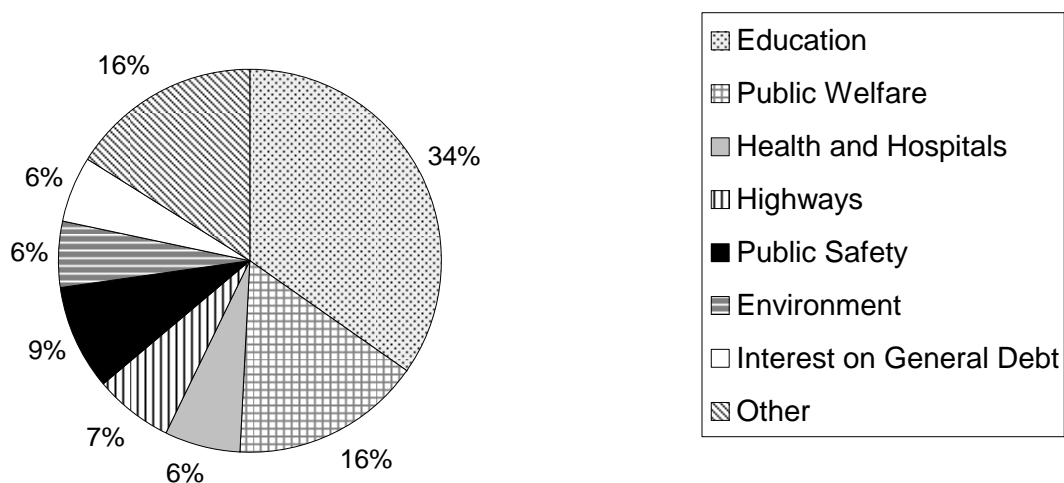
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995-2005	
		IL	US	IL	US	IL	US
		State/Local Direct General Expenditures	\$82,258	\$6,444	\$6,794	18.5%	20.7%
To State/Local Government	\$82,258	\$6,444	\$6,778	18.5%	20.7%	5.4%	5.8%
Education*	\$28,667	\$2,246	\$2,325	6.4%	7.1%	6.0%	6.2%
Public Welfare	\$13,148	\$1,030	\$1,221	3.0%	3.7%	4.4%	6.5%
Health and Hospitals	\$5,329	\$417	\$574	1.2%	1.8%	4.9%	4.9%
Highways	\$5,444	\$426	\$418	1.2%	1.3%	3.8%	4.9%
Public Safety*	\$7,168	\$562	\$599	1.6%	1.8%	5.3%	5.8%
Environment	\$4,655	\$365	\$383	1.0%	1.2%	3.2%	4.7%
Interest on General Debt	\$4,664	\$365	\$273	1.0%	0.8%	5.0%	3.6%
Other	\$13,184	\$1,033	\$985	3.0%	3.0%	7.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	-32.9%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Illinois (State and Local)	\$103.7	\$8,123	\$232.87	\$103.4	99.7%	\$0.27	0.3%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

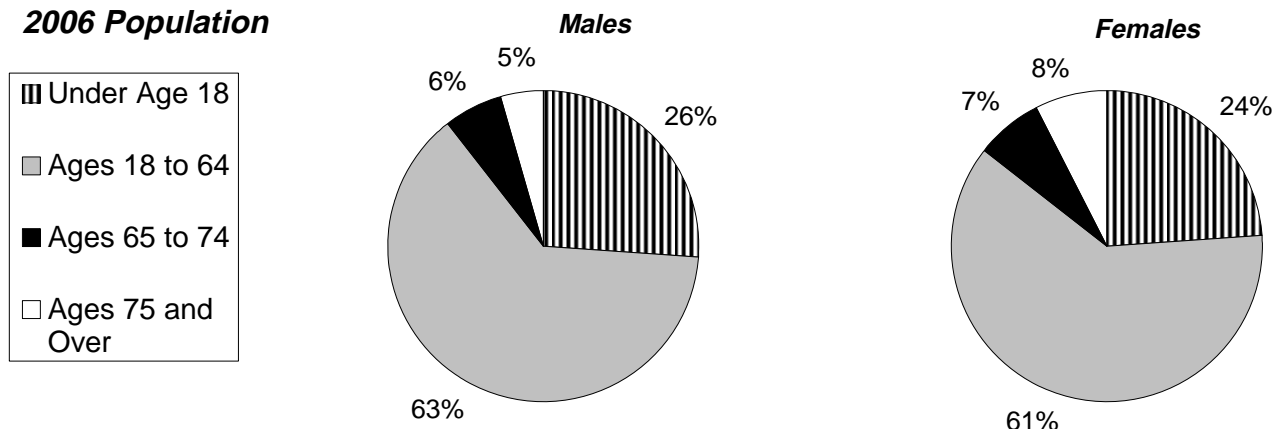
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Indiana

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	IN	US	IN	US	IN	US
	Per Capita Income.....	\$22,368	\$24,175	\$32,226	\$36,629	3.7%
Median Household Income	\$35,147	\$35,492	\$45,407	\$48,201	2.6%	3.1%
Gross State Product (in millions).....	\$155,512	\$7,659,651	\$248,915	\$13,149,033	4.8%	5.6%
Full- and Part-Time Positions (in thousands).....	3,439	152,150	3,745	178,343	0.9%	1.6%
Employed Persons (in thousands)	2,983	126,708	3,109	144,427	0.4%	1.3%
Unemployment Rate.....	3.9%	5.4%	5.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	IN	IN	IN	US	IN	US
Total Population.....	5,834,908	6,313,520	8.2%	12.9%	12.7%	13.3%
Males.....	2,836,714	3,110,503	9.7%	13.9%	11.1%	11.9%
Under Age 18.....	766,804	808,588	5.4%	6.6%	17.5%	18.2%
Ages 18 to 64.....	1,772,877	1,977,558	11.5%	17.4%	9.4%	10.1%
Ages 65 to 74.....	180,369	182,765	1.3%	4.0%	4.9%	6.9%
Ages 75 and Over.....	116,664	141,592	21.4%	25.1%	4.7%	7.7%
Females.....	2,998,194	3,203,017	6.8%	11.9%	14.3%	14.7%
Under Age 18.....	727,812	769,041	5.7%	6.8%	18.3%	18.5%
Ages 18 to 64.....	1,828,059	1,974,114	8.0%	15.0%	13.6%	13.8%
Ages 65 to 74.....	227,184	215,895	-5.0%	-1.0%	7.9%	10.2%
Ages 75 and Over.....	215,139	243,967	13.4%	17.3%	12.1%	13.5%

Source: U.S. Bureau of the Census

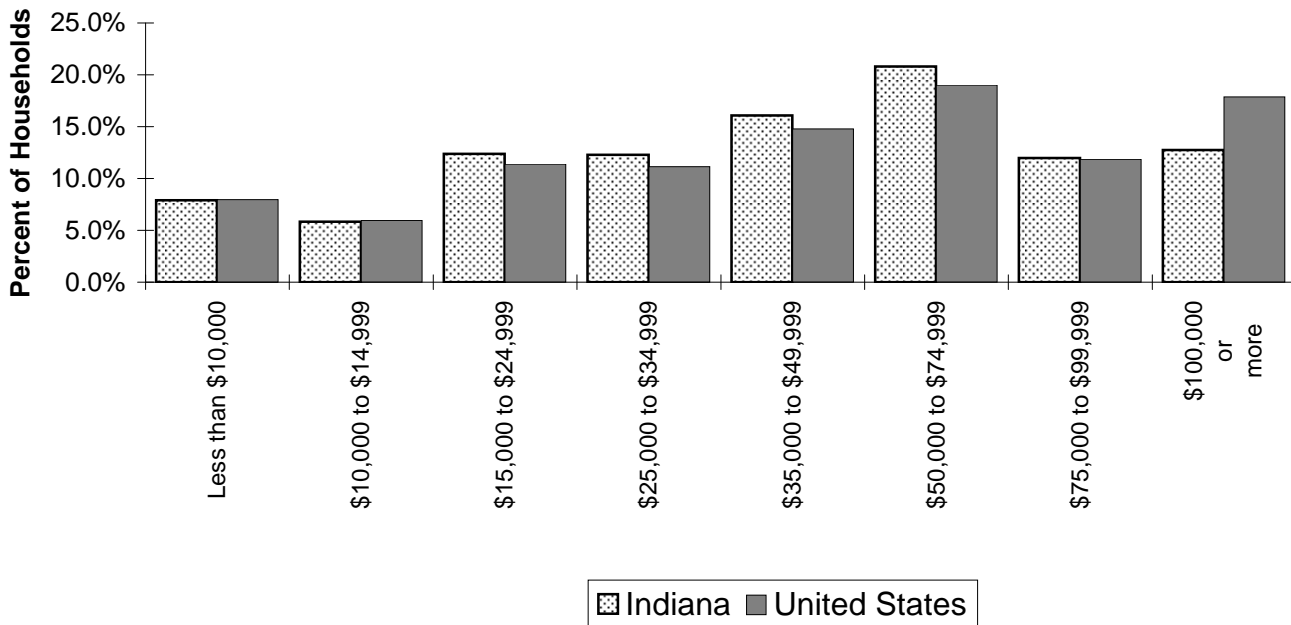
Indiana

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	22.8%	9.7%	19.8%	14.2%	17.0%	12.6%	3.0%	0.9%	100.0%
25 to 44 years.....	6.9%	3.8%	9.9%	11.7%	17.0%	24.2%	14.0%	12.3%	100.0%
45 to 64 years.....	6.2%	4.1%	8.2%	10.2%	14.7%	22.7%	14.9%	19.0%	100.0%
65 years and over.....	8.9%	11.9%	22.6%	16.6%	16.7%	13.1%	5.1%	5.1%	100.0%
Indiana (all ages).....	7.9%	5.8%	12.4%	12.3%	16.1%	20.8%	12.0%	12.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



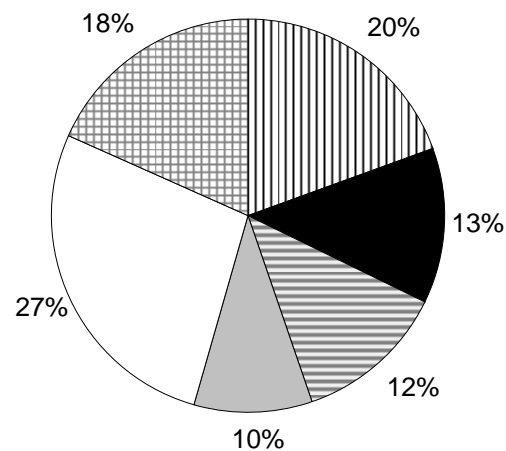
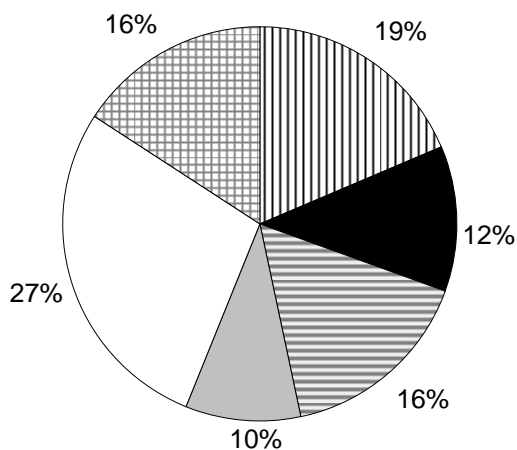
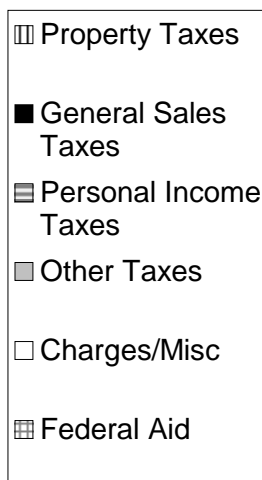
Indiana

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		IN	US	IN	US	IN	US
		Total General Revenues.....	\$39,110	\$6,242	\$6,816	21.0%	20.8%
Own Sources.....	\$31,917	\$5,094	\$5,338	17.1%	16.3%	5.3%	5.3%
Taxes.....	\$21,337	\$3,405	\$3,698	11.5%	11.3%	5.3%	5.2%
Property Taxes.....	\$7,639	\$1,219	\$1,132	4.1%	3.5%	6.1%	5.1%
General Sales Taxes.....	\$5,001	\$798	\$887	2.7%	2.7%	6.3%	5.1%
Personal Income Taxes.....	\$4,812	\$768	\$813	2.6%	2.5%	2.8%	5.7%
Other Taxes.....	\$3,885	\$620	\$866	2.1%	2.6%	6.0%	4.9%
Charges/Miscellaneous.....	\$10,580	\$1,688	\$1,640	5.7%	5.0%	5.3%	5.7%
Federal Aid.....	\$7,193	\$1,148	\$1,478	3.9%	4.5%	7.1%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Indiana

I. Personal Income Tax (2006)

State Income Tax Base

Indiana's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their gross income exceeds their personal exemptions.

Rate Structure

3.4% of state taxable income

Public Pension Exemption \$2,000 exemption less Social Security and Railroad Retirement benefits received for federal civilian retirees age 62 and older; \$2,000 exemption for military retirees age 60 and older

Private Pension Exemption None

Social Security Benefits Full exemption

Long-Term Care Insurance Deduction

Taxpayers can deduct long-term care insurance premiums paid for Indiana Partnership long-term care insurance minus any deductions already taken on the federal return.

Medical Savings Account (MSA) Deduction

MSA contributions are deductible if the taxpayer's employer deposited funds in certain medical care savings accounts. Taxpayers cannot claim this deduction if they already claimed an MSA deduction on the federal return.

Personal Exemptions

Under age 65 \$1,000 (single); \$2,000 (married, filing jointly; both spouses are under age 65)

Age 65 and older \$2,000 to \$2,500 (single); \$4,000 to \$5,000 (married, filing jointly; both spouses are age 65 or older)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Unified Tax Credit

Taxpayers age 65 and older whose household income is less than \$10,000 are eligible for a tax credit ranging from \$40 to \$100 (single) and \$80 to \$140 (married, filing jointly).

Local Income Taxes

Additional local optional county tax rates range from 0% to 1.75% of taxable income.

II. General Sales Tax Rates (2006)

State 6.0%
 Combined state/local tax rates..... 6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 8.5%
 Gasoline (per gallon) \$0.18 An additional 6.0% sales tax is levied.
 Cigarette (per pack of 20) \$0.555 Local taxes, where levied, are additional.
 Beer (per gallon) \$0.115

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners.....	20% of net tax (after other credits) plus a deduction of \$45,000 assessed value or one-half of the total assessed value (whichever is less)*
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*The \$45,000 deduction will be reduced by \$1,000 beginning in 2009 until it reaches \$40,000 in 2013.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Indiana

Homestead Exemption or Credit

Requirements

Benefits

Homeowners age 65 and older whose AGI is \$25,000 or less and estate value is \$182,430 or less	\$12,480 assessed value or one-half the assessed value (whichever is less)
Disabled homeowners whose taxable income is \$17,000 or less	\$12,480 assessed value

Requirements

Benefits

Totally disabled veterans whose combined real and personal property value is \$143,160 or less and service-connected disabled veterans	\$12,480 assessed value (\$24,960 for service-connected disabled)
World War I veterans whose estate value is \$206,500 or less.....	\$18,720 assessed value

Requirements

Benefits

All homeowners and renters	\$2,500 of their property taxes from taxable personal income (homeowners); \$2,500 from taxable personal income (renters)
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Circuit Breaker None

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Generally, local taxing units cannot raise property taxes (for operating funds) by more than the six-year average growth in Indiana nonfarm personal income. Local taxing units may appeal this limit if total assessed value growth exceeds the statewide assessed value growth by at least 3%. Moreover, local taxing units might be able to raise property taxes above this limit for a variety of reasons, including rising pension payments and the costs of operating a new court.

Beginning in 2007 (for Lake County) or 2008 (other counties), residential property taxes on owner-occupied homes cannot exceed 2% of the assessed value.

Indiana also has statutory limits on property tax rates for local capital projects.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Indiana

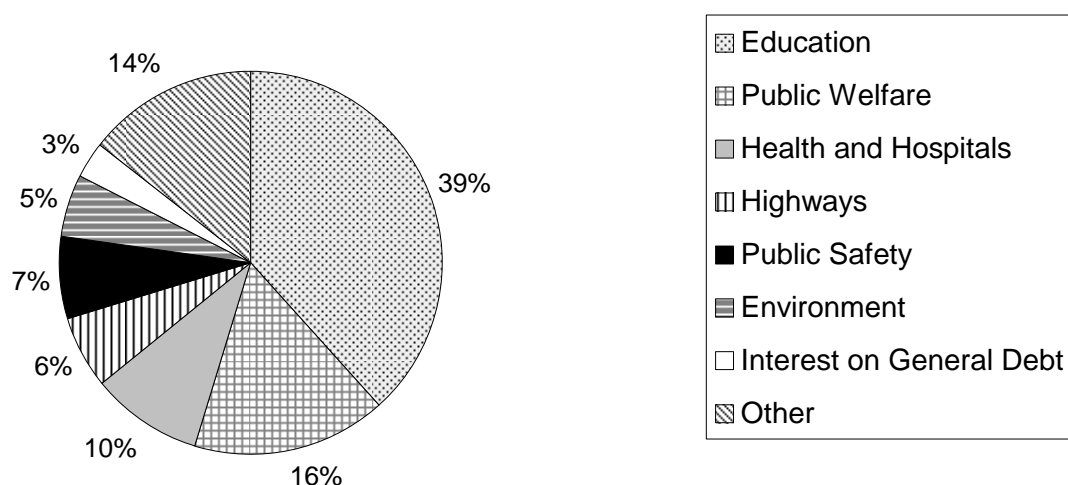
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		IN	US	IN	US	IN	US
		State/Local Direct General Expenditures	\$38,197	\$6,096	\$6,794	20.5%	20.7%
To State/Local Government	\$38,197	\$6,096	\$6,778	20.5%	20.7%	6.1%	5.8%
Education*	\$14,616	\$2,333	\$2,325	7.8%	7.1%	5.5%	6.2%
Public Welfare	\$6,284	\$1,003	\$1,221	3.4%	3.7%	6.9%	6.5%
Health and Hospitals	\$3,643	\$581	\$574	2.0%	1.8%	4.9%	4.9%
Highways	\$2,292	\$366	\$418	1.2%	1.3%	5.1%	4.9%
Public Safety*	\$2,665	\$425	\$599	1.4%	1.8%	6.9%	5.8%
Environment	\$1,989	\$317	\$383	1.1%	1.2%	7.0%	4.7%
Interest on General Debt	\$1,176	\$188	\$273	0.6%	0.8%	5.5%	3.6%
Other	\$5,532	\$883	\$985	3.0%	3.0%	7.5%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Indiana (State and Local)	\$30.5	\$4,871	\$163.89	\$29.3	96.0%	\$1.22	4.0%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

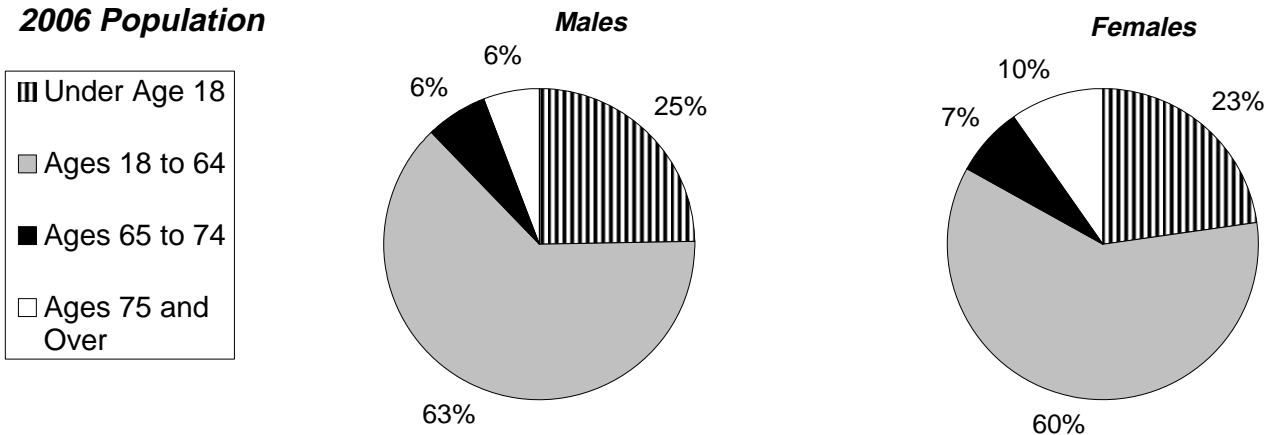
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Iowa

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	IA	US	IA	US	IA	US
	Per Capita Income.....	\$22,521	\$24,175	\$33,017	\$36,629	3.9%
Median Household Income	\$33,209	\$35,492	\$48,126	\$48,201	3.8%	3.1%
Gross State Product (in millions).....	\$77,244	\$7,659,651	\$123,970	\$13,149,033	4.8%	5.6%
Full- and Part-Time Positions (in thousands).....	1,826	152,150	2,027	178,343	1.0%	1.6%
Employed Persons (in thousands)	1,551	126,708	1,603	144,427	0.3%	1.3%
Unemployment Rate.....	3.6%	5.4%	3.7%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	IA	IA	IA	US	IA	US
Total Population.....	2,848,473	2,982,085	4.7%	12.9%	11.0%	13.3%
Males.....	1,385,608	1,472,810	6.3%	13.9%	9.8%	11.9%
Under Age 18.....	371,002	364,353	-1.8%	6.6%	13.5%	18.2%
Ages 18 to 64.....	839,133	927,827	10.6%	17.4%	9.2%	10.1%
Ages 65 to 74.....	98,940	95,288	-3.7%	4.0%	4.2%	6.9%
Ages 75 and Over.....	76,533	85,342	11.5%	25.1%	6.1%	7.7%
Females.....	1,462,865	1,509,275	3.2%	11.9%	12.2%	14.7%
Under Age 18.....	353,082	345,841	-2.1%	6.8%	13.9%	18.5%
Ages 18 to 64.....	851,483	908,407	6.7%	15.0%	12.0%	13.8%
Ages 65 to 74.....	119,860	110,166	-8.1%	-1.0%	6.8%	10.2%
Ages 75 and Over.....	138,440	144,861	4.6%	17.3%	13.1%	13.5%

Source: U.S. Bureau of the Census

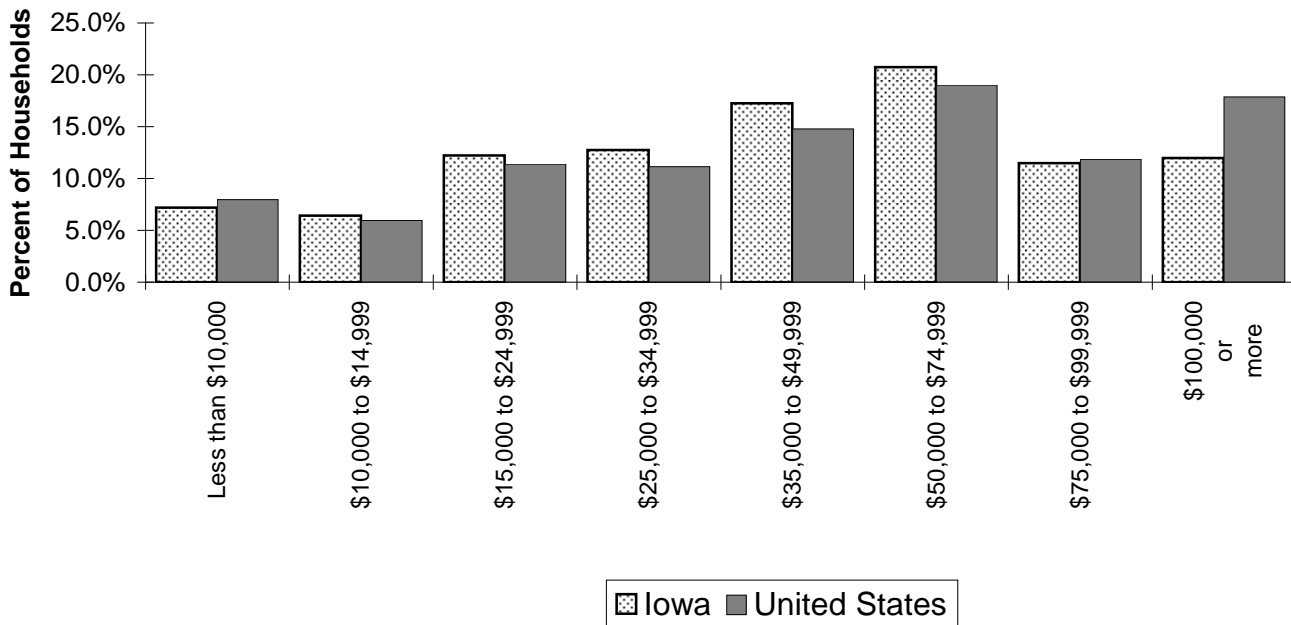
Iowa

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	19.3%	10.6%	22.1%	17.5%	14.8%	12.5%	2.2%	1.0%	100.0%
25 to 44 years.....	5.5%	3.4%	9.0%	11.9%	18.3%	26.0%	13.6%	12.2%	100.0%
45 to 64 years.....	5.2%	3.7%	7.5%	10.6%	16.9%	22.3%	15.5%	18.3%	100.0%
65 years and over.....	8.9%	13.8%	21.3%	16.0%	17.1%	13.0%	4.8%	5.0%	100.0%
Iowa (all ages).....	7.2%	6.4%	12.2%	12.8%	17.2%	20.7%	11.5%	12.0%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



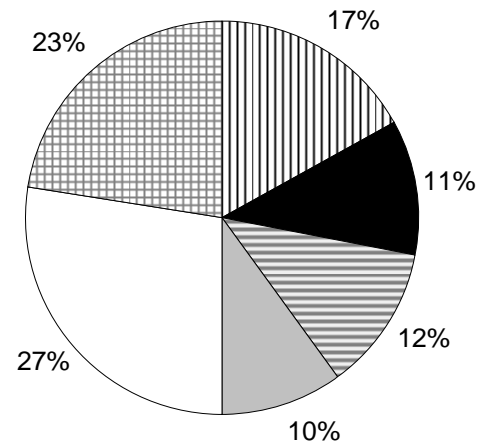
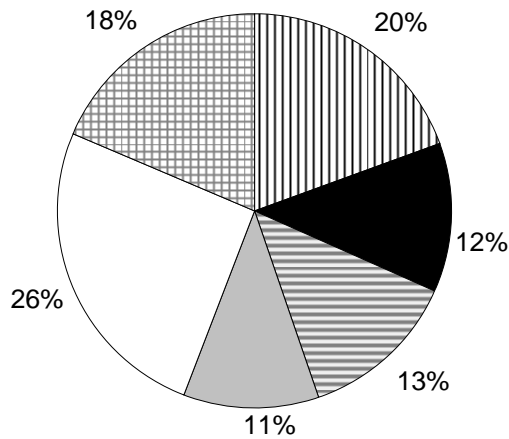
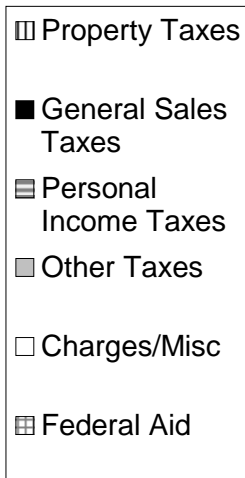
Iowa

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		IA	US	IA	US	IA	US
		Total General Revenues.....	\$19,422	\$6,549	\$6,816	21.5%	20.8%
Own Sources.....	\$15,042	\$5,072	\$5,338	16.6%	16.3%	3.9%	5.3%
Taxes.....	\$9,705	\$3,273	\$3,698	10.7%	11.3%	3.3%	5.2%
Property Taxes.....	\$3,302	\$1,114	\$1,132	3.6%	3.5%	3.0%	5.1%
General Sales Taxes.....	\$2,160	\$728	\$887	2.4%	2.7%	3.5%	5.1%
Personal Income Taxes.....	\$2,313	\$780	\$813	2.6%	2.5%	3.5%	5.7%
Other Taxes.....	\$1,930	\$651	\$866	2.1%	2.6%	3.3%	4.9%
Charges/Miscellaneous.....	\$5,337	\$1,800	\$1,640	5.9%	5.0%	5.2%	5.7%
Federal Aid.....	\$4,380	\$1,477	\$1,478	4.8%	4.5%	6.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Iowa

I. Personal Income Tax (2006)

State Income Tax Base

Iowa's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their Iowa net income exceeds \$9,000 (single) or \$13,500 (married, filing jointly).

Rate Structure

All Taxpayers			
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,300	0.36%	\$19,501 – \$26,000	6.48%
\$1,301– \$2,600	0.72%	\$26,001 – \$39,000	6.80%
\$2,601 – \$5,200	2.43%	\$39,001 – \$58,500	7.92%
\$5,201 – \$11,700	4.50%	Over \$58,500	8.98%
\$11,701 – \$19,500	6.12%		

Pension and Retirement Income Exemption

Taxpayers age 55 and older or disabled can claim an exemption of \$6,000 (single) or \$12,000 (married, filing jointly). This includes amounts due to a Roth IRA conversion.

Social Security Benefits

Only taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of up to 50% of their Social Security benefits.**

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

**Income taxation of Social Security benefits will be phased out from 2007 to 2014.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Iowa

Health and Dental Insurance Deduction Full deduction for health and dental insurance premiums

Long-Term Care Insurance Deduction..... Full deduction for long-term care insurance premiums

Standard Deductions (all ages) \$1,650 (single); \$4,060 (married, filing jointly)

Other Deductions Full federal income tax deduction

Personal Tax Credits

Under age 65 \$40 (single) and \$80 (married, filing jointly)

Age 65 and older \$60 (single) and \$120 (married, filing jointly; both spouses are age 65 or older)

Local Income Taxes Optional school district surtax and emergency medical services surtax

II. General Sales Tax Rates (2006)

State 5.0%

Combined state/local tax rates..... 5.0% to 7.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 12.0% On income of \$250,000 or more

Gasoline (per gallon) \$0.21 (for non-ethanol); \$0.19 (for ethanol)

Cigarette (per pack of 20) \$0.36

Beer (per gallon) \$0.19

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

All homeowners \$4,850 assessed value

Disabled veterans whose income is \$35,000 or less Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Iowa

Circuit Breaker

Requirements

Benefits

Homeowners and renters age 65 and older
or disabled whose income is \$18,876 or less Up to \$1,000

Deferral Program

Requirements

Benefits

Supplemental Security Income recipients Full deferral of property taxes
(This is a county program.)

V. Real Property Tax Limits, Caps, or Freezes (2007)

On a statewide basis, taxable real property values cannot exceed a 4% annual increase. This limit does not include improvements or additions.

Taxing districts have various property tax rate limits, such as \$3.50 per \$1,000 for a county's general fund. These limits do not apply to bonded indebtedness.

School districts are constrained in how much they can raise in property taxes for their operating budget based on a school aid formula.

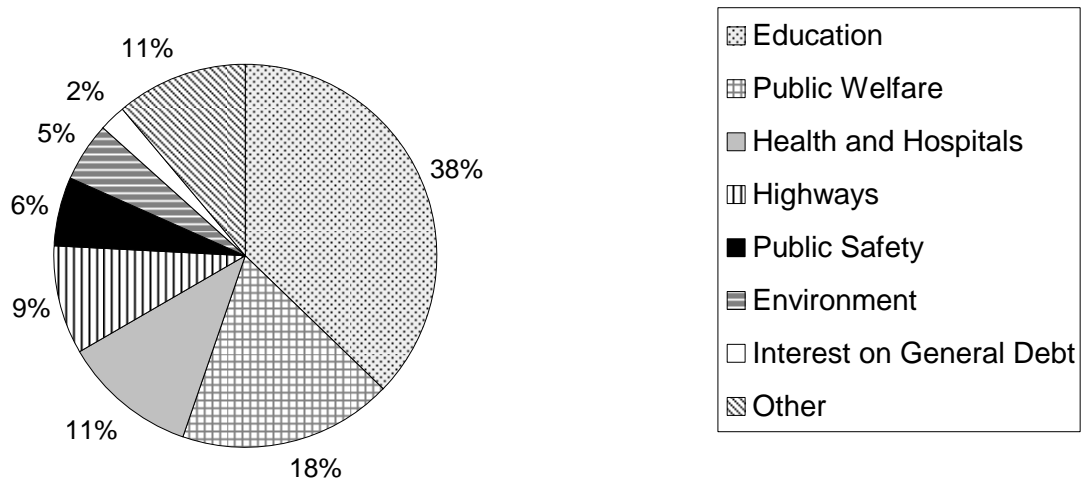
Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		IA	US	IA	US	IA	US
		State/Local Direct General Expenditures	\$19,513	\$6,580	\$6,794	21.6%	20.7%
To State/Local Government	\$19,456	\$6,561	\$6,778	21.5%	20.7%	5.0%	5.8%
Education*	\$7,259	\$2,448	\$2,325	8.0%	7.1%	5.1%	6.2%
Public Welfare	\$3,481	\$1,174	\$1,221	3.8%	3.7%	7.4%	6.5%
Health and Hospitals	\$2,231	\$752	\$574	2.5%	1.8%	5.7%	4.9%
Highways	\$1,800	\$607	\$418	2.0%	1.3%	2.8%	4.9%
Public Safety*	\$1,098	\$370	\$599	1.2%	1.8%	4.9%	5.8%
Environment	\$992	\$334	\$383	1.1%	1.2%	2.1%	4.7%
Interest on General Debt	\$452	\$152	\$273	0.5%	0.8%	1.4%	3.6%
Other	\$2,144	\$723	\$985	2.4%	3.0%	4.9%	6.1%
To Federal Government	\$57	\$19	\$16	0.1%	0.0%	5.1%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Iowa (State and Local)	\$11.7	\$3,928	\$128.71	\$11.6	99.1%	\$0.10	0.9%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

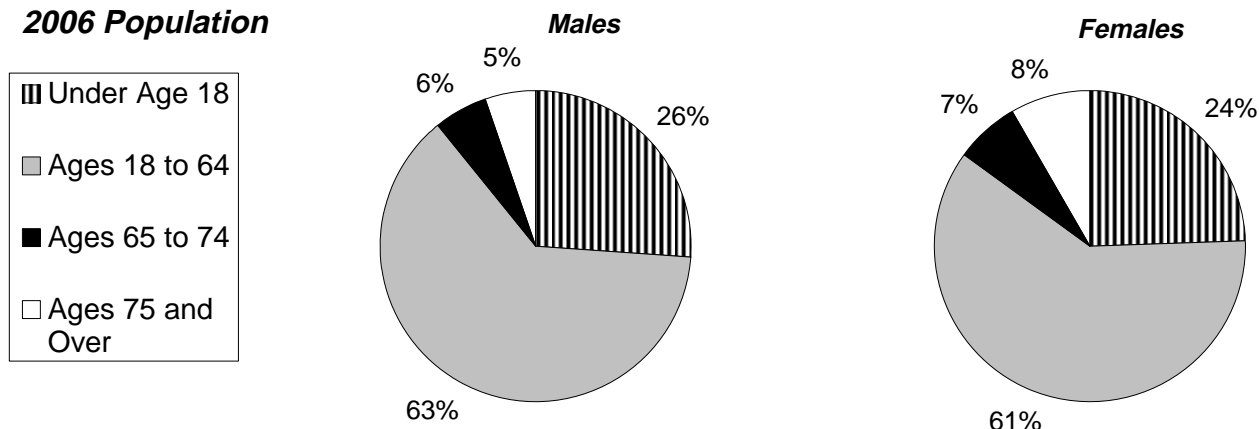
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Kansas

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	KS	US	KS	US	KS	US
	Per Capita Income.....	\$22,845	\$24,175	\$34,744	\$36,629	4.3%
Median Household Income	\$32,585	\$35,492	\$45,552	\$48,201	3.4%	3.1%
Gross State Product (in millions).....	\$67,965	\$7,659,651	\$111,699	\$13,149,033	5.1%	5.6%
Full- and Part-Time Positions (in thousands).....	1,642	152,150	1,846	178,343	1.2%	1.6%
Employed Persons (in thousands)	1,312	126,708	1,400	144,427	0.7%	1.3%
Unemployment Rate.....	4.4%	5.4%	4.5%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	KS	KS	KS	US	KS	US
Total Population.....	2,598,266	2,764,075	6.4%	12.9%	12.4%	13.3%
Males.....	1,276,063	1,371,446	7.5%	13.9%	10.8%	11.9%
Under Age 18.....	353,044	356,861	1.1%	6.6%	15.2%	18.2%
Ages 18 to 64.....	777,935	864,704	11.2%	17.4%	9.8%	10.1%
Ages 65 to 74.....	82,960	79,400	-4.3%	4.0%	4.7%	6.9%
Ages 75 and Over.....	62,124	70,481	13.5%	25.1%	6.5%	7.7%
Females.....	1,322,203	1,392,629	5.3%	11.9%	13.9%	14.7%
Under Age 18.....	334,094	338,976	1.5%	6.8%	16.0%	18.5%
Ages 18 to 64.....	777,140	845,825	8.8%	15.0%	13.6%	13.8%
Ages 65 to 74.....	100,419	92,041	-8.3%	-1.0%	8.5%	10.2%
Ages 75 and Over.....	110,550	115,787	4.7%	17.3%	14.2%	13.5%

Source: U.S. Bureau of the Census

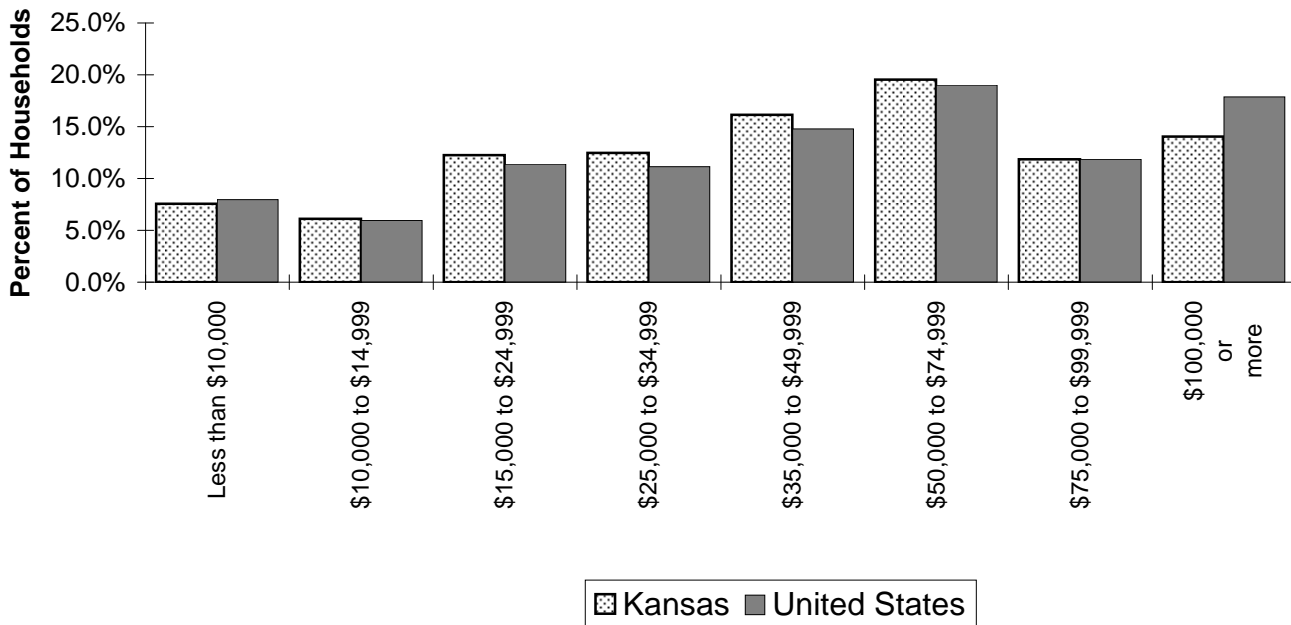
Kansas

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	21.1%	11.9%	20.3%	16.3%	17.3%	10.3%	2.1%	0.7%	100.0%
25 to 44 years.....	5.4%	4.2%	10.6%	12.2%	17.5%	23.0%	13.1%	14.1%	100.0%
45 to 64 years.....	5.6%	3.7%	8.2%	10.1%	14.0%	21.8%	15.8%	20.9%	100.0%
65 years and over.....	10.0%	11.8%	19.5%	15.8%	17.1%	13.0%	6.2%	6.6%	100.0%
Kansas (all ages).....	7.6%	6.1%	12.2%	12.5%	16.1%	19.5%	11.9%	14.0%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



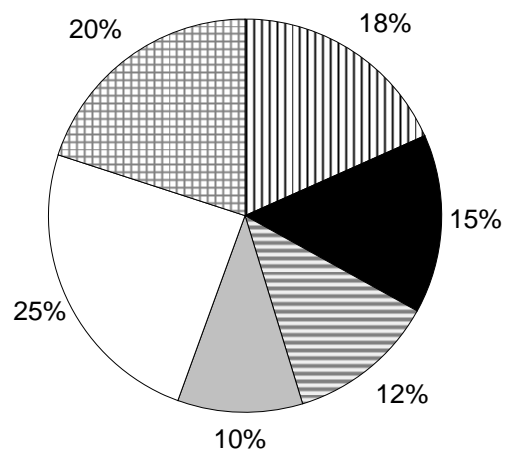
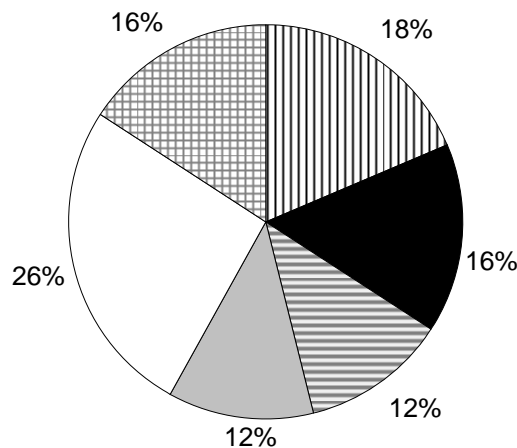
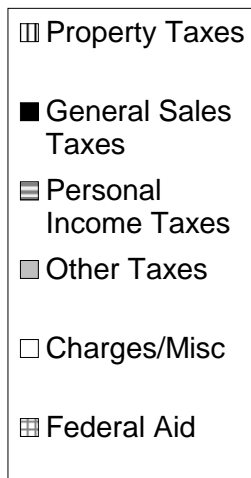
Kansas

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		KS	US	KS	US	KS	US
		Total General Revenues.....	\$16,920	\$6,157	\$6,816	20.0%	20.8%
Own Sources.....	\$13,518	\$4,919	\$5,338	16.0%	16.3%	4.4%	5.3%
Taxes.....	\$9,385	\$3,415	\$3,698	11.1%	11.3%	4.4%	5.2%
Property Taxes.....	\$3,090	\$1,125	\$1,132	3.7%	3.5%	4.8%	5.1%
General Sales Taxes.....	\$2,520	\$917	\$887	3.0%	2.7%	4.4%	5.1%
Personal Income Taxes.....	\$2,051	\$746	\$813	2.4%	2.5%	5.2%	5.7%
Other Taxes.....	\$1,724	\$627	\$866	2.0%	2.6%	3.1%	4.9%
Charges/Miscellaneous.....	\$4,132	\$1,504	\$1,640	4.9%	5.0%	4.3%	5.7%
Federal Aid.....	\$3,403	\$1,238	\$1,478	4.0%	4.5%	7.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Kansas

I. Personal Income Tax (2006)

State Income Tax Base

Kansas's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal tax return or their Kansas adjusted gross income exceeds the combined Kansas standard deduction and personal exemption.

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$15,000	3.50%	First \$30,000	3.50%
\$15,001 – \$30,000	6.25%	\$30,001 – \$60,000	6.25%
Over \$30,000	6.45%	Over \$60,000	6.45%

Public Pension Exemption Full exemption

Private Pension Exemption None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Standard Deductions and Personal Exemptions Combined

Under age 65 \$5,250 (single); \$10,500 (married, filing jointly)
 Age 65 and older \$6,100 (single); \$11,900 (married, filing jointly;
 both spouses are age 65 or older)

Long-Term Care Insurance Deduction \$600 (single), \$1,200 (married)

Food Sales Tax Credit

Age 55 and older, blind, or disabled with
 income of \$28,600 or less Up to a \$75 credit per exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.3%
 Combined state/local tax rates..... 5.3% to 8.525%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 7.35%*
 Gasoline (per gallon)..... \$0.24
 Cigarette (per pack of 20) \$0.79
 Beer (per gallon) \$0.18

*This includes a 4.0% tax on total taxable income and a 3.35% surtax on taxable income over \$50,000.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners	\$2,300 assessed value or \$20,000 fair market value for school property taxes**

**The exemption does not apply to bonded indebtedness.

Circuit Breaker

Requirements	Benefits
Homeowners and renters age 55 and older, disabled, or with dependent children whose income is \$29,100 or less.....	Up to a \$700 tax credit***

***Homeowners do not qualify if their appraised home value exceeds \$350,000.

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

No statewide limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

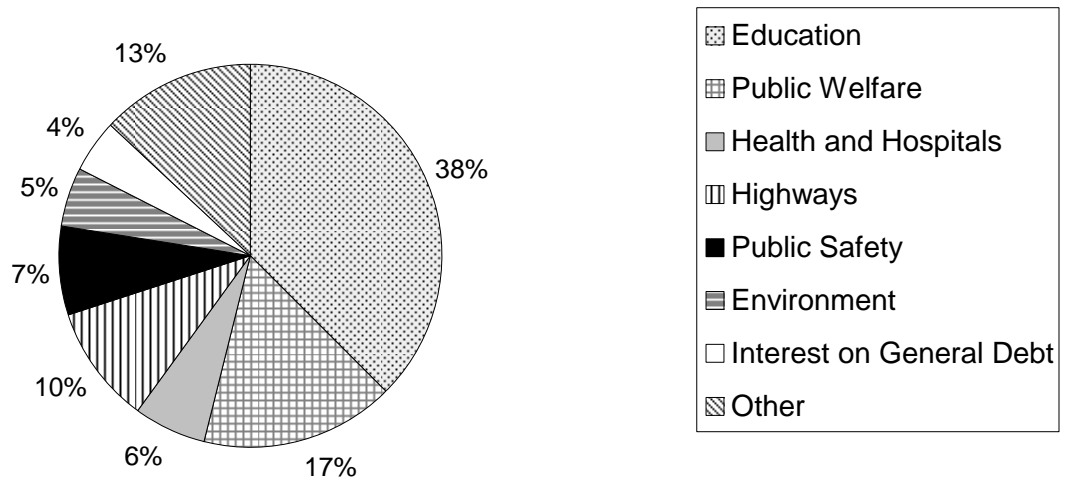
Kansas

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		KS	US	KS	US	KS	US
		State/Local Direct General Expenditures	\$16,796	\$6,112	\$6,794	19.8%	20.7%
To State/Local Government	\$16,796	\$6,112	\$6,778	19.8%	20.7%	5.1%	5.8%
Education*	\$6,280	\$2,285	\$2,325	7.4%	7.1%	4.8%	6.2%
Public Welfare	\$2,763	\$1,005	\$1,221	3.3%	3.7%	8.3%	6.5%
Health and Hospitals	\$1,019	\$371	\$574	1.2%	1.8%	1.2%	4.9%
Highways	\$1,696	\$617	\$418	2.0%	1.3%	3.6%	4.9%
Public Safety*	\$1,237	\$450	\$599	1.5%	1.8%	5.2%	5.8%
Environment	\$862	\$314	\$383	1.0%	1.2%	5.4%	4.7%
Interest on General Debt	\$731	\$266	\$273	0.9%	0.8%	4.6%	3.6%
Other	\$2,208	\$803	\$985	2.6%	3.0%	6.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	10.6%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Kansas (State and Local)	\$17.6	\$6,386	\$207.40	\$17.3	98.8%	\$0.21	1.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

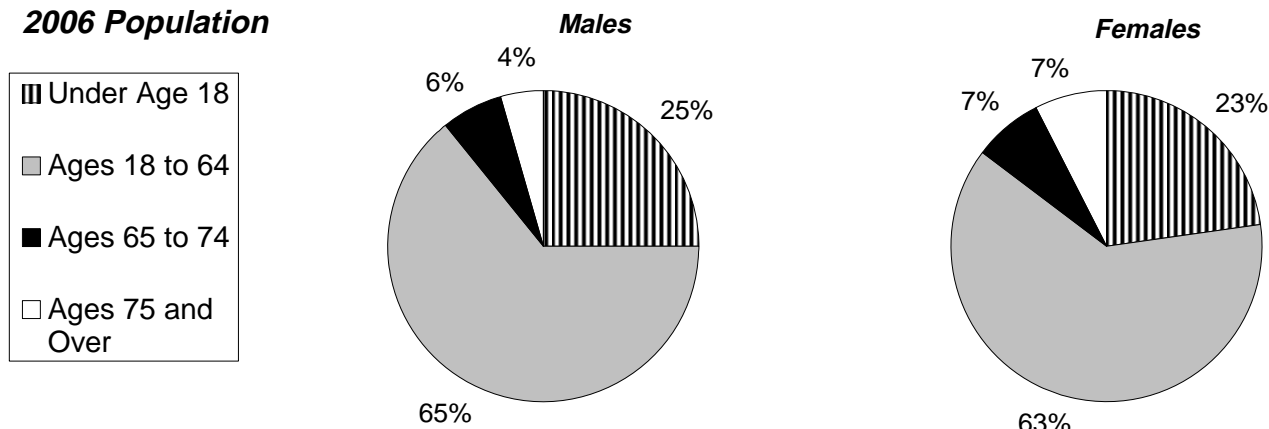
Source: U.S. Bureau of the Census

Kentucky

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	KY	US	KY	US	KY	US
	Per Capita Income.....	\$19,854	\$24,175	\$29,719	\$36,629	4.1%
Median Household Income	\$32,413	\$35,492	\$39,485	\$48,201	2.0%	3.1%
Gross State Product (in millions).....	\$94,987	\$7,659,651	\$145,959	\$13,149,033	4.4%	5.6%
Full- and Part-Time Positions (in thousands).....	2,155	152,150	2,433	178,343	1.2%	1.6%
Employed Persons (in thousands)	1,777	126,708	1,922	144,427	0.8%	1.3%
Unemployment Rate.....	5.5%	5.4%	5.7%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	KY	KY	KY	US	KY	US
Total Population.....	3,881,051	4,206,074	8.4%	12.9%	17.0%	13.3%
Males.....	1,881,692	2,061,310	9.5%	13.9%	14.9%	11.9%
Under Age 18.....	498,836	512,879	2.8%	6.6%	22.1%	18.2%
Ages 18 to 64.....	1,185,921	1,325,653	11.8%	17.4%	12.8%	10.1%
Ages 65 to 74.....	121,116	130,164	7.5%	4.0%	9.5%	6.9%
Ages 75 and Over.....	75,819	92,614	22.2%	25.1%	12.2%	7.7%
Females.....	1,999,359	2,144,764	7.3%	11.9%	18.9%	14.7%
Under Age 18.....	471,751	486,652	3.2%	6.8%	23.6%	18.5%
Ages 18 to 64.....	1,234,067	1,343,596	8.9%	15.0%	18.0%	13.8%
Ages 65 to 74.....	152,419	155,644	2.1%	-1.0%	13.8%	10.2%
Ages 75 and Over.....	141,122	158,872	12.6%	17.3%	17.6%	13.5%

Source: U.S. Bureau of the Census

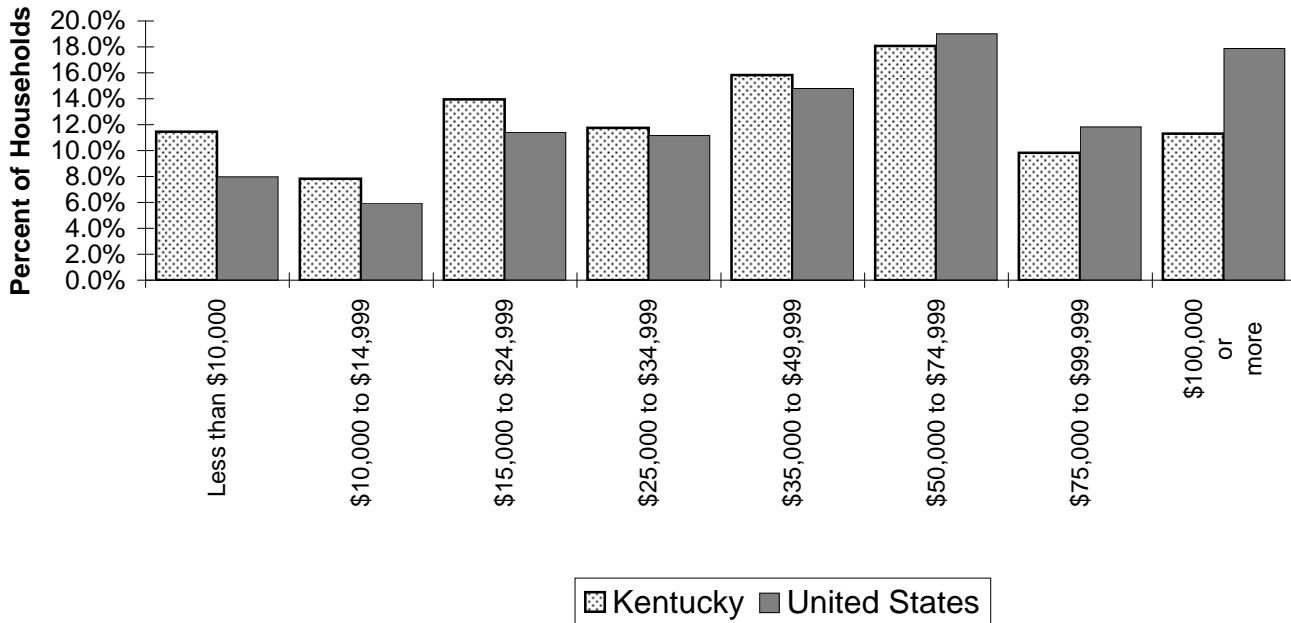
Kentucky

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	24.2%	11.2%	21.3%	13.0%	14.7%	11.0%	3.0%	1.7%	100.0%
25 to 44 years.....	9.3%	5.3%	10.9%	11.4%	18.0%	21.8%	12.0%	11.3%	100.0%
45 to 64 years.....	9.8%	6.2%	11.5%	11.1%	15.1%	18.8%	11.5%	16.0%	100.0%
65 years and over.....	15.1%	14.5%	22.3%	13.4%	13.6%	11.9%	4.5%	4.7%	100.0%
Kentucky (all ages).....	11.4%	7.8%	14.0%	11.7%	15.8%	18.1%	9.8%	11.3%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



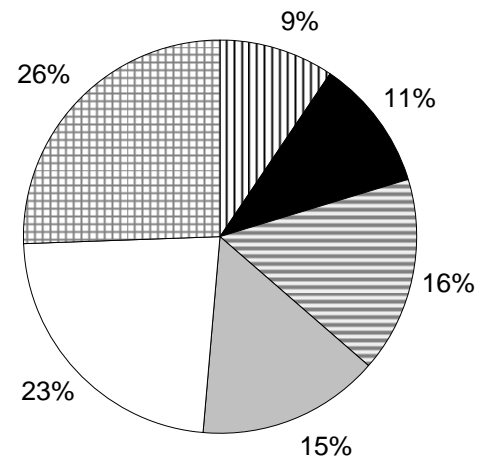
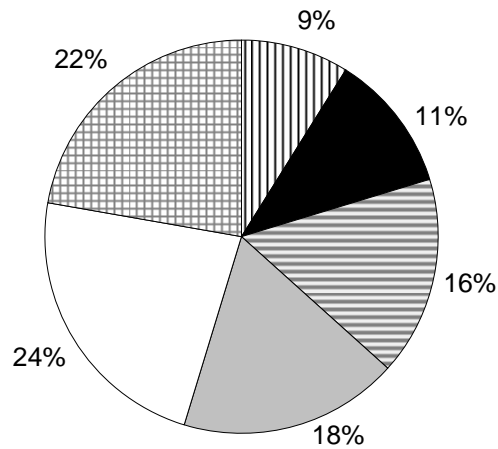
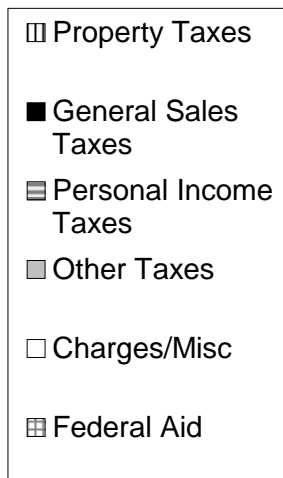
Kentucky

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		KY	US	KY	US	KY	US
Total General Revenues.....	\$23,831	\$5,711	\$6,816	21.3%	20.8%	4.9%	5.6%
Own Sources.....	\$17,715	\$4,246	\$5,338	15.9%	16.3%	4.4%	5.3%
Taxes.....	\$12,262	\$2,939	\$3,698	11.0%	11.3%	4.2%	5.2%
Property Taxes.....	\$2,247	\$538	\$1,132	2.0%	3.5%	5.5%	5.1%
General Sales Taxes.....	\$2,605	\$624	\$887	2.3%	2.7%	4.5%	5.1%
Personal Income Taxes.....	\$3,792	\$909	\$813	3.4%	2.5%	4.6%	5.7%
Other Taxes.....	\$3,618	\$867	\$866	3.2%	2.6%	3.0%	4.9%
Charges/Miscellaneous.....	\$5,454	\$1,307	\$1,640	4.9%	5.0%	4.8%	5.7%
Federal Aid.....	\$6,116	\$1,466	\$1,478	5.5%	4.5%	6.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Kentucky

I. Personal Income Tax (2006)

State Income Tax Base

Kentucky's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their Kentucky adjusted gross income exceeds the following:

Filing Status	Kentucky Adjusted Gross Income
Under age 65	\$3,010
Age 65 and older, single	\$5,010
Age 65 and older, married filing jointly; both spouses are age 65 or older	\$6,760

Rate Structure

All Taxpayers

<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$3,000	2.0%	\$5,001 – \$8,000	5.0%
\$3,001 – \$4,000	3.0%	\$8,001 – \$75,000	5.8%
\$4,001 – \$5,000	4.0%	Over \$75,000	6.0%

Public Pension Exemption

Kentucky provides a full exemption for those retiring before January 1, 1998. For those retiring after January 1, 1998, exemption is prorated based on the amount of time worked before and after January 1, 1998. Public employees retiring after January 1, 1998, are eligible for at least a \$41,110 exemption regardless of their work period.

Private Pension Exemption \$41,110

Social Security Benefits Full exemption

Standard Deductions (all ages) \$1,970 (single); \$3,940 (married, filing separately on same return)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Kentucky

Long-Term Care Insurance Deduction..... Long-term care insurance premiums can be deducted as long as they are not deducted elsewhere on the tax return, such as an itemized deduction, or paid with pre-tax income.

Health Insurance Deduction Health insurance premiums can be deducted as long as they are not deducted elsewhere on the tax return, such as an itemized deduction, or paid with pre-tax income. Any deduction must be reduced by the amount of their federal health coverage tax credit.

Personal Tax Credits

Under age 65 \$20 (single) and \$40 (married, filing jointly)
Age 65 and older \$60 (single) and \$120 (married, filing jointly)

Low-Income Tax Credit

Eligibility Single persons and married couples whose combined Kentucky adjusted gross income is less than \$26,600

Benefit Ranging from all taxes to 10% of taxes, depending on adjusted gross income

Local Income Taxes Some localities levy a tax on wages.

II. General Sales Tax Rates (2006)

State 6.0%
Combined state/local tax rates..... 6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 7.00% On income over \$100,000
Gasoline (per gallon)..... \$0.183 Based on average wholesale price
Cigarette (per pack of 20) \$0.30 Plus a \$0.001 enforcement tax on each package
Beer (per gallon) \$0.081

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Kentucky

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Homeowners age 65 and older or totally disabled	\$29,400 assessed value
Circuit Breaker	None
Deferral Program	None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Total real property taxes cannot increase by more than 4% annually in any tax jurisdiction unless voters approve a higher increase. This limit excludes growth from new property.

Real Property Tax Rate Limits

Counties cannot levy property tax rates above \$0.50 per \$100 of assessed value; an additional levy of up to \$0.20 per \$100 may be used for roads if approved by the voters.

Cities cannot levy property tax rates that exceed \$0.75 to \$1.50 per \$100 of assessed value (depending on the city population) without voter approval.

School districts cannot levy property tax rates more than \$1.50 per \$100 of assessed value. This limit does not apply to debt service.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Kentucky

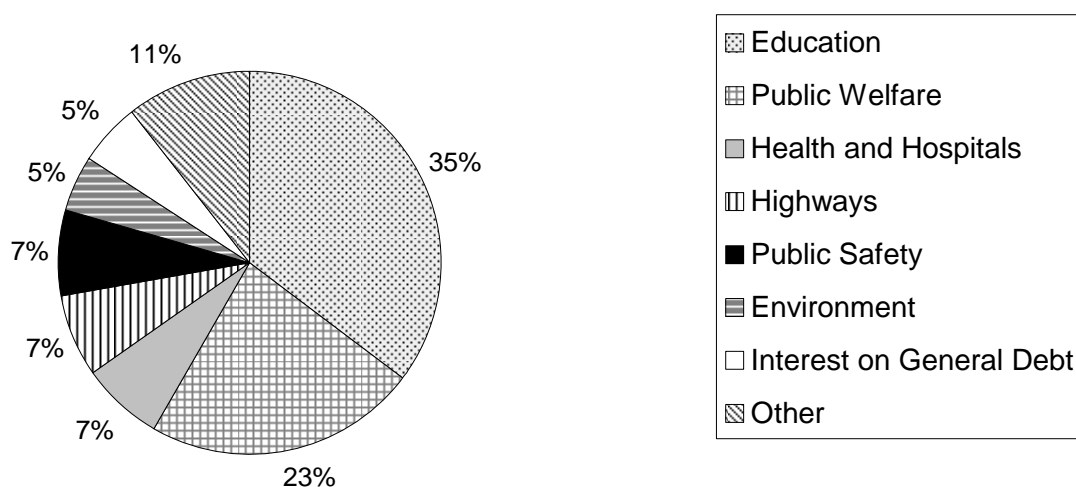
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		KY	US	KY	US	KY	US
State/Local Direct General Expenditures.....	\$23,443	\$5,618	\$6,794	21.0%	20.7%	5.6%	5.8%
To State/Local Government.....	\$23,442	\$5,618	\$6,778	21.0%	20.7%	5.6%	5.8%
Education*.....	\$8,249	\$1,977	\$2,325	7.4%	7.1%	5.7%	6.2%
Public Welfare.....	\$5,419	\$1,299	\$1,221	4.9%	3.7%	6.8%	6.5%
Health and Hospitals.....	\$1,646	\$395	\$574	1.5%	1.8%	6.2%	4.9%
Highways.....	\$1,633	\$391	\$418	1.5%	1.3%	4.5%	4.9%
Public Safety*.....	\$1,663	\$399	\$599	1.5%	1.8%	6.9%	5.8%
Environment.....	\$1,130	\$271	\$383	1.0%	1.2%	3.8%	4.7%
Interest on General Debt.....	\$1,235	\$296	\$273	1.1%	0.8%	1.5%	3.6%
Other.....	\$2,467	\$591	\$985	2.2%	3.0%	5.2%	6.1%
To Federal Government.....	\$1	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Kentucky (State and Local).....	\$30.2	\$7,237	\$270.40	\$30.2	99.9%	\$0.04	0.1%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

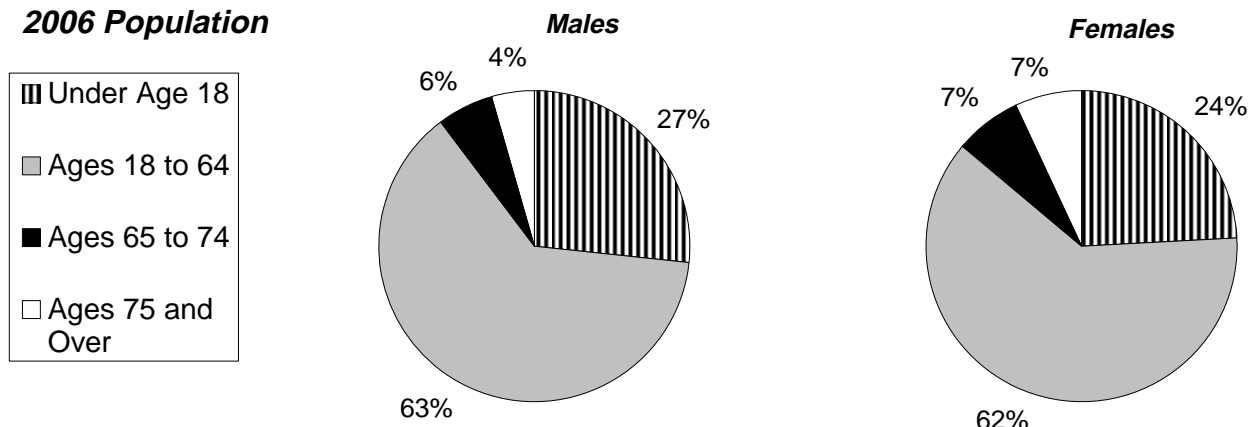
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Louisiana

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	LA	US	LA	US	LA	US
	Per Capita Income.....	\$19,786	\$24,175	\$31,369	\$36,629	4.7%
Median Household Income	\$30,262	\$35,492	\$36,488	\$48,201	1.9%	3.1%
Gross State Product (in millions).....	\$114,967	\$7,659,651	\$193,138	\$13,149,033	5.3%	5.6%
Full- and Part-Time Positions (in thousands).....	2,254	152,150	2,436	178,343	0.8%	1.6%
Employed Persons (in thousands)	1,855	126,708	1,910	144,427	0.3%	1.3%
Unemployment Rate.....	6.3%	5.4%	4.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	LA	LA	LA	US	LA	US
Total Population.....	4,338,763	4,287,768	-1.2%	12.9%	19.0%	13.3%
Males.....	2,086,544	2,085,761	0.0%	13.9%	16.5%	11.9%
Under Age 18.....	621,068	557,078	-10.3%	6.6%	27.0%	18.2%
Ages 18 to 64.....	1,265,884	1,312,871	3.7%	17.4%	13.0%	10.1%
Ages 65 to 74.....	123,638	124,208	0.5%	4.0%	9.2%	6.9%
Ages 75 and Over.....	75,954	91,604	20.6%	25.1%	11.3%	7.7%
Females.....	2,252,219	2,202,007	-2.2%	11.9%	21.4%	14.7%
Under Age 18.....	597,355	532,923	-10.8%	6.8%	28.5%	18.5%
Ages 18 to 64.....	1,356,360	1,361,550	0.4%	15.0%	19.6%	13.8%
Ages 65 to 74.....	159,974	152,473	-4.7%	-1.0%	13.7%	10.2%
Ages 75 and Over.....	138,530	155,061	11.9%	17.3%	19.9%	13.5%

Source: U.S. Bureau of the Census

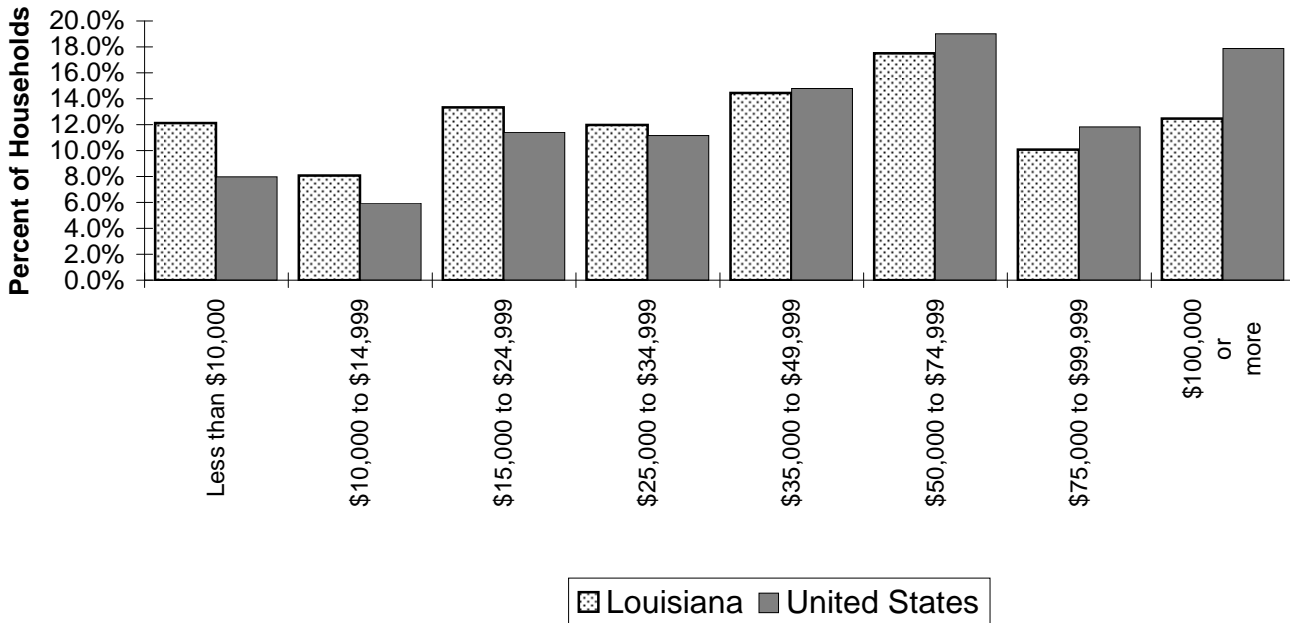
Louisiana

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	29.0%	10.4%	18.7%	14.3%	13.9%	10.4%	2.5%	0.7%	100.0%
25 to 44 years.....	10.2%	6.5%	11.1%	12.0%	15.4%	20.9%	11.9%	12.0%	100.0%
45 to 64 years.....	9.6%	6.1%	11.2%	10.9%	14.3%	18.3%	12.2%	17.5%	100.0%
65 years and over.....	15.8%	13.9%	19.9%	13.4%	13.3%	12.0%	4.9%	6.8%	100.0%
Louisiana (all ages).....	12.1%	8.1%	13.3%	12.0%	14.4%	17.5%	10.1%	12.5%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



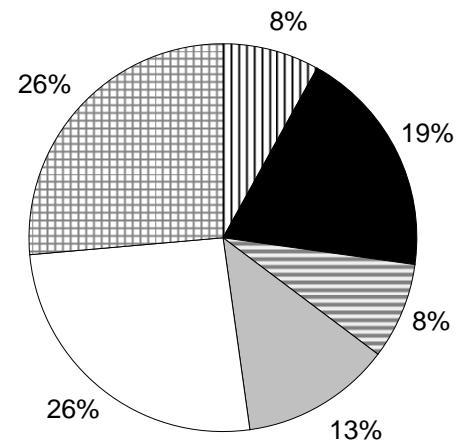
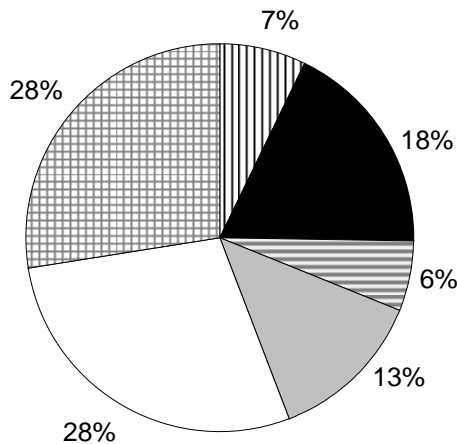
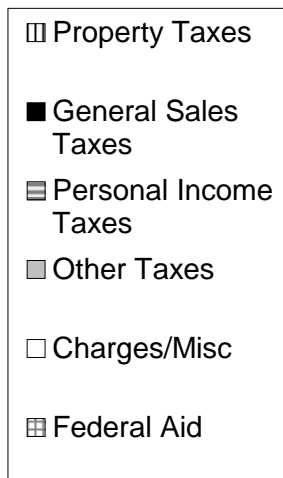
Louisiana

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		LA	US	LA	US	LA	US
Total General Revenues.....	\$29,878	\$6,629	\$6,816	24.4%	20.8%	5.2%	5.6%
Own Sources.....	\$22,029	\$4,887	\$5,338	18.0%	16.3%	5.4%	5.3%
Taxes.....	\$14,302	\$3,173	\$3,698	11.7%	11.3%	6.0%	5.2%
Property Taxes.....	\$2,429	\$539	\$1,132	2.0%	3.5%	6.3%	5.1%
General Sales Taxes.....	\$5,678	\$1,260	\$887	4.6%	2.7%	5.8%	5.1%
Personal Income Taxes.....	\$2,393	\$531	\$813	2.0%	2.5%	8.5%	5.7%
Other Taxes.....	\$3,802	\$843	\$866	3.1%	2.6%	4.9%	4.9%
Charges/Miscellaneous.....	\$7,727	\$1,714	\$1,640	6.3%	5.0%	4.3%	5.7%
Federal Aid.....	\$7,848	\$1,741	\$1,478	6.4%	4.5%	4.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Louisiana

I. Personal Income Tax (2006)

State Income Tax Base

Louisiana's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they filed a federal tax return.

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$12,500	2.0%	First \$25,000	2.0%
\$12,501 – \$25,000	4.0%	\$25,001 – \$50,000	4.0%
Over \$25,000	6.0%	Over \$50,000	6.0%

Public Pension Exemption Full exemption

Private Pension and Annuity Exemption \$6,000 for persons age 65 and older (\$12,000 if married and both spouses are age 65 or older)

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

Under age 65 \$4,500 (single); \$9,000 (married, filing jointly)
 Age 65 and older \$5,500 (single); \$11,000 (married, filing jointly; both spouses are age 65 or older)

Other Deductions Full federal income tax deduction

Local Income Taxes None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Louisiana

II. General Sales Tax Rates (2006)

State 4.0%
Combined state/local tax rates..... 6.0% to 10.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 8.0% On income over \$200,000
Gasoline (per gallon) \$0.20
Cigarette (per pack of 20) \$0.36
Beer (per gallon) \$0.323 Parishes and cities may levy an additional \$0.048-per-gallon tax.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners	\$7,500 assessed value; does not apply to municipal taxes except in Orleans Parish
Circuit Breaker	None
Deferral Program.....	None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Individual real property assessments will remain frozen and unchanged for homeowners age 65 and older whose household income is less than \$62,180 per year.

All taxing districts are limited by maximum property tax rates that are set by the state legislature.

During reassessment of real property (every four years), local taxing districts must adjust their real property tax rates so that the total revenue collected for the districts remains the same as the previous year. This adjustment of property tax rates does not apply to additions and property improvements. Property tax rates can be increased by a two-thirds vote of the governing body after public notification and meetings held in accordance with Louisiana open meeting laws.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

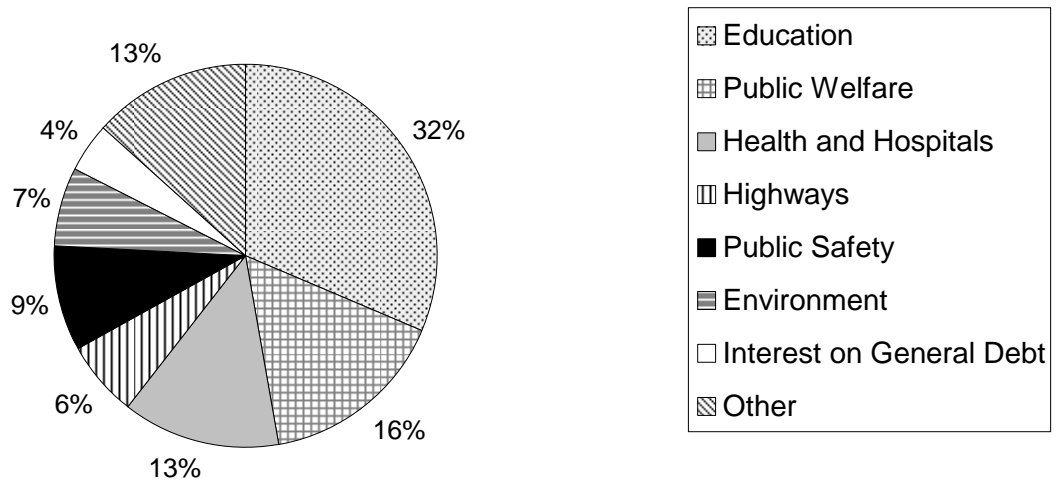
Louisiana

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		LA	US	LA	US	LA	US
		State/Local Direct General Expenditures...	\$28,528	\$6,329	\$6,794	23.3%	20.7%
To State/Local Government.....	\$28,528	\$6,329	\$6,778	23.3%	20.7%	4.4%	5.8%
Education*.....	\$8,981	\$1,993	\$2,325	7.3%	7.1%	5.1%	6.2%
Public Welfare.....	\$4,480	\$994	\$1,221	3.7%	3.7%	1.5%	6.5%
Health and Hospitals.....	\$3,849	\$854	\$574	3.1%	1.8%	3.5%	4.9%
Highways.....	\$1,785	\$396	\$418	1.5%	1.3%	4.3%	4.9%
Public Safety*.....	\$2,543	\$564	\$599	2.1%	1.8%	6.9%	5.8%
Environment.....	\$1,878	\$417	\$383	1.5%	1.2%	5.9%	4.7%
Interest on General Debt.....	\$1,210	\$268	\$273	1.0%	0.8%	0.7%	3.6%
Other.....	\$3,802	\$843	\$985	3.1%	3.0%	7.1%	6.1%
To Federal Government.....	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Louisiana (State and Local).....	\$24.8	\$5,491	\$202.38	\$24.6	99.4%	\$0.15	0.6%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

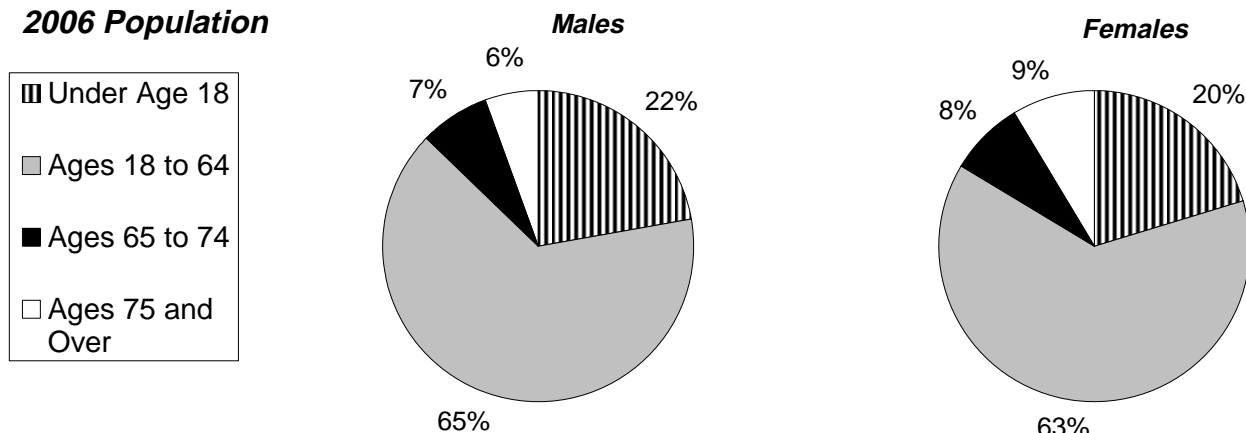
Source: U.S. Bureau of the Census

Maine

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	ME	US	ME	US	ME	US
	Per Capita Income.....	\$21,203	\$24,175	\$31,931	\$36,629	4.2%
Median Household Income	\$34,696	\$35,492	\$45,642	\$48,201	2.8%	3.1%
Gross State Product (in millions).....	\$28,636	\$7,659,651	\$46,973	\$13,149,033	5.1%	5.6%
Full- and Part-Time Positions (in thousands).....	720	152,150	844	178,343	1.6%	1.6%
Employed Persons (in thousands)	617	126,708	679	144,427	1.0%	1.3%
Unemployment Rate.....	5.2%	5.4%	4.6%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	ME	ME	ME	US	ME	US
Total Population.....	1,241,436	1,321,574	6.5%	12.9%	12.9%	13.3%
Males.....	605,051	646,427	6.8%	13.9%	10.8%	11.9%
Under Age 18.....	153,774	144,333	-6.1%	6.6%	17.4%	18.2%
Ages 18 to 64.....	380,357	419,892	10.4%	17.4%	9.4%	10.1%
Ages 65 to 74.....	42,346	46,080	8.8%	4.0%	6.3%	6.9%
Ages 75 and Over.....	28,574	36,122	26.4%	25.1%	7.2%	7.7%
Females.....	636,385	675,147	6.1%	11.9%	14.9%	14.7%
Under Age 18.....	145,570	136,661	-6.1%	6.8%	17.8%	18.5%
Ages 18 to 64.....	388,328	428,049	10.2%	15.0%	14.4%	13.8%
Ages 65 to 74.....	51,729	52,126	0.8%	-1.0%	9.2%	10.2%
Ages 75 and Over.....	50,758	58,311	14.9%	17.3%	16.9%	13.5%

Source: U.S. Bureau of the Census

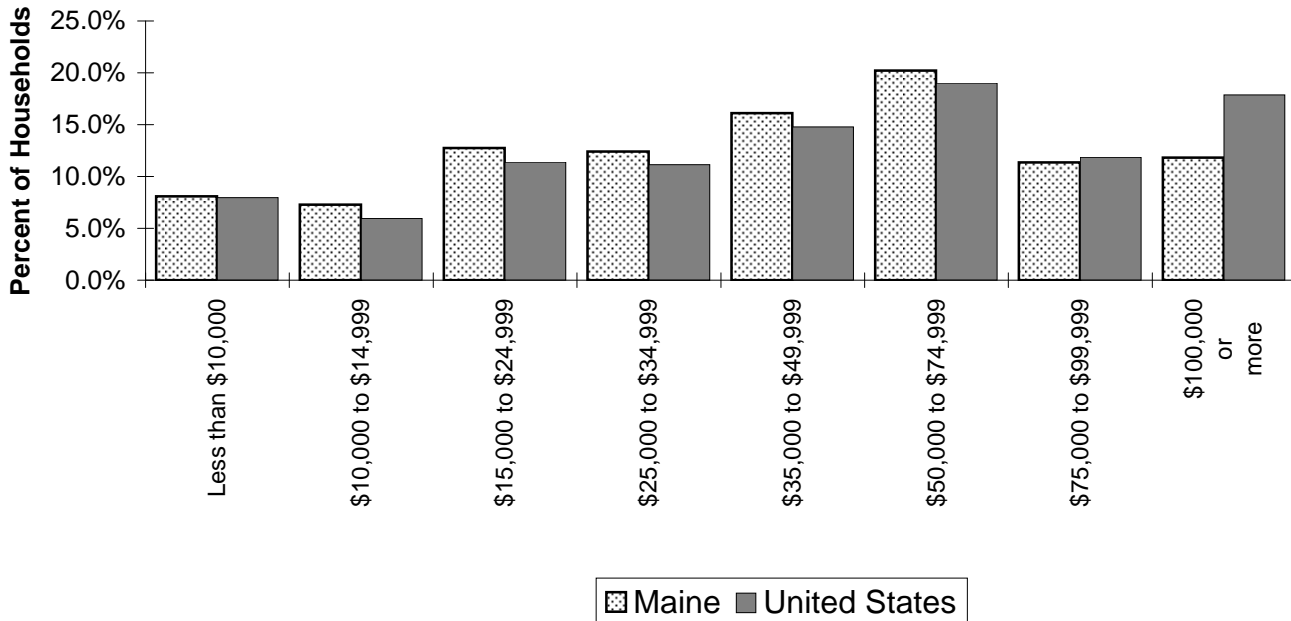
Maine

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	14.9%	12.0%	20.0%	14.5%	20.6%	14.7%	2.7%	0.5%	100.0%
25 to 44 years.....	5.9%	4.4%	10.4%	13.0%	17.2%	25.1%	13.0%	11.0%	100.0%
45 to 64 years.....	6.9%	4.8%	8.9%	9.9%	16.0%	21.3%	14.5%	17.7%	100.0%
65 years and over.....	12.1%	15.1%	21.8%	15.7%	13.7%	12.1%	5.0%	4.4%	100.0%
Maine (all ages).....	8.1%	7.3%	12.7%	12.4%	16.1%	20.2%	11.4%	11.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



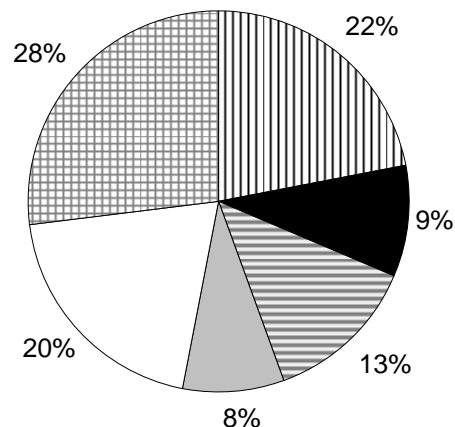
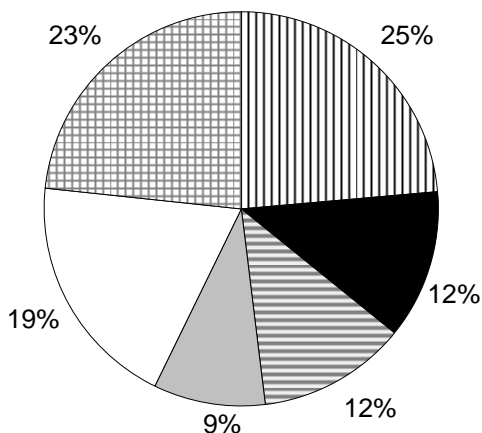
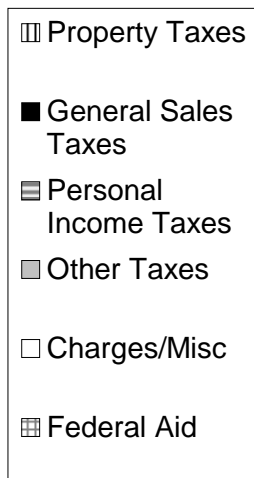
Maine

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		ME	US	ME	US	ME	US
Total General Revenues.....	\$9,854	\$7,475	\$6,816	24.9%	20.8%	6.3%	5.6%
Own Sources.....	\$7,207	\$5,467	\$5,338	18.2%	16.3%	5.8%	5.3%
Taxes.....	\$5,220	\$3,960	\$3,698	13.2%	11.3%	5.5%	5.2%
Property Taxes.....	\$2,152	\$1,632	\$1,132	5.4%	3.5%	5.4%	5.1%
General Sales Taxes.....	\$935	\$709	\$887	2.4%	2.7%	3.7%	5.1%
Personal Income Taxes.....	\$1,299	\$985	\$813	3.3%	2.5%	7.3%	5.7%
Other Taxes.....	\$834	\$633	\$866	2.1%	2.6%	5.2%	4.9%
Charges/Miscellaneous.....	\$1,987	\$1,507	\$1,640	5.0%	5.0%	6.8%	5.7%
Federal Aid.....	\$2,647	\$2,008	\$1,478	6.7%	4.5%	7.8%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Maine

I. Personal Income Tax (2006)

State Income Tax Base

Maine's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal return and if their taxable Maine income results in having income tax liability.

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$4,550	2.0%	First \$9,150	2.0%
\$4,551 – \$9,100	4.5%	\$9,151 – \$18,250	4.5%
\$9,101 – \$18,250	7.0%	\$18,251 – \$36,550	7.0%
Over \$18,250	8.5%	Over \$36,550	8.5%

Public and Private Pension Exemptions \$6,000 exemption for each spouse reduced by Social Security and Railroad Retirement benefits (except for military pensions)

Military Pension Exemption \$6,000 exemption

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

Under age 65 \$8,000 (single); \$14,300 (married, filing jointly; both spouses are under age 65)

Age 65 and older \$9,250 (single); \$16,300 (married, filing jointly; both spouses are age 65 or older)

Long-Term Care Insurance Deduction Long-term care insurance premiums can be deducted; however, any premiums that are deducted must be reduced by any premiums claimed as a Maine itemized deduction.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Maine

Elderly Tax Credit

Older taxpayers can claim 20% of the federal elderly tax credit.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.0%

Combined state/local tax rates..... 5.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 8.93% On income over \$250,000

Gasoline (per gallon)..... \$0.252

Cigarette (per pack of 20) \$2.00

Beer (per gallon) \$0.35

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption*

Requirements

Benefits

All homeowners \$13,000 assessed value

Blind homeowners..... \$4,000 assessed value

World War I veterans age 62 or older \$7,000 assessed value

Widows of World War I veterans age 62 or older \$7,000 assessed value

Other veterans age 62 or older \$5,000 assessed value

Widows of other veterans age 62 or older \$5,000 assessed value

Disabled (paraplegic) and dependents \$50,000 assessed value

*All exemption amounts assume that real property is assessed at 100% of the fair market value.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Maine

Circuit Breaker

Requirements

Homeowners and renters age 62 and older or those disabled age 55 and older whose income is \$13,200 or less (single with no dependents) or \$16,300 or less (with a spouse or dependents) Up to a \$400 tax credit**

Homeowners and renters whose income is \$80,750 or less (single with no dependents) or \$105,750 or less (someone with a spouse or dependents) Up to a \$2,000 tax credit**

**Any homeowner or renter who qualifies for both circuit breaker programs will receive a tax credit equal to the larger of the two programs.

Benefits

Deferral Program

Requirements

Homeowners age 65 and older who first applied to the program in 1990, whose income is \$32,000 or less* Full deferral of property taxes

Benefits

*No applications have been taken since 1990.

V. Real Property Tax Limits, Caps, or Freezes (2007)

In 2005, the state legislature passed property tax caps affecting counties and municipalities. When state and local tax burdens (state and local taxes as a percentage of personal income) are in the top one-third of states, county and municipal property taxes cannot increase by more than the 10-year average in real personal income growth (up to 2.75%) plus the growth rate in all new real property.

When state and local tax burdens are in the middle one-third of states, county and municipal property taxes cannot increase by more than the 10-year average in real personal income growth plus the forecasted growth in the CPI plus the growth rate in all new real property. The property tax caps can be overridden through referenda, court orders or decrees, unfunded state or federal mandates, or extraordinary events, such as natural disasters.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

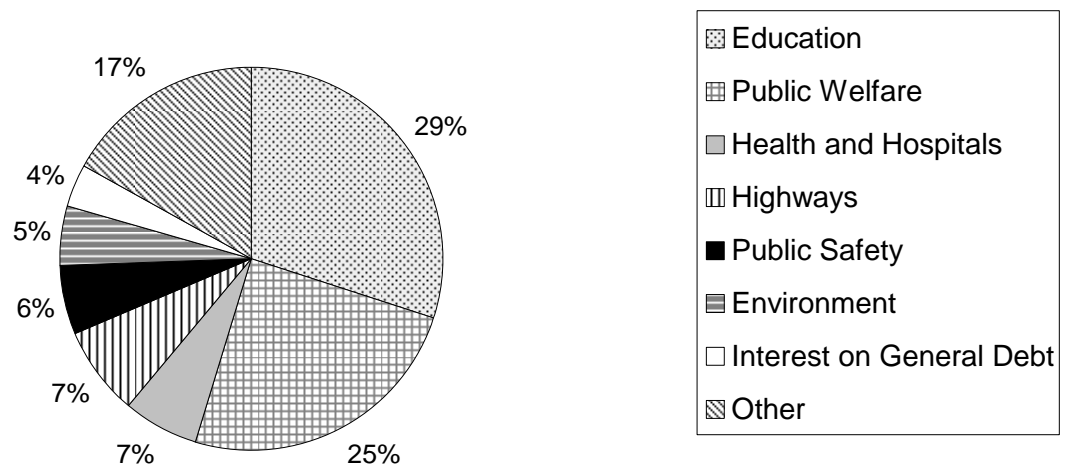
Maine

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		ME	US	ME	US	ME	US
		State/Local Direct General Expenditures	\$9,524	\$7,225	\$6,794	24.1%	20.7%
To State/Local Government	\$9,512	\$7,216	\$6,778	24.1%	20.7%	6.2%	5.8%
Education*	\$2,866	\$2,174	\$2,325	7.3%	7.1%	5.5%	6.2%
Public Welfare	\$2,334	\$1,771	\$1,221	5.9%	3.7%	6.3%	6.5%
Health and Hospitals	\$625	\$474	\$574	1.6%	1.8%	8.9%	4.9%
Highways	\$706	\$536	\$418	1.8%	1.3%	5.1%	4.9%
Public Safety*	\$555	\$421	\$599	1.4%	1.8%	6.0%	5.8%
Environment	\$472	\$358	\$383	1.2%	1.2%	3.9%	4.7%
Interest on General Debt	\$338	\$256	\$273	0.9%	0.8%	2.7%	3.6%
Other	\$1,617	\$1,227	\$985	4.1%	3.0%	9.3%	6.1%
To Federal Government	\$12	\$9	\$16	0.0%	0.0%	3.5%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005 (excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Maine (State and Local)	\$7.0	\$5,280	\$176.16	\$6.9	99.6%	\$0.03	0.4%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

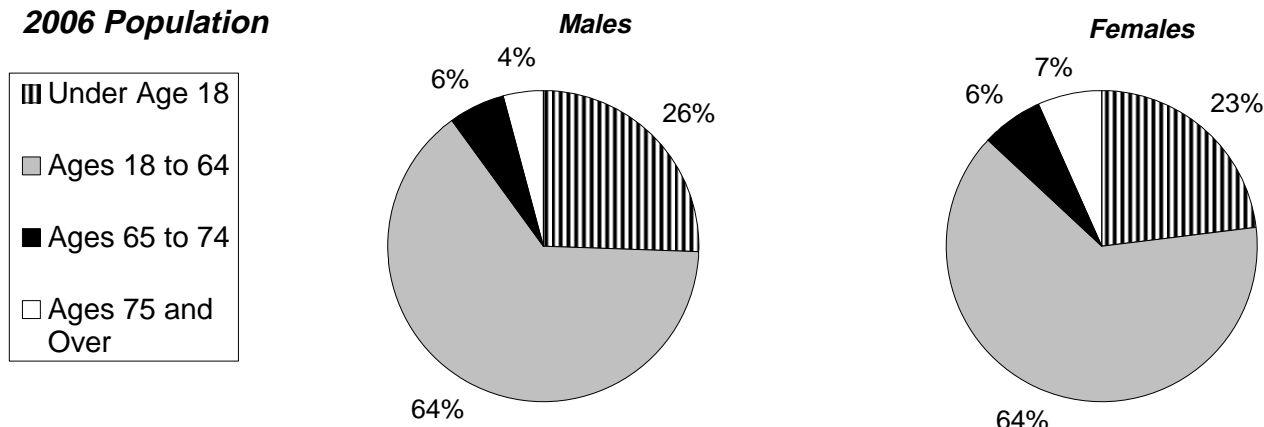
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Maryland

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MD	US	MD	US	MD	US
	Per Capita Income.....	\$27,393	\$24,175	\$43,774	\$36,629	4.8%
Median Household Income	\$43,993	\$35,492	\$63,668	\$48,201	3.8%	3.1%
Gross State Product (in millions).....	\$142,910	\$7,659,651	\$257,815	\$13,149,033	6.1%	5.6%
Full- and Part-Time Positions (in thousands).....	2,827	152,150	3,413	178,343	1.9%	1.6%
Employed Persons (in thousands)	2,616	126,708	2,893	144,427	1.0%	1.3%
Unemployment Rate.....	4.9%	5.4%	3.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MD	MD	MD	US	MD	US
Total Population.....	5,057,142	5,615,727	11.0%	12.9%	7.8%	13.3%
Males.....	2,456,611	2,716,854	10.6%	13.9%	6.9%	11.9%
Under Age 18.....	647,555	694,554	7.3%	6.6%	10.0%	18.2%
Ages 18 to 64.....	1,574,298	1,750,667	11.2%	17.4%	5.7%	10.1%
Ages 65 to 74.....	145,148	156,048	7.5%	4.0%	5.0%	6.9%
Ages 75 and Over.....	89,610	115,585	29.0%	25.1%	6.9%	7.7%
Females.....	2,600,531	2,898,873	11.5%	11.9%	8.7%	14.7%
Under Age 18.....	619,969	665,977	7.4%	6.8%	9.3%	18.5%
Ages 18 to 64.....	1,636,940	1,853,961	13.3%	15.0%	8.3%	13.8%
Ages 65 to 74.....	183,089	185,774	1.5%	-1.0%	8.9%	10.2%
Ages 75 and Over.....	160,533	193,161	20.3%	17.3%	10.9%	13.5%

Source: U.S. Bureau of the Census

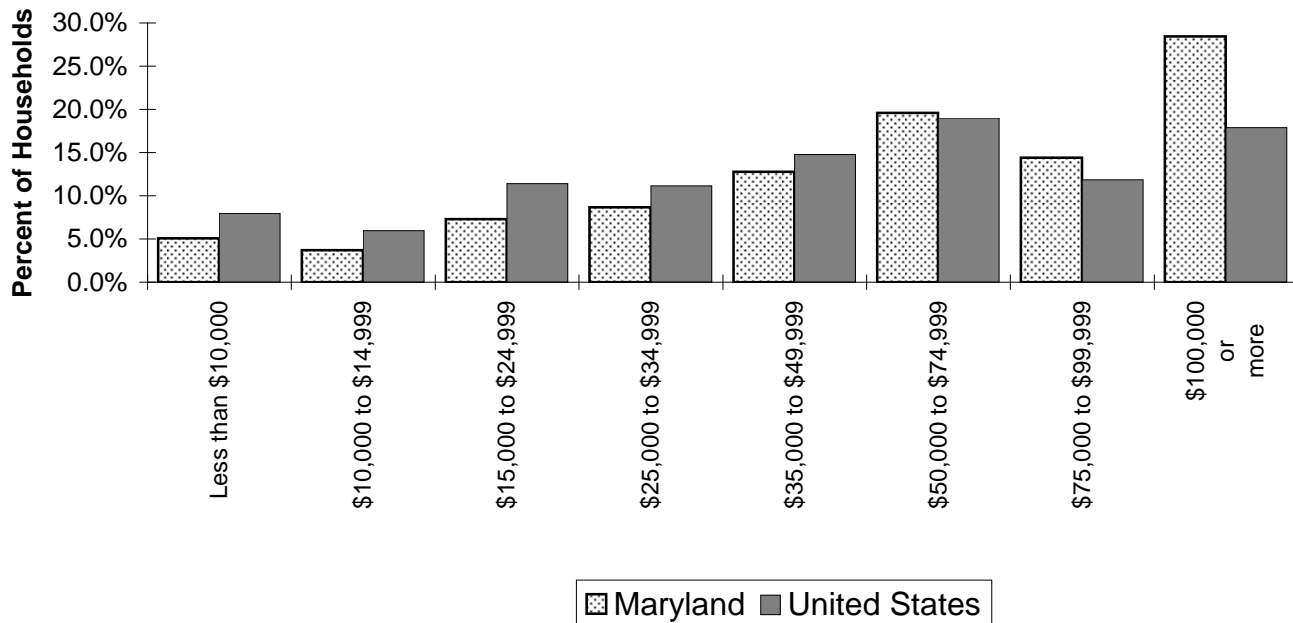
Maryland

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	13.7%	6.2%	12.8%	18.1%	19.3%	17.3%	8.0%	4.6%	100.0%
25 to 44 years.....	3.4%	2.2%	4.9%	8.1%	13.4%	23.0%	16.6%	28.6%	100.0%
45 to 64 years.....	3.9%	2.3%	5.2%	6.6%	11.0%	17.9%	15.5%	37.6%	100.0%
65 years and over.....	9.2%	9.1%	15.5%	12.4%	14.1%	16.8%	9.2%	13.8%	100.0%
Maryland (all ages).....	5.1%	3.7%	7.3%	8.7%	12.8%	19.6%	14.4%	28.5%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



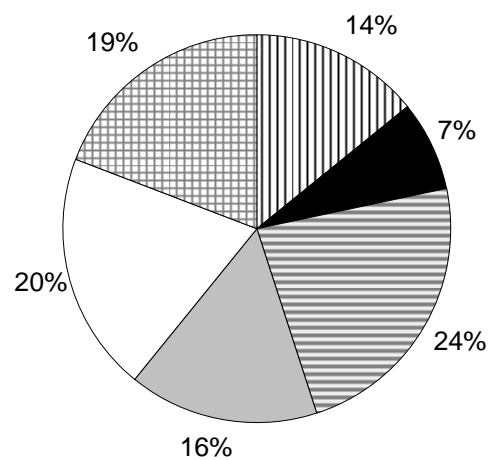
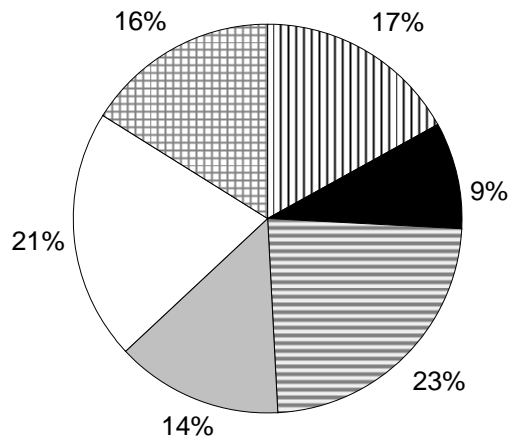
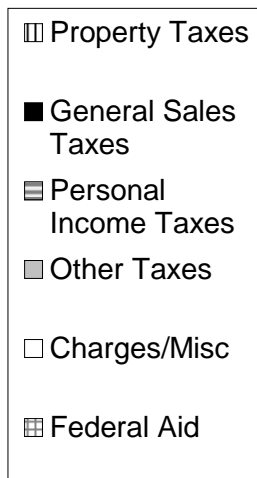
Maryland

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MD	US	MD	US	MD	US
		Total General Revenues.....	\$39,274	\$7,026	\$6,816	17.9%	20.8%
Own Sources.....	\$31,733	\$5,677	\$5,338	14.4%	16.3%	5.6%	5.3%
Taxes.....	\$23,899	\$4,276	\$3,698	10.9%	11.3%	5.6%	5.2%
Property Taxes.....	\$5,594	\$1,001	\$1,132	2.5%	3.5%	4.1%	5.1%
General Sales Taxes.....	\$2,890	\$517	\$887	1.3%	2.7%	4.0%	5.1%
Personal Income Taxes.....	\$9,153	\$1,638	\$813	4.2%	2.5%	6.0%	5.7%
Other Taxes.....	\$6,262	\$1,120	\$866	2.8%	2.6%	7.3%	4.9%
Charges/Miscellaneous.....	\$7,834	\$1,402	\$1,640	3.6%	5.0%	5.6%	5.7%
Federal Aid.....	\$7,541	\$1,349	\$1,478	3.4%	4.5%	7.8%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Maryland

I. Personal Income Tax (2006)

State Income Tax Base

Maryland's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their total gross income plus addition modifications and less any Social Security and Railroad Retirement benefits equals or exceeds the federal minimum filing income thresholds.

Minimum Filing Income Thresholds

Under age 65	\$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,000	2.0%	First \$1,000	2.0%
\$1,001 – \$2,000	3.0%	\$1,001 – \$2,000	3.0%
\$2,001 – \$3,000	4.0%	\$2,001 – \$3,000	4.0%
Over \$3,000*	4.75%*	Over \$3,000*	4.75%*

*Starting in tax year 2008, taxable income between \$150,001 and \$300,000 (single) and between \$200,001 and \$350,000 (married, filing jointly) will be taxed at 5.0%; taxable income between \$300,001 and \$500,000 (single) and between \$350,001 and \$500,000 (married, filing jointly) will be taxed at 5.25%, and taxable income greater than \$500,000 (all taxpayers) will be taxed at 5.5%.

Public and Private Pension Exemptions

\$22,600 exemption for each person reduced by Social Security and Federal Railroad Retirement benefits for persons age 65 and older; some military pensioners are eligible for an additional pension exemption of up to \$5,000.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Maryland

Standard Deductions and Personal Exemptions Combined*

Under age 65	\$3,900 to \$4,400 (single); \$7,800 to \$8,800 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$4,900 to \$5,400 (single); \$9,800 to \$10,800 (married, filing jointly; both spouses are age 65 or older)

*Standard deductions equal 15% of Maryland adjusted gross income with a minimum deduction of \$1,500 (single) and \$3,000 (married, filing jointly) and a maximum deduction of \$2,000 (single) and \$4,000 (married, filing jointly). Personal exemptions equal \$2,400 (single) and \$4,800 (married, filing jointly).

Long-Term Care Insurance Credit

Taxpayers can claim a tax credit up to \$280 (under age 41) or \$500 (age 41 and older) for long-term insurance premiums. The credit can only be claimed for one tax year, and the insured cannot have been covered by long-term care insurance before July 1, 2000.

Local Income Taxes From 1.25% to 3.2% of Maryland taxable income

II. General Sales Tax Rates (2006)

State	5.0%
Combined state/local tax rates.....	5.0%**

**Effective January 3, 2008, the general sales tax rate increases from 5.0% to 6.0%.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	7.0% On all taxable income***
Gasoline (per gallon)	\$0.235
Cigarette (per pack of 20)	\$1.00***
Beer (per gallon)	\$0.09

***The corporate income tax rate increases from 7.0% to 8.25% for tax year 2008.
Effective January 1, 2008, the cigarette tax rate increases from \$1.00 to \$2.00 per pack of 20.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Maryland

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit None

Circuit Breaker

Requirements

Benefits

All homeowners; renters age 60 and older, or disabled, or under age 60 with dependent(s), whose income is \$60,000 or less and whose household net worth is \$200,000 or less*

Up to \$750 for renters; up to taxes paid on the first \$300,000 assessed value for homeowners

*The \$200,000 does not include the primary residence that is occupied.

Deferral Program (local option program)

Requirements

Benefits

Homeowners age 65 and older or disabled and who have lived in their home for at least five years and meet local income guidelines

Full deferral of property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Assessed property values established by the state government cannot annually increase by more than 10%. Local governments have the option of further limiting the annual increase in assessed values.

Property values are also limited by phasing in increases in fair market value over a three-year period.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

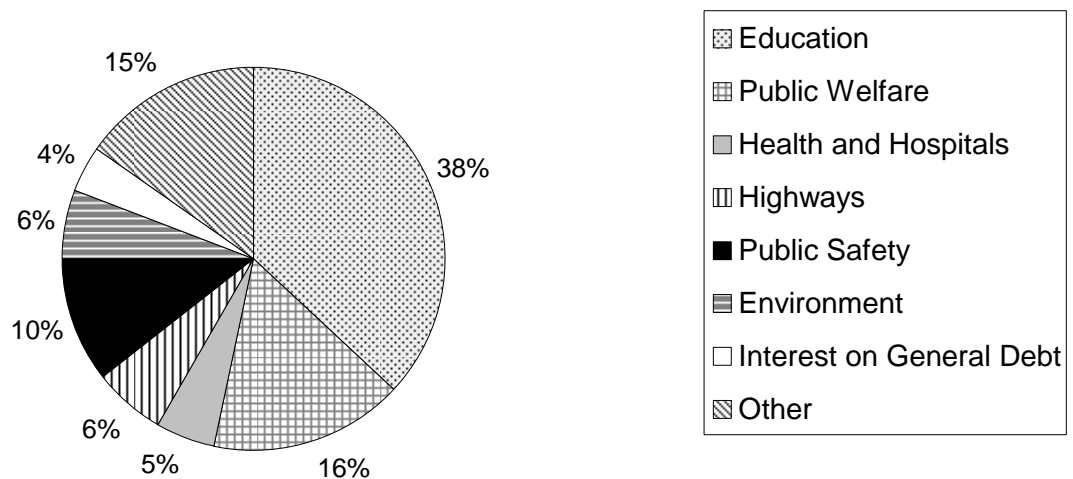
Maryland

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MD	US	MD	US	MD	US
		State/Local Direct General Expenditures	\$36,655	\$6,558	\$6,794	16.7%	20.7%
To State/Local Government	\$36,655	\$6,558	\$6,778	16.7%	20.7%	5.6%	5.8%
Education*	\$13,549	\$2,424	\$2,325	6.2%	7.1%	6.2%	6.2%
Public Welfare	\$5,959	\$1,066	\$1,221	2.7%	3.7%	7.1%	6.5%
Health and Hospitals	\$1,860	\$333	\$574	0.8%	1.8%	6.2%	4.9%
Highways	\$2,257	\$404	\$418	1.0%	1.3%	6.0%	4.9%
Public Safety*	\$3,831	\$685	\$599	1.7%	1.8%	5.8%	5.8%
Environment	\$2,168	\$388	\$383	1.0%	1.2%	2.6%	4.7%
Interest on General Debt	\$1,408	\$252	\$273	0.6%	0.8%	1.8%	3.6%
Other	\$5,622	\$1,006	\$985	2.6%	3.0%	5.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Maryland (State and Local)	\$28.0	\$5,002	\$127.13	\$27.5	98.4%	\$0.45	1.6%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

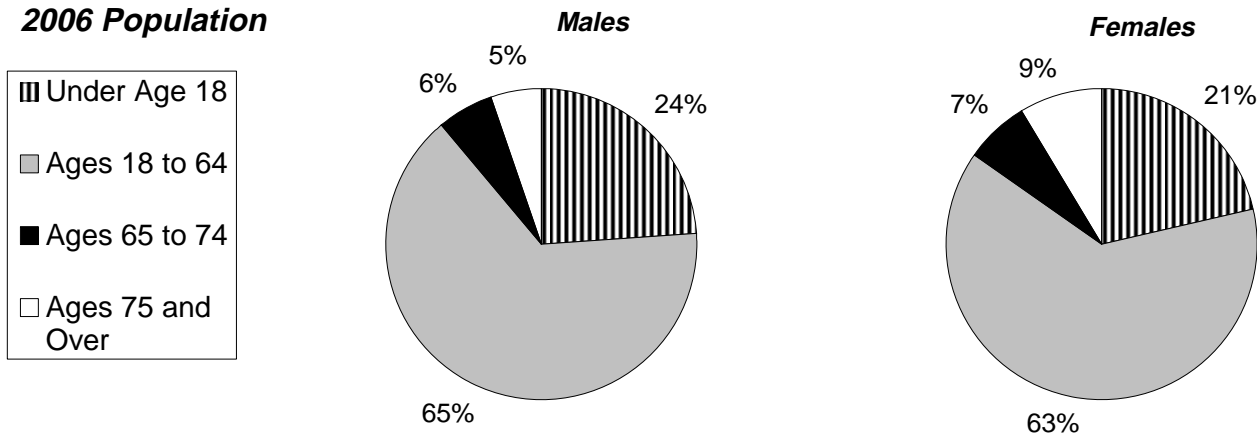
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Massachusetts

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MA	US	MA	US	MA	US
	Per Capita Income.....	\$28,933	\$24,175	\$46,255	\$36,629	4.8%
Median Household Income	\$39,494	\$35,492	\$55,330	\$48,201	3.4%	3.1%
Gross State Product (in millions).....	\$208,288	\$7,659,651	\$337,570	\$13,149,033	4.9%	5.6%
Full- and Part-Time Positions (in thousands).....	3,744	152,150	4,215	178,343	1.2%	1.6%
Employed Persons (in thousands)	3,083	126,708	3,235	144,427	0.5%	1.3%
Unemployment Rate.....	4.6%	5.4%	5.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MA	MA	MA	US	MA	US
Total Population.....	6,085,393	6,437,193	5.8%	12.9%	9.9%	13.3%
Males.....	2,930,805	3,117,205	6.4%	13.9%	8.7%	11.9%
Under Age 18.....	738,281	740,637	0.3%	6.6%	12.4%	18.2%
Ages 18 to 64.....	1,854,498	2,028,767	9.4%	17.4%	7.7%	10.1%
Ages 65 to 74.....	197,608	185,797	-6.0%	4.0%	6.4%	6.9%
Ages 75 and Over.....	140,418	162,004	15.4%	25.1%	6.7%	7.7%
Females.....	3,154,588	3,319,988	5.2%	11.9%	11.1%	14.7%
Under Age 18.....	701,935	708,247	0.9%	6.8%	12.5%	18.5%
Ages 18 to 64.....	1,930,013	2,103,580	9.0%	15.0%	10.6%	13.8%
Ages 65 to 74.....	254,833	223,884	-12.1%	-1.0%	9.8%	10.2%
Ages 75 and Over.....	267,807	284,277	6.1%	17.3%	12.7%	13.5%

Source: U.S. Bureau of the Census

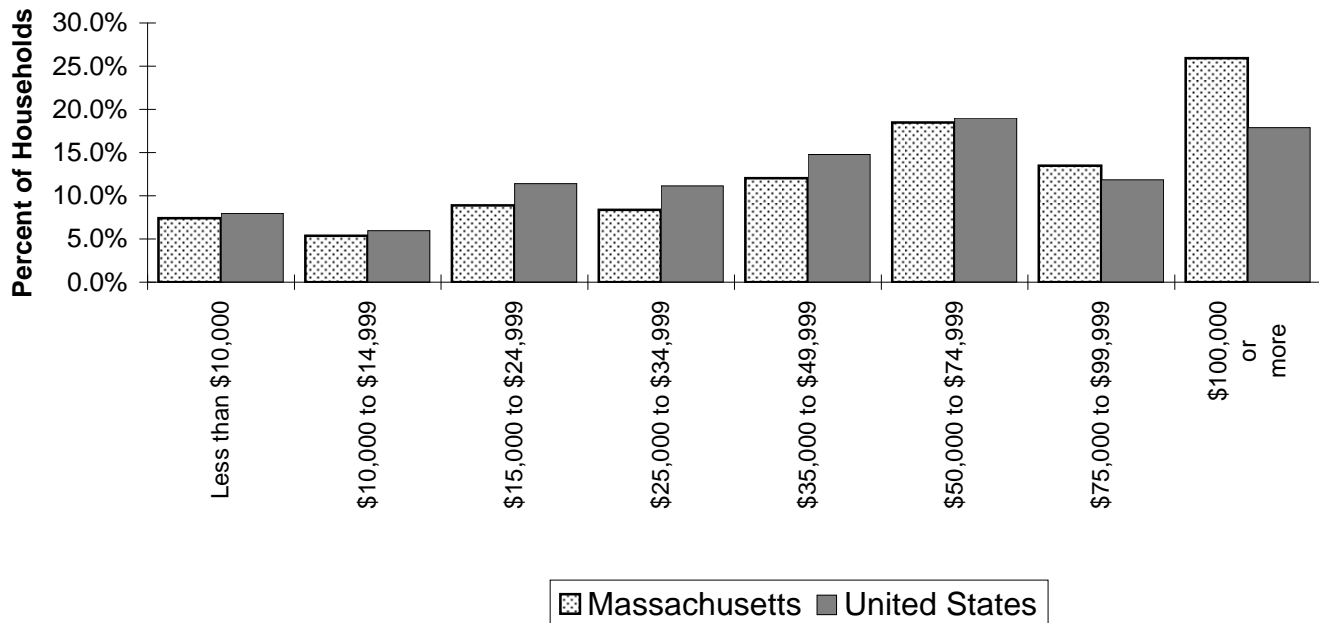
Massachusetts

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	21.1%	8.6%	13.5%	13.1%	14.9%	16.0%	7.6%	5.2%	100.0%
25 to 44 years.....	5.6%	3.0%	6.2%	7.4%	12.1%	21.5%	15.7%	28.5%	100.0%
45 to 64 years.....	5.8%	3.1%	6.1%	6.2%	10.8%	18.5%	15.5%	34.0%	100.0%
65 years and over.....	11.3%	13.1%	18.0%	13.3%	13.8%	13.7%	6.8%	10.0%	100.0%
Massachusetts (all ages)..	7.4%	5.4%	8.9%	8.4%	12.0%	18.5%	13.5%	25.9%	100.0%
United States (all ages)....	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



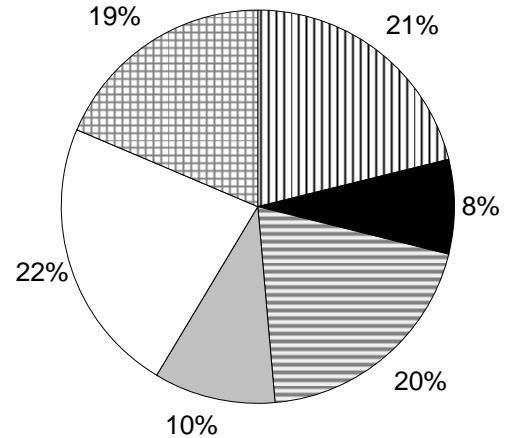
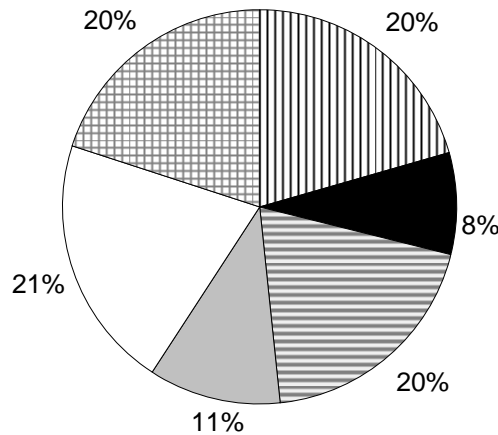
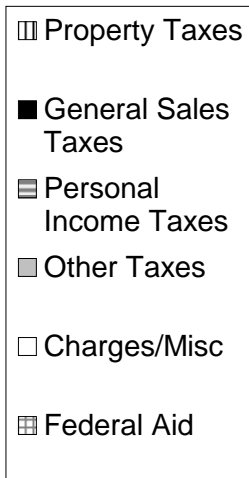
Massachusetts

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MA	US	MA	US	MA	US
Total General Revenues.....	\$49,127	\$7,636	\$6,816	18.4%	20.8%	4.9%	5.6%
Own Sources.....	\$39,930	\$6,207	\$5,338	15.0%	16.3%	5.0%	5.3%
Taxes.....	\$28,757	\$4,470	\$3,698	10.8%	11.3%	4.7%	5.2%
Property Taxes.....	\$10,341	\$1,607	\$1,132	3.9%	3.5%	5.0%	5.1%
General Sales Taxes.....	\$3,891	\$605	\$887	1.5%	2.7%	4.6%	5.1%
Personal Income Taxes.....	\$9,690	\$1,506	\$813	3.6%	2.5%	5.0%	5.7%
Other Taxes.....	\$4,835	\$752	\$866	1.8%	2.6%	3.8%	4.9%
Charges/Miscellaneous.....	\$11,173	\$1,737	\$1,640	4.2%	5.0%	5.9%	5.7%
Federal Aid.....	\$9,198	\$1,430	\$1,478	3.4%	4.5%	4.1%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Massachusetts

I. Personal Income Tax (2006)

State Income Tax Base

Massachusetts's income tax base is linked to federal gross income.

Filing Requirements

Taxpayers must file if their gross income exceeds \$8,000.

Rate Structure

All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>
Earned income, interest, dividends, and long-term capital gains (not collectible assets and those assets held for more than one year)	5.3%
Short-term capital gains and long-term capital gains from the sale of collectibles	12%

Public Pension Exemption Full exemption

Private Pension Exemption None

Social Security Benefits Full exemption

Personal Exemptions

Under age 65 \$3,850 (single); \$7,700 (married, filing jointly)
 Age 65 and older \$4,550 (single); \$9,100 (married, filing jointly;
 both spouses are age 65 or older)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.0%
 Combined state/local tax rates 5.0%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Massachusetts

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.5%*
Gasoline (per gallon).....	\$0.21
Cigarette (per pack of 20)	\$1.51
Beer (per gallon)	\$0.106

*Corporations pay an excise tax equal to the greater of the following: (a) \$2.60 (includes surtax) per \$1,000 of value of Massachusetts tangible property not taxed locally or net worth allocated to Massachusetts, plus 9.5% of net income, or (b) \$456, whichever is greater.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Homeowners age 70 and older, surviving spouses, and certain veterans whose income is \$13,000 or less (single) or \$15,000 or less (married couple)	\$4,000 assessed value or \$500 (whichever is greater); local option to raise the maximum credit from \$500 to \$1,000, to change the age requirement from 70 to 65, and to increase the income requirements from \$13,000 to \$20,000 (single) and from \$15,000 to \$30,000 (married couple)
Homeowners age 70 and older and surviving spouses.....	\$2,000 assessed value or \$175 (whichever is greater); local option to have higher benefits
Blind homeowners.....	\$5,000 assessed value or \$437.50 (whichever is greater); local option up to \$500
Disabled (paraplegic veterans) homeowners.....	Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Massachusetts

Circuit Breaker

Requirements

Homeowners and renters age 65 and older whose income is \$46,000 or less (single) or \$70,000 or less (married, filing jointly). In addition, the residence cannot exceed \$684,000 in assessed value.

Benefits

Up to an \$870 tax credit

Renter's Tax Deduction

Requirements

All renters

Benefits

Income tax deduction equal to 50% of the yearly rent (up to \$3,000 for single persons and married couples filing jointly)

Deferral Program

Requirements

Homeowners age 65 and older who have lived in Massachusetts for at least 10 years and owned real property in Massachusetts for at least five years, and whose income is \$20,000 or less or \$40,000 or less (local option)

Benefits

Deferral of all or a portion of the taxes each year until the amount deferred plus 8% simple interest reaches 50% of the applicant's interest in the property

V. Real Property Tax Limits, Caps, or Freezes (2007)

Generally, local taxing districts cannot levy more than 2.5% of the total full and fair cash value of all taxable real and personal property (levy ceiling). In addition, local taxing districts cannot annually increase total real and personal property taxes by more than 2.5% from the previous year's total allowable property taxes (levy limit). In summary, a local taxing district cannot raise more than the levy ceiling or the levy limit (whichever is less).

The levy limit does not pertain to new property growth and to higher allowable property taxes approved by voters. Moreover, a community can assess taxes in excess of its levy limit or its levy ceiling through debt exclusions and capital outlay expenditure exclusions.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Massachusetts

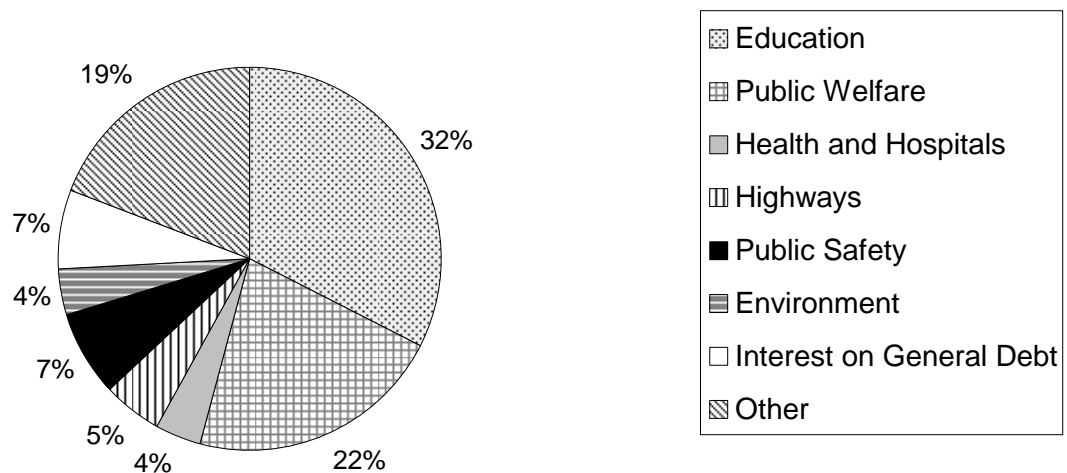
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MA	US	MA	US	MA	US
		State/Local Direct General Expenditures	\$49,919	\$7,759	\$6,794	18.7%	20.7%
To State/Local Government	\$49,735	\$7,731	\$6,778	18.6%	20.7%	5.2%	5.8%
Education*	\$16,096	\$2,502	\$2,325	6.0%	7.1%	7.3%	6.2%
Public Welfare	\$10,788	\$1,677	\$1,221	4.0%	3.7%	6.1%	6.5%
Health and Hospitals	\$2,052	\$319	\$574	0.8%	1.8%	-2.4%	4.9%
Highways	\$2,368	\$368	\$418	0.9%	1.3%	1.3%	4.9%
Public Safety*	\$3,701	\$575	\$599	1.4%	1.8%	4.4%	5.8%
Environment	\$1,862	\$289	\$383	0.7%	1.2%	0.7%	4.7%
Interest on General Debt	\$3,395	\$528	\$273	1.3%	0.8%	6.2%	3.6%
Other	\$9,474	\$1,473	\$985	3.6%	3.0%	6.1%	6.1%
To Federal Government	\$184	\$29	\$16	0.1%	0.0%	0.1%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Massachusetts (State and Local)	\$78.0	\$12,123	\$292.30	\$74.5	95.5%	\$3.50	4.5%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

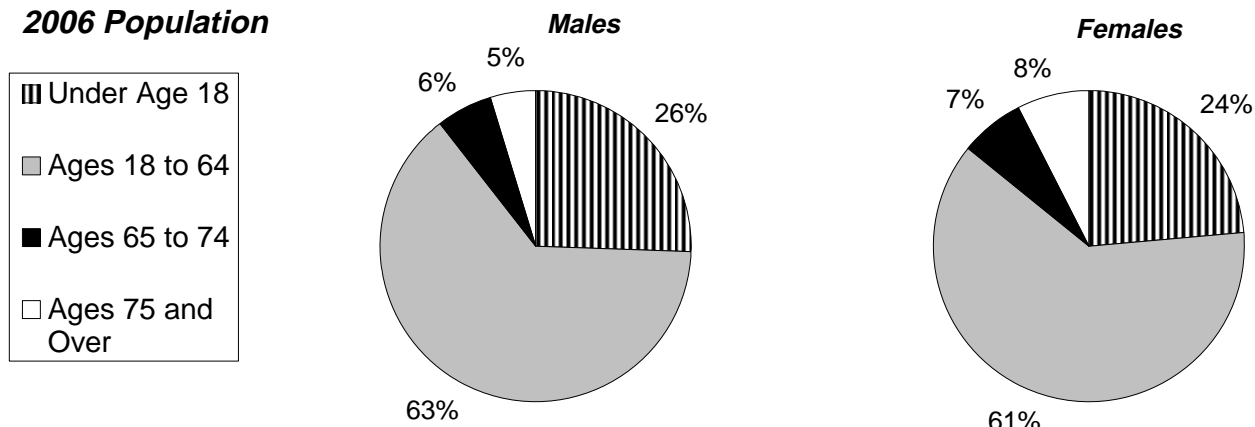
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Michigan

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MI	US	MI	US	MI	US
	Per Capita Income.....	\$24,306	\$24,175	\$33,784	\$36,629	3.3%
Median Household Income	\$39,225	\$35,492	\$48,647	\$48,201	2.2%	3.1%
Gross State Product (in millions).....	\$263,871	\$7,659,651	\$381,003	\$13,149,033	3.7%	5.6%
Full- and Part-Time Positions (in thousands).....	5,282	152,150	5,542	178,343	0.5%	1.6%
Employed Persons (in thousands)	4,647	126,708	4,730	144,427	0.2%	1.3%
Unemployment Rate.....	4.9%	5.4%	6.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MI	MI	MI	US	MI	US
Total Population.....	9,739,184	10,095,643	3.7%	12.9%	13.5%	13.3%
Males.....	4,736,194	4,969,692	4.9%	13.9%	12.4%	11.9%
Under Age 18.....	1,300,615	1,269,277	-2.4%	6.6%	18.5%	18.2%
Ages 18 to 64.....	2,937,905	3,169,665	7.9%	17.4%	10.9%	10.1%
Ages 65 to 74.....	302,274	294,836	-2.5%	4.0%	5.4%	6.9%
Ages 75 and Over.....	195,400	235,914	20.7%	25.1%	7.3%	7.7%
Females.....	5,002,990	5,125,951	2.5%	11.9%	14.6%	14.7%
Under Age 18.....	1,240,452	1,209,079	-2.5%	6.8%	18.1%	18.5%
Ages 18 to 64.....	3,046,220	3,186,758	4.6%	15.0%	14.2%	13.8%
Ages 65 to 74.....	373,055	344,671	-7.6%	-1.0%	9.0%	10.2%
Ages 75 and Over.....	343,263	385,443	12.3%	17.3%	12.0%	13.5%

Source: U.S. Bureau of the Census

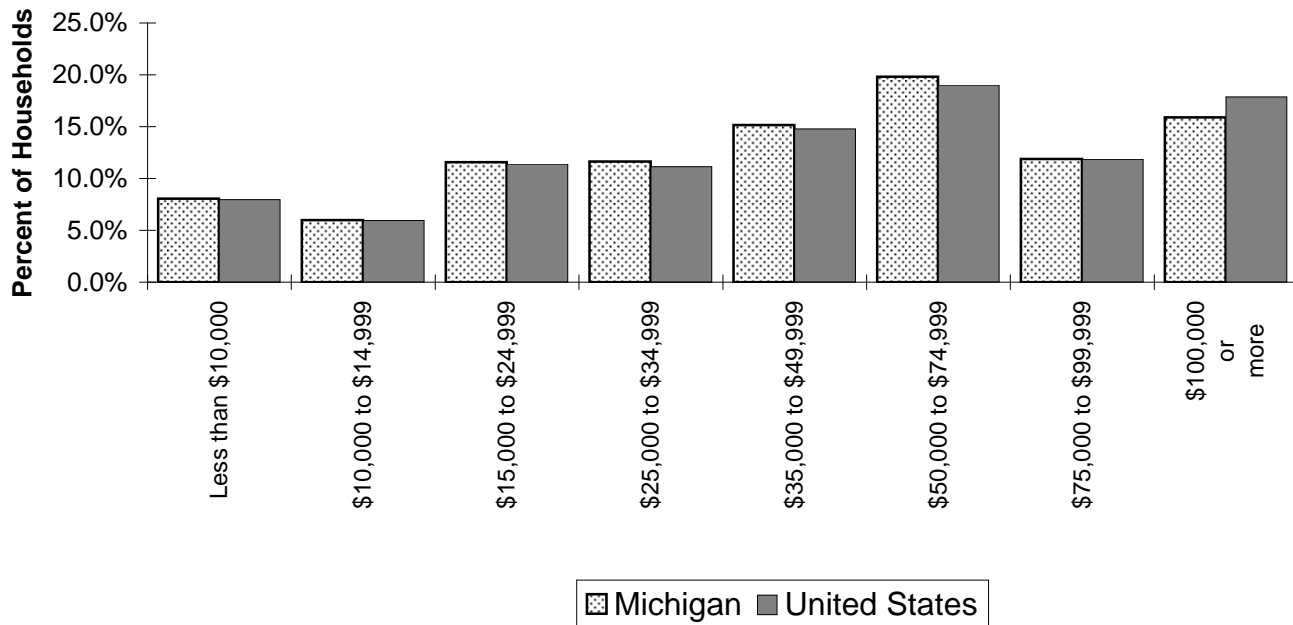
Michigan

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	22.8%	11.6%	19.7%	16.2%	14.9%	10.2%	3.2%	1.4%	100.0%
25 to 44 years.....	7.0%	4.4%	9.1%	10.9%	15.5%	22.9%	14.1%	16.1%	100.0%
45 to 64 years.....	6.8%	3.9%	7.7%	9.5%	14.0%	21.3%	14.3%	22.4%	100.0%
65 years and over.....	9.1%	11.5%	21.3%	16.0%	16.8%	13.7%	5.4%	6.2%	100.0%
Michigan (all ages).....	8.0%	6.0%	11.6%	11.6%	15.2%	19.8%	11.9%	15.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



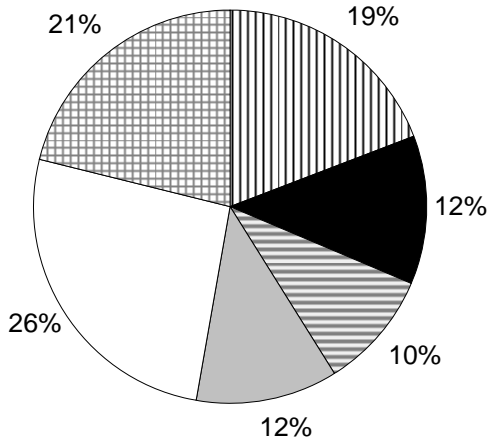
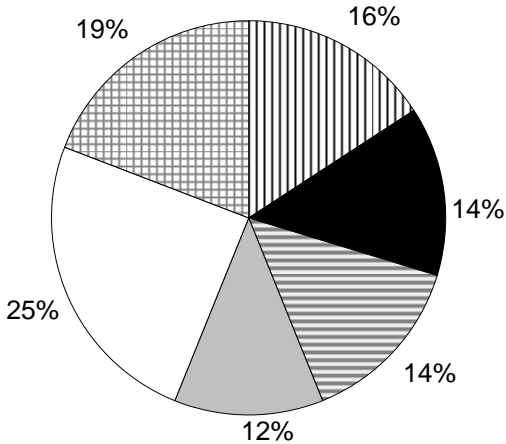
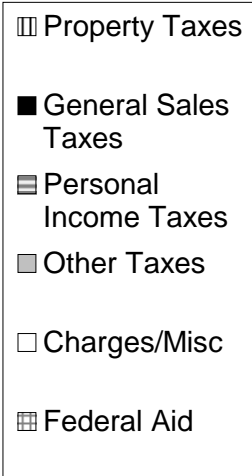
Michigan

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MI	US	MI	US	MI	US
Total General Revenues.....	\$66,985	\$6,632	\$6,816	21.0%	20.8%	4.8%	5.6%
Own Sources.....	\$52,790	\$5,226	\$5,338	16.6%	16.3%	4.6%	5.3%
Taxes.....	\$35,295	\$3,494	\$3,698	11.1%	11.3%	4.2%	5.2%
Property Taxes.....	\$12,919	\$1,279	\$1,132	4.1%	3.5%	7.0%	5.1%
General Sales Taxes.....	\$8,074	\$799	\$887	2.5%	2.7%	3.2%	5.1%
Personal Income Taxes.....	\$6,565	\$650	\$813	2.1%	2.5%	1.1%	5.7%
Other Taxes.....	\$7,737	\$766	\$866	2.4%	2.6%	4.2%	4.9%
Charges/Miscellaneous.....	\$17,495	\$1,732	\$1,640	5.5%	5.0%	5.4%	5.7%
Federal Aid.....	\$14,195	\$1,405	\$1,478	4.5%	4.5%	5.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Michigan

I. Personal Income Tax (2006)

State Income Tax Base

Michigan's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they owe Michigan tax, if adjusted gross income exceeds the exemption amounts, or if due a tax refund.

Rate Structure

3.90% of taxable income*

*The tax rate changed to 4.35% in 2007.

Public Pension Exemption Full exemption

Private Pension Exemption \$40,920 (single) and \$81,840 (married, filing jointly)

Social Security Benefits Full exemption

Personal Exemptions

Under age 65 \$3,300 (single); \$6,600 (married, filing jointly; both spouses are under age 65)

Age 65 and older \$5,400 (single); \$10,800 (married, filing jointly; both spouses are age 65 or older)

Senior Citizens Deduction

Taxpayers age 65 and older may subtract interest, dividends, and capital gains up to \$9,128 (single) or \$18,255 (married, filing jointly) from Michigan adjusted gross income. The maximum allowable deductions of \$9,128 (single) or \$18,255 (married, filing jointly) are reduced by any pension deduction taken.

Elderly Tax Credit Deduction

Taxpayers can deduct the federal income used to calculate the 15% elderly tax credit that was claimed on the federal Form 1040, line 48.

Local Income Taxes Rates range from 0% to 2.4%.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

II. General Sales Tax Rates (2006)

State	6.0%
Combined state/local tax rates.....	6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	1.9%	The tax is a flat value-added tax, not an income tax.
Gasoline (per gallon).....	\$0.19	An additional 6.0% sales tax is levied.
Cigarette (per pack of 20)	\$2.00	
Beer (per gallon)	\$0.203	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Certain disabled veterans	Full exemption

Circuit Breaker

Requirements	Benefits
Homeowners and renters whose income is \$82,650 or less.....	Up to \$1,200

Deferral Program

Requirements	Benefits
Homeowners 65 and older or permanently disabled who have lived in their home for at least five years, whose income is \$19,584 or less	Special assessments over \$300

V. Real Property Tax Limits, Caps, or Freezes (2007)

Individual real property taxable values cannot annually increase by more than 5% or inflation (whichever is less).

Local property tax rates must be reduced so that total property taxes in a taxing district do not increase more than the inflation rate. This limitation can be removed with voter approval, and this limitation does not pertain to property additions and improvements (local growth) and to bonded indebtedness.

City property tax rates cannot exceed \$2.00 per \$100 of assessed value without voter approval. This limitation does not apply to debt service.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

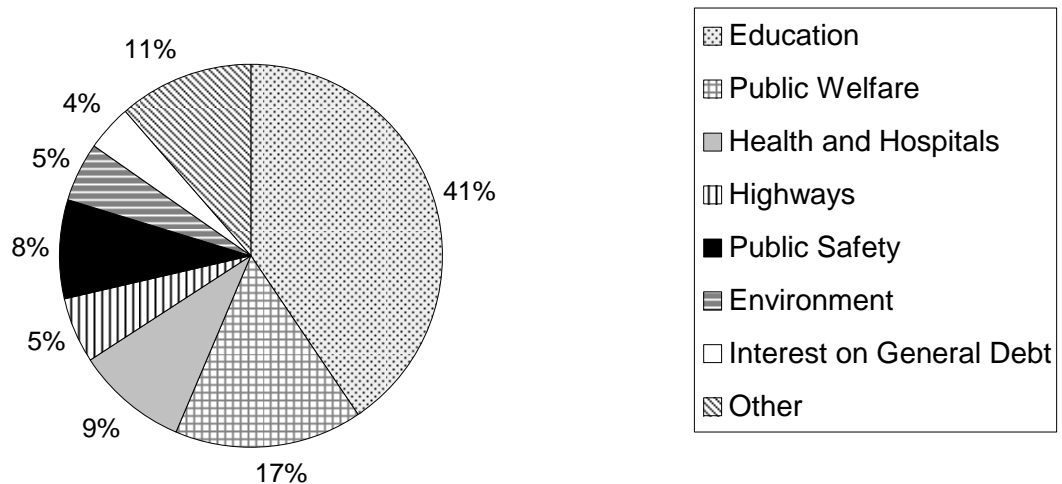
Michigan

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MI	US	MI	US	MI	US
		State/Local Direct General Expenditures	\$67,108	\$6,644	\$6,794	21.1%	20.7%
To State/Local Government	\$67,108	\$6,644	\$6,778	21.1%	20.7%	4.9%	5.8%
Education*	\$27,161	\$2,689	\$2,325	8.5%	7.1%	5.2%	6.2%
Public Welfare	\$10,691	\$1,058	\$1,221	3.4%	3.7%	5.1%	6.5%
Health and Hospitals	\$6,312	\$625	\$574	2.0%	1.8%	4.3%	4.9%
Highways	\$3,653	\$362	\$418	1.1%	1.3%	5.1%	4.9%
Public Safety*	\$5,688	\$563	\$599	1.8%	1.8%	5.0%	5.8%
Environment	\$3,431	\$340	\$383	1.1%	1.2%	3.3%	4.7%
Interest on General Debt	\$2,580	\$255	\$273	0.8%	0.8%	4.6%	3.6%
Other	\$7,592	\$752	\$985	2.4%	3.0%	5.1%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Michigan (State and Local)	\$68.8	\$6,813	\$215.90	\$68.1	98.9%	\$0.74	1.1%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

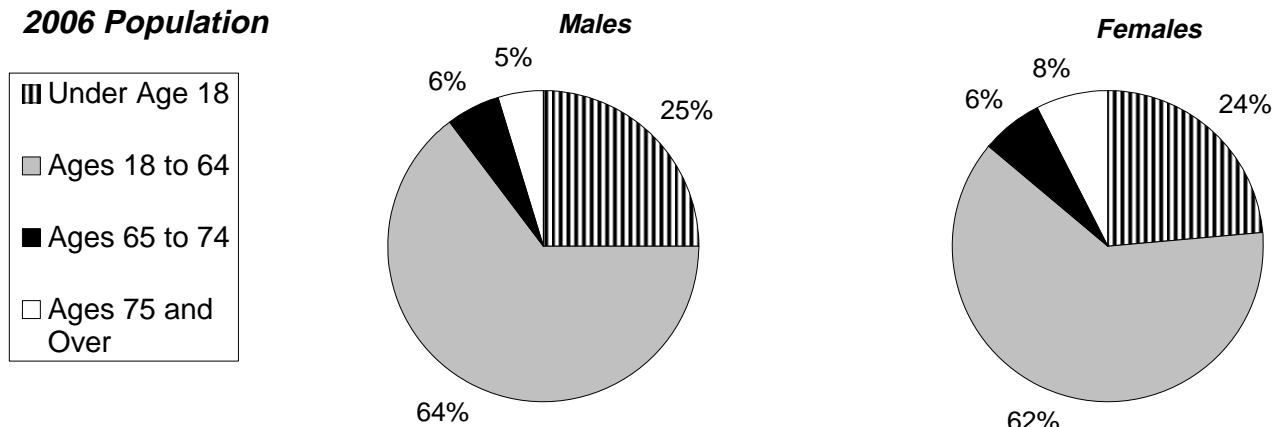
Source: U.S. Bureau of the Census

Minnesota

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MN	US	MN	US	MN	US
	Per Capita Income.....	\$25,716	\$24,175	\$38,751	\$36,629	4.2%
Median Household Income.....	\$40,991	\$35,492	\$56,211	\$48,201	3.2%	3.1%
Gross State Product (in millions).....	\$141,664	\$7,659,651	\$244,546	\$13,149,033	5.6%	5.6%
Full- and Part-Time Positions (in thousands).....	3,077	152,150	3,571	178,343	1.5%	1.6%
Employed Persons (in thousands)	2,566	126,708	2,822	144,427	1.0%	1.3%
Unemployment Rate.....	3.9%	5.4%	4.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MN	MN	MN	US	MN	US
	Total Population.....	4,647,723	5,167,101	11.2%	12.9%	9.8%
Males.....	2,287,678	2,568,869	12.3%	13.9%	8.8%	11.9%
Under Age 18.....	637,537	643,382	0.9%	6.6%	11.8%	18.2%
Ages 18 to 64.....	1,411,577	1,658,570	17.5%	17.4%	8.1%	10.1%
Ages 65 to 74.....	136,508	146,147	7.1%	4.0%	4.7%	6.9%
Ages 75 and Over.....	102,056	120,770	18.3%	25.1%	7.0%	7.7%
Females.....	2,360,045	2,598,232	10.1%	11.9%	10.7%	14.7%
Under Age 18.....	606,425	613,882	1.2%	6.8%	12.6%	18.5%
Ages 18 to 64.....	1,413,430	1,623,873	14.9%	15.0%	10.1%	13.8%
Ages 65 to 74.....	161,174	163,784	1.6%	-1.0%	7.0%	10.2%
Ages 75 and Over.....	179,016	196,693	9.9%	17.3%	12.8%	13.5%

Source: U.S. Bureau of the Census

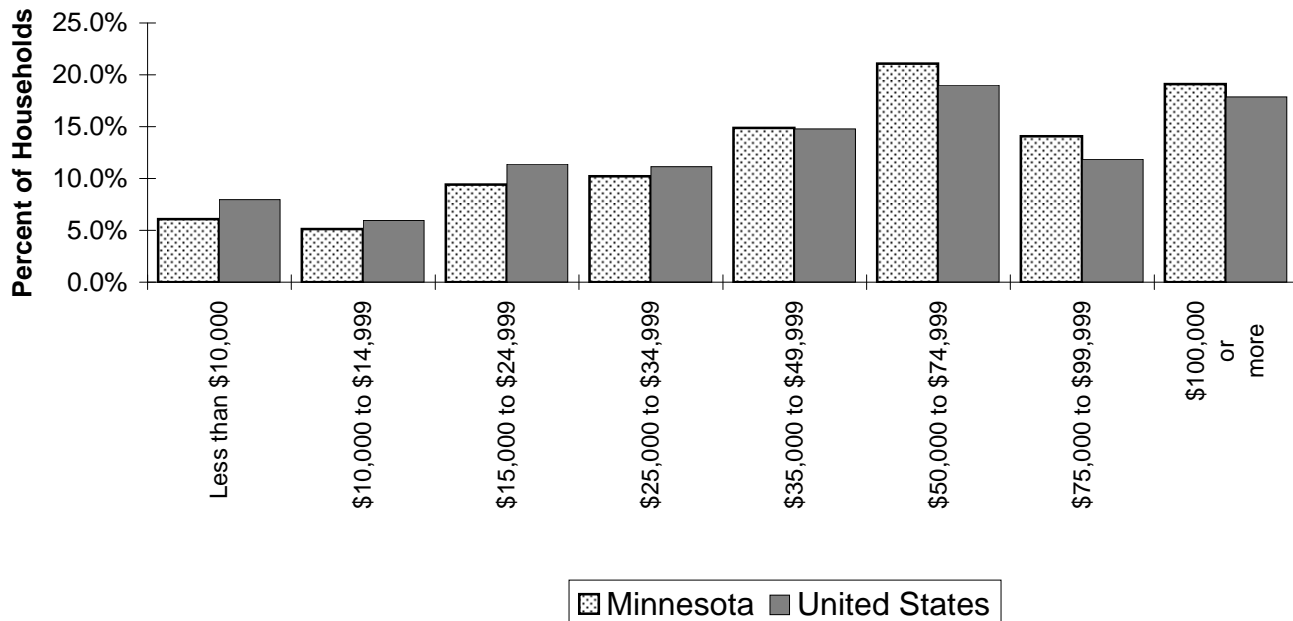
Minnesota

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	15.4%	9.3%	18.6%	15.6%	18.5%	16.0%	4.4%	2.3%	100.0%
25 to 44 years.....	4.3%	2.8%	6.4%	9.1%	16.0%	23.8%	17.0%	20.5%	100.0%
45 to 64 years.....	4.7%	3.0%	6.0%	8.1%	12.8%	22.2%	16.7%	26.4%	100.0%
65 years and over.....	9.2%	12.7%	19.1%	14.9%	15.7%	15.1%	6.1%	7.1%	100.0%
Minnesota (all ages).....	6.1%	5.1%	9.4%	10.2%	14.9%	21.1%	14.1%	19.1%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



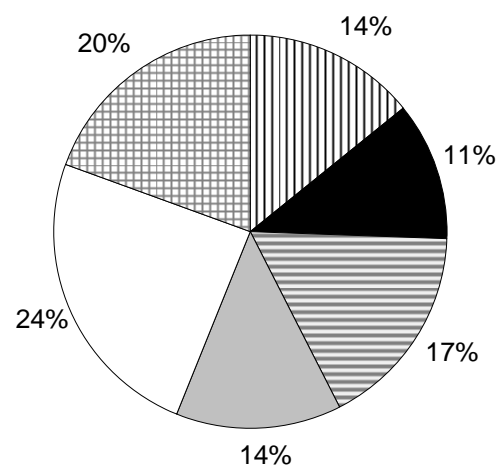
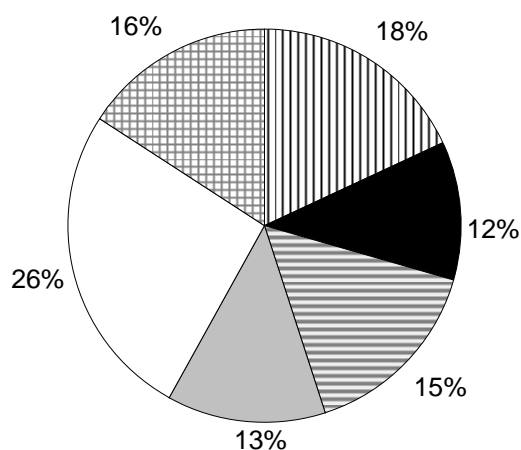
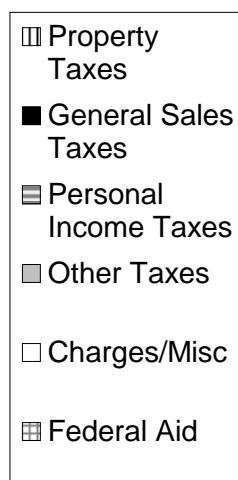
Minnesota

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MN	US	MN	US	MN	US
Total General Revenues.....	\$37,392	\$7,294	\$6,816	20.3%	20.8%	4.6%	5.6%
Own Sources.....	\$30,084	\$5,868	\$5,338	16.4%	16.3%	4.1%	5.3%
Taxes.....	\$20,957	\$4,088	\$3,698	11.4%	11.3%	4.3%	5.2%
Property Taxes.....	\$5,251	\$1,024	\$1,132	2.9%	3.5%	2.0%	5.1%
General Sales Taxes.....	\$4,269	\$833	\$887	2.3%	2.7%	4.5%	5.1%
Personal Income Taxes.....	\$6,341	\$1,237	\$813	3.5%	2.5%	5.6%	5.7%
Other Taxes.....	\$5,096	\$994	\$866	2.8%	2.6%	5.1%	4.9%
Charges/Miscellaneous.....	\$9,128	\$1,780	\$1,640	5.0%	5.0%	3.8%	5.7%
Federal Aid.....	\$7,308	\$1,425	\$1,478	4.0%	4.5%	6.9%	6.7%

Source: U.S. Bureau of the Census (2002 data are the most current available.)

1995 General Revenue

2005 General Revenue



Minnesota

I. Personal Income Tax (2006)

State Income Tax Base

Minnesota's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers must file if they are required to file a federal return.

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$20,510	5.35%	First \$29,980	5.35%
\$20,511 – \$67,360	7.05%	\$29,981 – \$119,100	7.05%
Over \$67,360	7.85%	Over \$119,100	7.85%

Retirement Income Exemption

Exemption amounts from any income source equal \$9,600 (single) or \$12,000 (married, filing jointly) less nontaxable Social Security, Railroad Retirement benefits, nontaxable veterans' pensions and benefits, and one-half of federal adjusted gross income over \$14,500 (single) or \$18,000 (married, filing jointly). Taxpayers age 65 and older or disabled must meet the following eligibility requirements to qualify: (1) adjusted gross income must be less than \$33,700 (single) or \$42,000 (married, filing jointly), and (2) Railroad Retirement benefits and nontaxable Social Security benefits must be less than \$9,600 (single) or \$12,000 (married, filing jointly). The exemption amounts assume that both spouses are age 65 or older if filing jointly.

Social Security Benefits

Only taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Minnesota

Standard Deductions and Personal Exemptions Combined

Under age 65*	\$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)
Age 65 and older*	\$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (singles have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Long-Term Care Insurance Credit

Taxpayers can claim a tax credit for long-term care insurance premiums if their policy qualifies as a federal itemized deduction and has a lifetime benefit limit of \$100,000 or more. The amount of the credit does not include what was claimed as a federal itemized deduction. The credit equals 25% of the total amount of the premiums paid up to \$100 per person.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	6.5%
Combined state/local tax rates.....	6.5% to 7.5%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.8%	All taxable income
Gasoline (per gallon).....	\$0.20	
Cigarette (per pack of 20)	\$1.23	Plus sales tax for a total of \$1.493
Beer (per gallon)	\$0.08	Alcohol content of 3.2% or less
	\$0.15	Alcohol content over 3.2%

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

All homeowners

Benefits

0.4% of the first \$76,000 of the taxable market value with a maximum tax credit of \$304 at a market value of \$76,000; the credit is reduced by 0.09% of the taxable market value in excess of \$76,000 until the credit equals zero at property valued at \$413,800 and greater

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Minnesota

Circuit Breaker (Regular Property Tax Refund)

Requirements

Homeowners and renters whose income is less than \$91,120 (homeowners) or less than \$49,160 (renters)

Benefits

Up to \$1,700 (homeowners) or \$1,400 (renters)

Deferral Program

Requirements

Homeowners age 65 and older who have lived in a residence for at least 15 years, whose income is \$60,000 or less. In addition, homeowners must have at least 25% equity in their homes

Benefits

Deferral of property taxes in excess of 3% of their income in the year preceding the deferral application

Deferral Program (local option program)

Requirements

Homeowners age 65 and older or fully disabled

Benefits

Deferral of special assessments

V. Real Property Tax Limits, Caps, or Freezes (2007)

For property assessed in 2004 and payable in 2005, assessed property values cannot increase annually by more than 15% or 25% of the difference between the current market value and the preceding year's assessed value (whichever is greater). This limitation does not apply to home improvements. This limitation will be phased out over a six-year period until it is totally eliminated for properties assessed in 2007 and paid in 2008.

If property taxes to homeowners increase by more than 12% a year, homeowners can receive a property tax refund equal to 60% of property taxes exceeding the 12% increase. However, this tax refund is subject to certain conditions. First, homeowners must apply for the refund. Second, to qualify, homeowners must have owned and lived in the same property for at least two consecutive years. Third, property taxes have to increase at least \$100 more than the previous year. Fourth, the 12% limit does not pertain to home improvements or new construction. Fifth, homeowners cannot receive more than a \$1,000 refund in property taxes because of this tax limitation. Sixth, any tax refund issued the previous year is subtracted from the previous year's taxes in calculating the current year's refund.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Minnesota

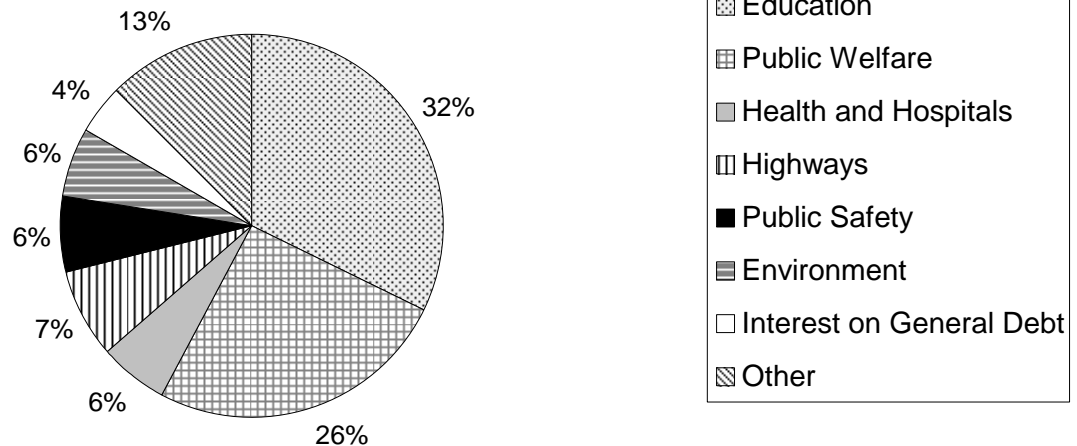
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MN	US	MN	US	MN	US
		State/Local Direct General Expenditures	\$38,009	\$7,414	\$6,794	20.7%	20.7%
To State/Local Government	\$38,009	\$7,414	\$6,778	20.7%	20.7%	4.8%	5.8%
Education*	\$12,197	\$2,379	\$2,325	6.6%	7.1%	4.1%	6.2%
Public Welfare	\$9,716	\$1,895	\$1,221	5.3%	3.7%	8.2%	6.5%
Health and Hospitals	\$2,287	\$446	\$574	1.2%	1.8%	0.3%	4.9%
Highways	\$2,836	\$553	\$418	1.5%	1.3%	3.9%	4.9%
Public Safety*	\$2,435	\$475	\$599	1.3%	1.8%	6.2%	5.8%
Environment	\$2,223	\$434	\$383	1.2%	1.2%	3.3%	4.7%
Interest on General Debt	\$1,529	\$298	\$273	0.8%	0.8%	2.6%	3.6%
Other	\$4,787	\$934	\$985	2.6%	3.0%	5.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Minnesota (State and Local)	\$36.3	\$7,073	\$197.29	\$35.6	98.2%	\$0.65	1.8%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

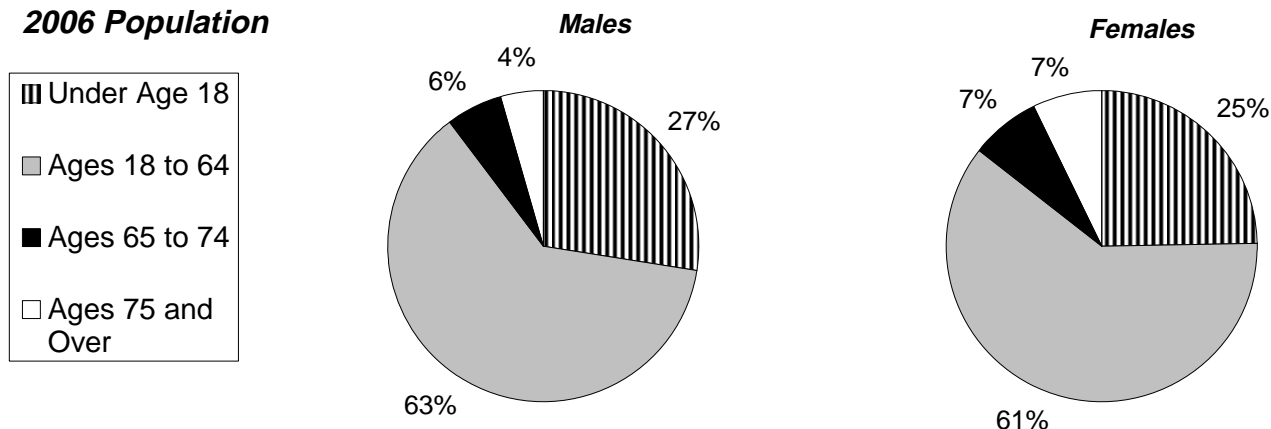
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Mississippi

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MS	US	MS	US	MS	US
	Per Capita Income.....	\$17,702	\$24,175	\$26,908	\$36,629	4.3%
Median Household Income	\$26,677	\$35,492	\$34,733	\$48,201	2.7%	3.1%
Gross State Product (in millions).....	\$55,997	\$7,659,651	\$84,225	\$13,149,033	4.2%	5.6%
Full- and Part-Time Positions (in thousands).....	1,398	152,150	1,531	178,343	0.9%	1.6%
Employed Persons (in thousands)	1,187	126,708	1,219	144,427	0.3%	1.3%
Unemployment Rate.....	6.3%	5.4%	6.8%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MS	MS	MS	US	MS	US
Total Population.....	2,709,925	2,910,540	7.4%	12.9%	21.1%	13.3%
Males.....	1,298,659	1,409,348	8.5%	13.9%	18.5%	11.9%
Under Age 18.....	386,352	387,296	0.2%	6.6%	29.6%	18.2%
Ages 18 to 64.....	780,238	875,584	12.2%	17.4%	14.7%	10.1%
Ages 65 to 74.....	79,854	85,254	6.8%	4.0%	9.7%	6.9%
Ages 75 and Over.....	52,215	61,214	17.2%	25.1%	11.4%	7.7%
Females.....	1,411,266	1,501,192	6.4%	11.9%	23.4%	14.7%
Under Age 18.....	370,093	372,109	0.5%	6.8%	29.4%	18.5%
Ages 18 to 64.....	838,696	913,379	8.9%	15.0%	21.9%	13.8%
Ages 65 to 74.....	105,241	105,550	0.3%	-1.0%	16.6%	10.2%
Ages 75 and Over.....	97,236	110,154	13.3%	17.3%	22.3%	13.5%

Source: U.S. Bureau of the Census

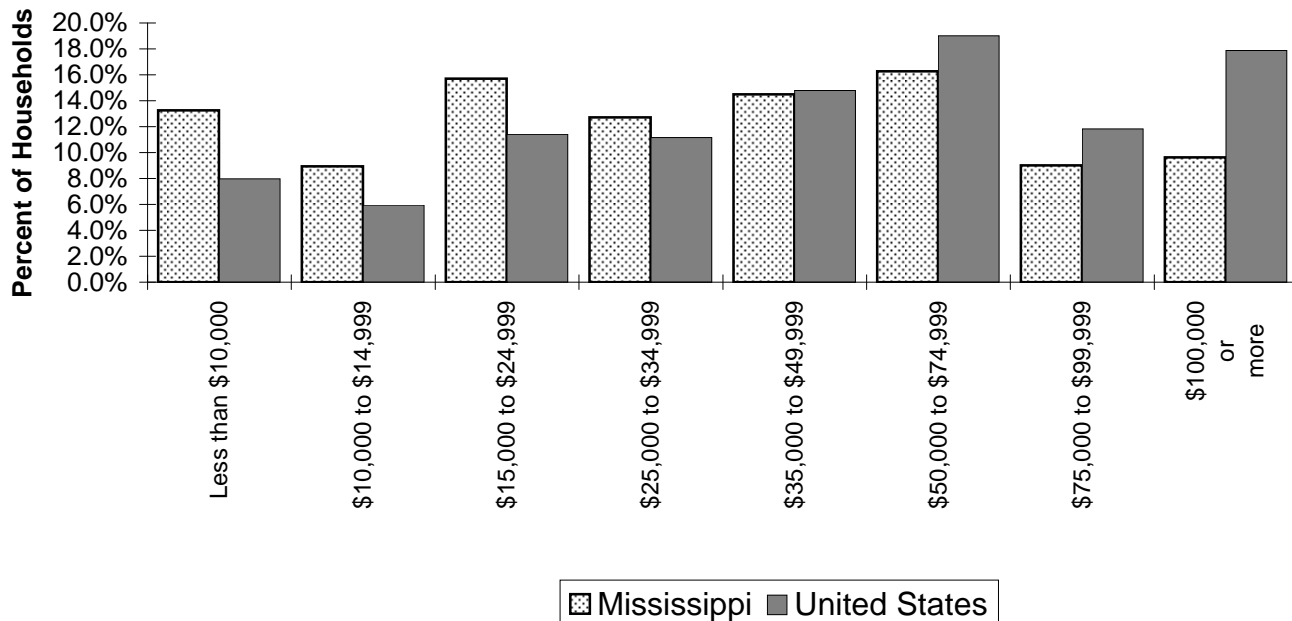
Mississippi

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	29.7%	13.5%	18.3%	13.6%	12.9%	8.8%	2.0%	1.2%	100.0%
25 to 44 years.....	10.2%	7.4%	14.0%	13.5%	16.2%	19.1%	10.6%	9.0%	100.0%
45 to 64 years.....	11.5%	7.0%	13.7%	11.6%	14.2%	17.9%	10.6%	13.4%	100.0%
65 years and over.....	17.8%	13.9%	21.6%	13.1%	12.5%	10.2%	5.1%	5.8%	100.0%
Mississippi (all ages).....	13.3%	8.9%	15.7%	12.7%	14.5%	16.3%	9.0%	9.6%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



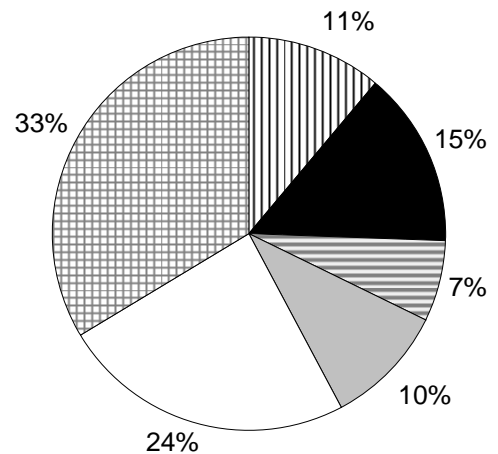
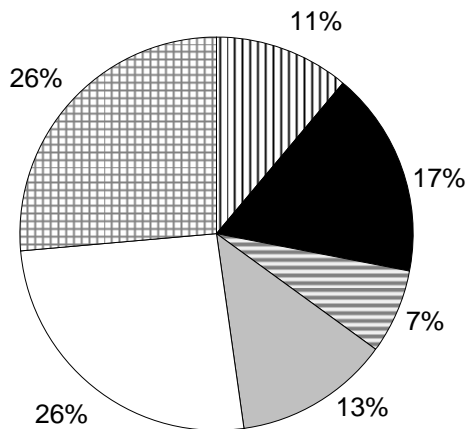
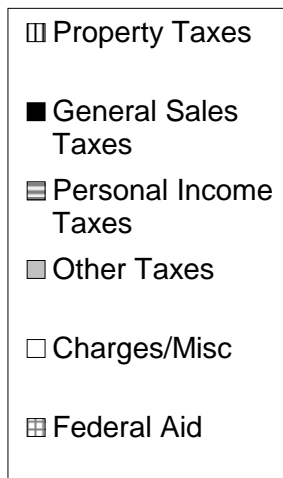
Mississippi

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MS	US	MS	US	MS	US
		Total General Revenues.....	\$17,780	\$6,113	\$6,816	25.5%	20.8%
Own Sources.....	\$11,793	\$4,055	\$5,338	16.9%	16.3%	4.8%	5.3%
Taxes.....	\$7,491	\$2,576	\$3,698	10.7%	11.3%	4.6%	5.2%
Property Taxes.....	\$1,967	\$676	\$1,132	2.8%	3.5%	5.8%	5.1%
General Sales Taxes.....	\$2,589	\$890	\$887	3.7%	2.7%	4.3%	5.1%
Personal Income Taxes.....	\$1,174	\$404	\$813	1.7%	2.5%	5.6%	5.7%
Other Taxes.....	\$1,761	\$605	\$866	2.5%	2.6%	3.1%	4.9%
Charges/Miscellaneous.....	\$4,302	\$1,479	\$1,640	6.2%	5.0%	5.2%	5.7%
Federal Aid.....	\$5,987	\$2,058	\$1,478	8.6%	4.5%	8.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Mississippi

I. Personal Income Tax (2006)

State Income Tax Base

Mississippi's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers should file if their Mississippi income tax was withheld from their wages or if their gross income was greater than \$8,300 (single) or \$16,600 (married) plus \$1,500 for each dependent.

Rate Structure

All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>
First \$5,000	3.0%
\$5,001 – \$10,000	4.0%
Over \$10,000	5.0%

Public and Private Pension Exemptions Full exemption

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

Under age 65 \$8,300 (single); \$16,600 (married, filing jointly)
Age 65 and older \$9,800 (single); \$19,600 (married, filing jointly;
both spouses are age 65 or older)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 7.0%
Combined state/local tax rates 7.0% to 7.25%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Mississippi

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	5.0%	On income over \$10,000
Gasoline (per gallon)	\$0.184	Three counties levy a \$0.03 per gallon tax.
Cigarette (per pack of 20)	\$0.18	
Beer (per gallon)	\$0.427	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

Homeowners under age 65	\$300 maximum tax credit
Homeowners age 65 and older or disabled	\$7,500 assessed value

Circuit Breaker None

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Property taxes for a local taxing district cannot increase annually by more than 10% from any one of the three previous fiscal years. This limit does not apply to new property, and voters can approve taxes beyond this limit.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

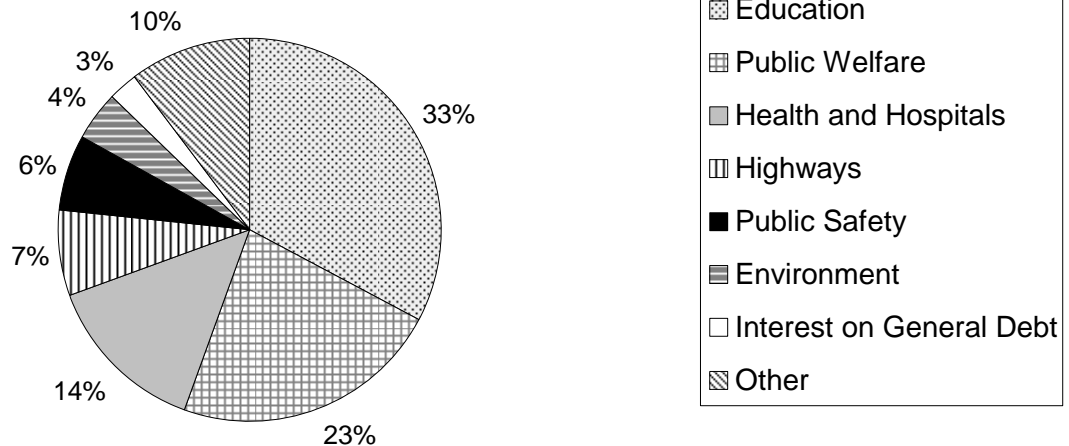
Mississippi

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MS	US	MS	US	MS	US
		State/Local Direct General Expenditures	\$17,847	\$6,136	\$6,794	25.6%	20.7%
To State/Local Government	\$17,847	\$6,136	\$6,778	25.6%	20.7%	6.4%	5.8%
Education*	\$5,860	\$2,015	\$2,325	8.4%	7.1%	5.4%	6.2%
Public Welfare	\$4,047	\$1,391	\$1,221	5.8%	3.7%	10.3%	6.5%
Health and Hospitals	\$2,482	\$853	\$574	3.6%	1.8%	5.6%	4.9%
Highways	\$1,308	\$450	\$418	1.9%	1.3%	4.3%	4.9%
Public Safety*	\$1,149	\$395	\$599	1.6%	1.8%	7.2%	5.8%
Environment	\$707	\$243	\$383	1.0%	1.2%	5.4%	4.7%
Interest on General Debt	\$479	\$165	\$273	0.7%	0.8%	3.5%	3.6%
Other	\$1,814	\$624	\$985	2.6%	3.0%	5.9%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Mississippi (State and Local)	\$10.2	\$3,504	\$146.03	\$10.2	99.6%	\$0.04	0.4%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

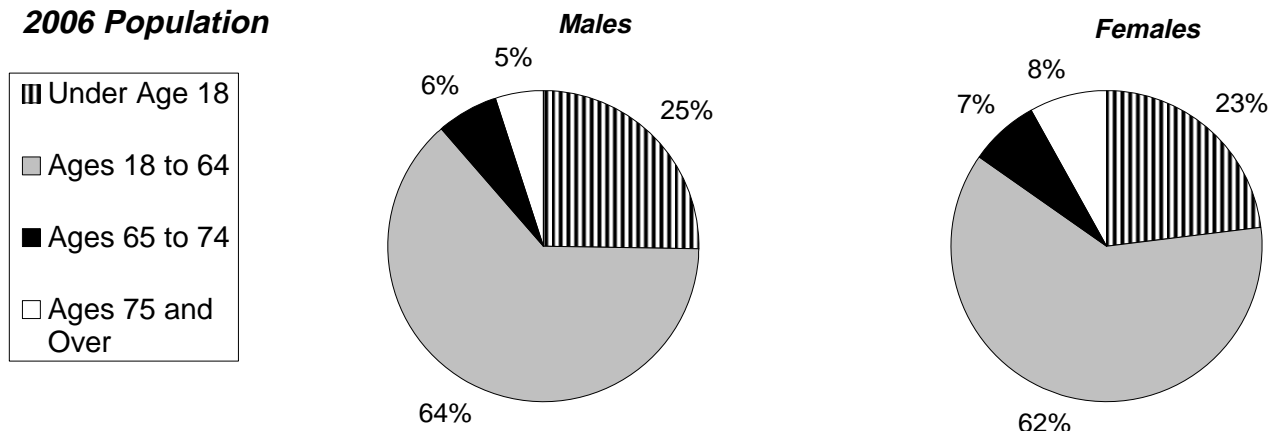
Source: U.S. Bureau of the Census

Missouri

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MO	US	MO	US	MO	US
	Per Capita Income.....	\$22,548	\$24,175	\$32,793	\$36,629	3.8%
Median Household Income	\$34,265	\$35,492	\$44,579	\$48,201	2.7%	3.1%
Gross State Product (in millions).....	\$145,044	\$7,659,651	\$225,876	\$13,149,033	4.5%	5.6%
Full- and Part-Time Positions (in thousands).....	3,277	152,150	3,672	178,343	1.1%	1.6%
Employed Persons (in thousands)	2,735	126,708	2,886	144,427	0.5%	1.3%
Unemployment Rate.....	4.7%	5.4%	4.8%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MO	MO	MO	US	MO	US
Total Population.....	5,367,888	5,842,713	8.8%	12.9%	13.6%	13.3%
Males.....	2,596,545	2,854,715	9.9%	13.9%	12.2%	11.9%
Under Age 18.....	715,815	724,624	1.2%	6.6%	18.6%	18.2%
Ages 18 to 64.....	1,580,328	1,805,956	14.3%	17.4%	10.5%	10.1%
Ages 65 to 74.....	177,999	181,261	1.8%	4.0%	6.7%	6.9%
Ages 75 and Over.....	122,403	142,874	16.7%	25.1%	6.8%	7.7%
Females.....	2,771,343	2,987,998	7.8%	11.9%	14.9%	14.7%
Under Age 18.....	679,981	691,968	1.8%	6.8%	18.6%	18.5%
Ages 18 to 64.....	1,645,972	1,841,274	11.9%	15.0%	14.0%	13.8%
Ages 65 to 74.....	220,241	214,015	-2.8%	-1.0%	11.1%	10.2%
Ages 75 and Over.....	225,149	240,741	6.9%	17.3%	14.8%	13.5%

Source: U.S. Bureau of the Census

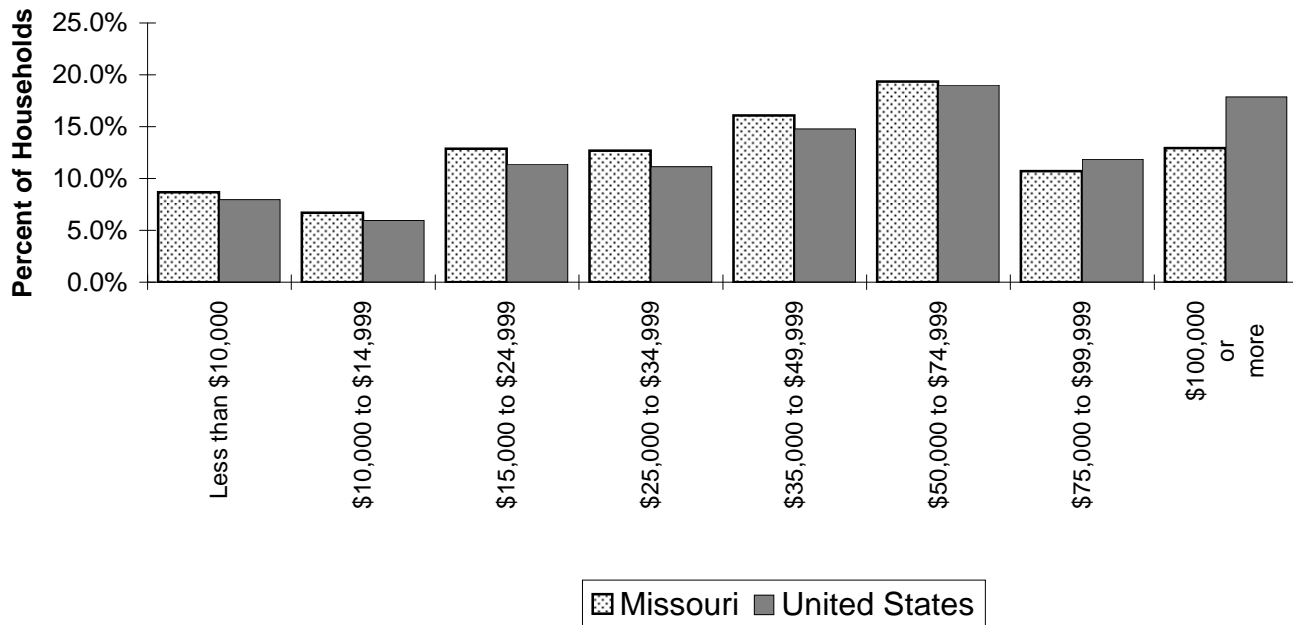
Missouri

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	20.0%	12.4%	20.1%	16.6%	16.3%	10.6%	2.7%	1.2%	100.0%
25 to 44 years.....	6.7%	4.1%	10.8%	12.5%	17.6%	22.7%	12.9%	12.7%	100.0%
45 to 64 years.....	7.3%	4.5%	9.2%	11.0%	14.8%	20.8%	13.1%	19.3%	100.0%
65 years and over.....	11.3%	13.3%	20.7%	14.9%	15.8%	13.6%	5.1%	5.2%	100.0%
Missouri (all ages).....	8.7%	6.7%	12.9%	12.7%	16.1%	19.4%	10.7%	12.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



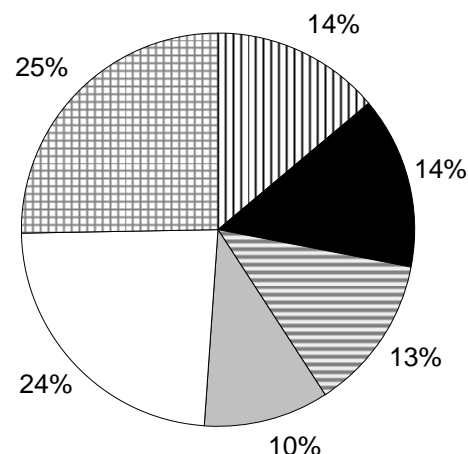
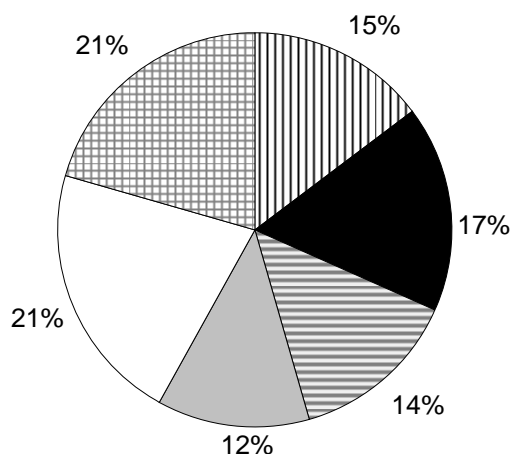
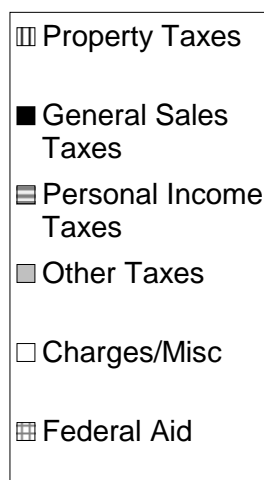
Missouri

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MO	US	MO	US	MO	US
Total General Revenues.....	\$33,941	\$5,854	\$6,816	19.5%	20.8%	5.6%	5.6%
Own Sources.....	\$25,368	\$4,376	\$5,338	14.6%	16.3%	5.0%	5.3%
Taxes.....	\$17,374	\$2,997	\$3,698	10.0%	11.3%	4.3%	5.2%
Property Taxes.....	\$4,695	\$810	\$1,132	2.7%	3.5%	4.8%	5.1%
General Sales Taxes.....	\$4,859	\$838	\$887	2.8%	2.7%	4.0%	5.1%
Personal Income Taxes.....	\$4,319	\$745	\$813	2.5%	2.5%	4.5%	5.7%
Other Taxes.....	\$3,501	\$604	\$866	2.0%	2.6%	3.7%	4.9%
Charges/Miscellaneous.....	\$7,993	\$1,379	\$1,640	4.6%	5.0%	6.6%	5.7%
Federal Aid.....	\$8,573	\$1,479	\$1,478	4.9%	4.5%	7.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Missouri

I. Personal Income Tax (2006)

State Income Tax Base

Missouri's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they were required to file a federal income tax return unless their Missouri adjusted gross income is less than \$1,200 or less than the Missouri standard deduction and personal exemption combined.

Rate Structure

All Taxpayers			
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,000	1.5%	\$5,001 – \$6,000	4.0%
\$1,001 – \$2,000	2.0%	\$6,001 – \$7,000	4.5%
\$2,001 – \$3,000	2.5%	\$7,001 – \$8,000	5.0%
\$3,001 – \$4,000	3.0%	\$8,001 – \$9,000	5.5%
\$4,001 – \$5,000	3.5%	Over \$9,000	6.0%

Public Pension Exemption*

This exemption is \$6,000 for single persons and \$12,000 for married persons earning less than \$25,000 (single) or \$32,000 (married, filing jointly), not including federal taxable Social Security benefits. The exemption is phased out for persons whose income is greater than \$31,000 (single) or \$44,000 (married, filing jointly**).

Private Pension Exemption*

This exemption is \$6,000 for single persons and \$12,000 for married persons earning less than \$25,000 (single) or \$32,000 (married, filing jointly), not including federal taxable Social Security benefits. The exemption is phased out for persons whose income is greater than \$31,000 (single) or \$44,000 (married, filing jointly**).

*A taxpayer receiving both a public and private pension cannot receive more than a combined exemption of \$6,000. Starting in 2007, taxpayers receiving public pensions can deduct \$6,000 or 20% of their pension income (whichever is greater). The 20% figure will gradually increase annually from 20% in 2007 to 100% in 2012. The deduction amount is reduced by one dollar for every dollar that a taxpayer's adjusted gross income exceeds \$85,000 (single filers) or \$100,000 (married, filing jointly). The deduction amount cannot exceed the maximum Social Security benefit. In addition, the deduction amount is reduced by any Social Security benefits that are untaxed by the federal government.

**The \$44,000 income threshold assumes that both spouses are receiving a pension.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Missouri

Social Security Benefits

Only taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.**

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

**Missouri is phasing out the taxation of Social Security benefits from 2007 to 2012 through income deductions for taxpayers age 62 and older whose adjusted gross income equals \$85,000 or less (single filers) or \$100,000 or less (married, filing jointly). These deductions are reduced by one dollar for each dollar that a taxpayer's adjusted gross income exceeds these income thresholds.

Standard Deductions and Personal Exemptions Combined

Under age 65*	\$7,250 (single); \$14,500 (married, filing jointly; both spouses are under age 65)
Age 65 and older*	\$8,500 (single); \$16,500 (married, filing jointly; both spouses are age 65 or older)

*Missouri's standard deductions are the same as those used for federal tax purposes.

Long-Term Care Insurance Deduction..... Residents may be eligible to deduct up to 50% of their insurance premiums.

Other Deductions..... Federal income taxes up to \$5,000 (single) or \$10,000 (married, filing jointly); Social Security, Railroad Retirement taxes to the maximum (\$5,840 and \$8,916 respectively) and Medicare and self-employment taxes paid.

Local Income Taxes..... Kansas City and St. Louis levy a 1% earned income/net profits tax.

II. General Sales Tax Rates (2006)

State	4.225%
Combined state/local tax rates.....	4.725% to 9.60%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.25%	On all taxable income
Gasoline (per gallon).....	\$0.17	
Cigarette (per pack of 20)	\$0.17	
Beer (per gallon)	\$0.06	

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Missouri

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit None

Circuit Breaker

Requirements

Benefits

Homeowners and renters age 65 and older or totally disabled, or persons age 60 and older receiving surviving spousal Social Security benefits whose income is \$25,000 or less (single) or \$27,500 or less (married couples) Up to \$750

Deferral Program None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Property taxes for local taxing districts (or political subdivisions) cannot increase annually by more than the inflation rate or 5% (whichever is less). This revenue limitation percentage applies only if total assessed property valuations increase by at least that same percentage. This limitation does not apply to property additions and improvements or to bonded indebtedness. If the current property tax rate is less than the rate necessary to achieve a 5% or inflation growth in tax revenue, then the current tax rate is used, resulting in a lower growth rate in tax revenues.

Property taxes cannot increase by more than 2.5% (non-assessment year) or 5.0% (assessment year) for homeowners age 65 and older or totally disabled whose federal adjusted gross income is \$70,000 or less. The property tax reduction is through a tax credit for which qualified homeowners apply. However, the credit must be appropriated by the state legislature. Eligible homeowners cannot apply for the circuit breaker program for the same tax period.

Real Property Tax Rate Limits

Counties with total assessed value of \$300 million or more cannot levy property tax rates above \$0.35 per \$100 of assessed value; other counties are limited to \$0.5 per \$100 of assessed value. This limitation does not apply to debt service and may be exceeded with voter approval. Finally, counties can levy up to an additional \$0.5 per \$100 of assessed value for roads and bridges.

Municipalities cannot levy property tax rates more than \$1 per \$100 of assessed value. This limit does not apply to debt service and may be exceeded with voter approval.

School districts formed of cities and town are cannot levy property tax rates more than \$2.75 per \$100 of assessed value; all other districts are limited to \$0.65 per \$100 of assessed value. Both limits do not apply to debt service and may be increased with voter approval.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Missouri

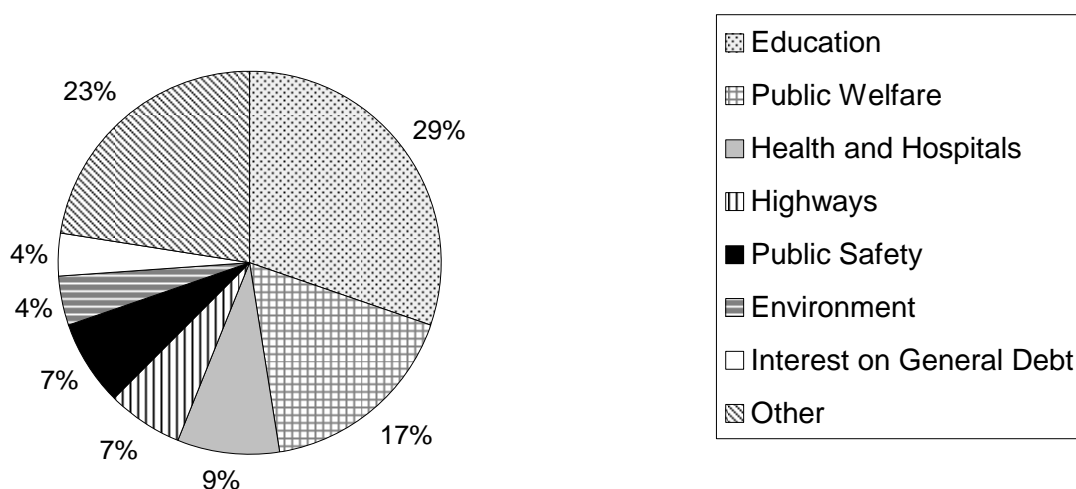
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MO	US	MO	US	MO	US
		State/Local Direct General Expenditures	\$37,186	\$6,414	\$6,794	21.4%	20.7%
To State/Local Government	\$37,182	\$6,413	\$6,778	21.4%	20.7%	7.7%	5.8%
Education*	\$11,279	\$1,945	\$2,325	6.5%	7.1%	5.5%	6.2%
Public Welfare	\$6,348	\$1,095	\$1,221	3.6%	3.7%	8.0%	6.5%
Health and Hospitals	\$3,214	\$554	\$574	1.8%	1.8%	7.6%	4.9%
Highways	\$2,434	\$420	\$418	1.4%	1.3%	4.9%	4.9%
Public Safety*	\$2,649	\$457	\$599	1.5%	1.8%	5.9%	5.8%
Environment	\$1,530	\$264	\$383	0.9%	1.2%	4.3%	4.7%
Interest on General Debt	\$1,355	\$234	\$273	0.8%	0.8%	7.1%	3.6%
Other	\$8,373	\$1,444	\$985	4.8%	3.0%	15.6%	6.1%
To Federal Government	\$4	\$1	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Missouri (State and Local)	\$31.3	\$5,404	\$180.09	\$31.2	99.7%	\$0.10	0.3%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

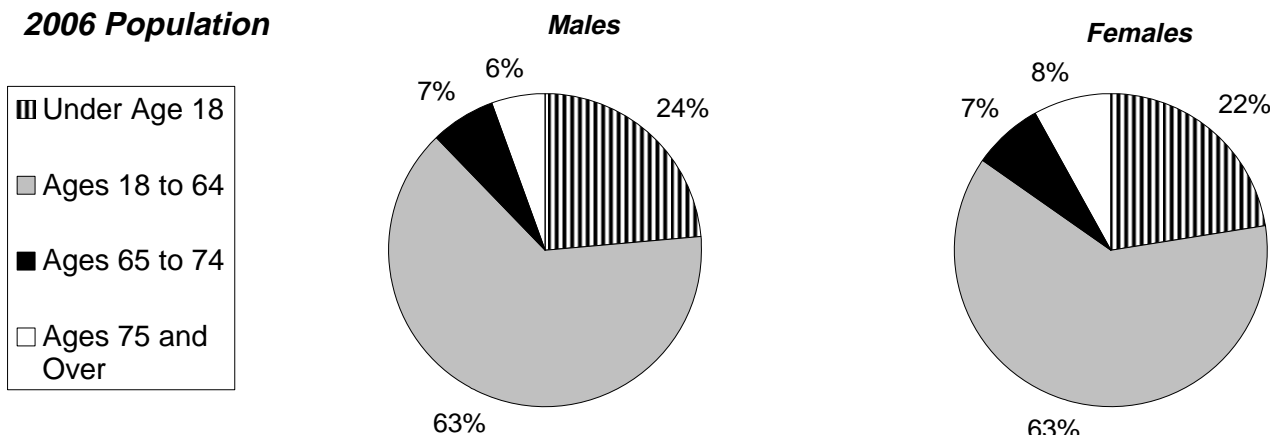
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Montana

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	MT	US	MT	US	MT	US
	Per Capita Income.....	\$19,047	\$24,175	\$30,886	\$36,629	5.0%
Median Household Income.....	\$28,684	\$35,492	\$41,105	\$48,201	3.7%	3.1%
Gross Domestic Product by State (in millions).....	\$17,998	\$7,659,651	\$32,322	\$13,149,033	6.0%	5.6%
Full- and Part-Time Positions (in thousands).....	523	152,150	638	178,343	2.0%	1.6%
Employed Persons (in thousands).....	422	126,708	478	144,427	1.2%	1.3%
Unemployment Rate.....	5.5%	5.4%	3.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	MT	MT	MT	US	MT	US
Total Population.....	876,656	944,632	7.8%	12.9%	13.6%	13.3%
Males.....	435,993	472,660	8.4%	13.9%	12.0%	11.9%
Under Age 18.....	119,044	111,707	-6.2%	6.6%	16.5%	18.2%
Ages 18 to 64.....	266,246	302,641	13.7%	17.4%	11.5%	10.1%
Ages 65 to 74.....	29,201	32,301	10.6%	4.0%	5.6%	6.9%
Ages 75 and Over.....	21,502	26,011	21.0%	25.1%	6.6%	7.7%
Females.....	440,663	471,972	7.1%	11.9%	15.3%	14.7%
Under Age 18.....	112,094	106,141	-5.3%	6.8%	18.1%	18.5%
Ages 18 to 64.....	263,396	293,551	11.4%	15.0%	15.2%	13.8%
Ages 65 to 74.....	32,270	34,403	6.6%	-1.0%	9.2%	10.2%
Ages 75 and Over.....	32,903	37,877	15.1%	17.3%	13.5%	13.5%

Source: U.S. Bureau of the Census

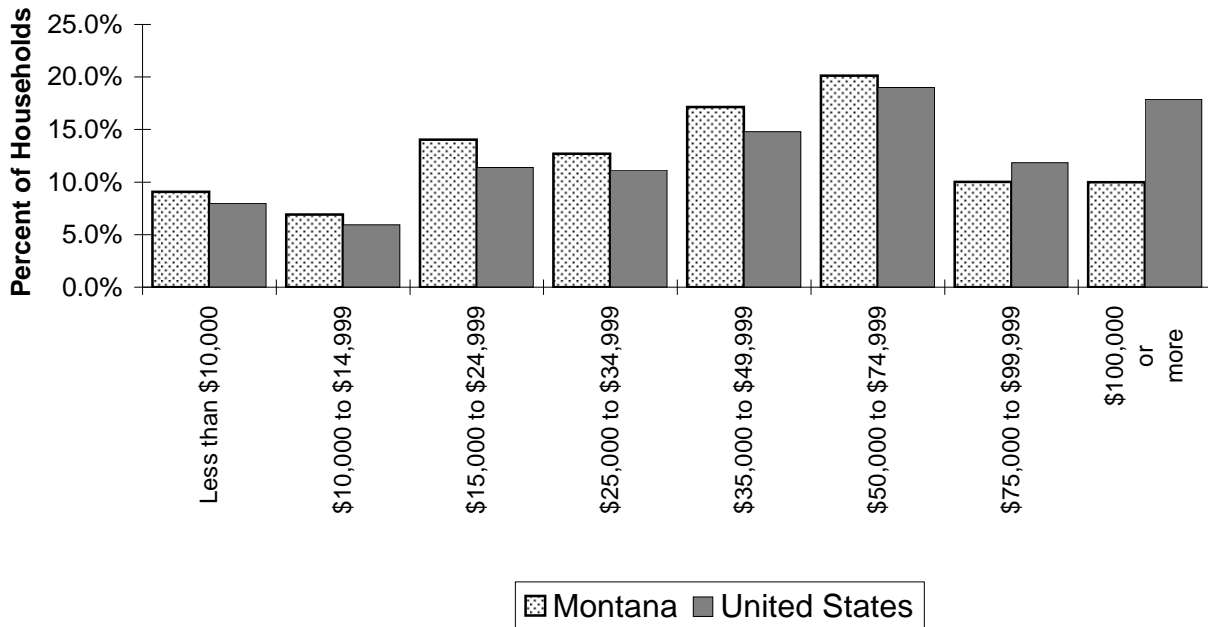
Montana

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	21.2%	12.0%	18.5%	12.5%	19.8%	12.3%	2.0%	1.6%	100.0%
25 to 44 years.....	7.0%	4.9%	12.1%	14.1%	19.1%	23.6%	10.0%	9.3%	100.0%
45 to 64 years.....	8.1%	4.8%	10.0%	10.5%	16.3%	22.0%	13.7%	14.7%	100.0%
65 years and over.....	10.8%	12.5%	23.3%	14.9%	15.3%	13.7%	5.1%	4.4%	100.0%
Montana (all ages).....	9.1%	6.9%	14.0%	12.7%	17.1%	20.1%	10.0%	10.0%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



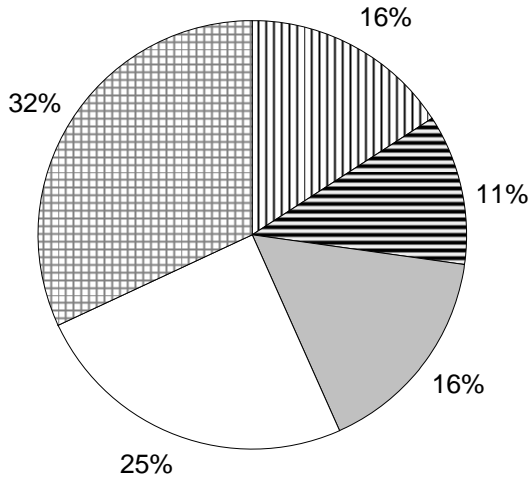
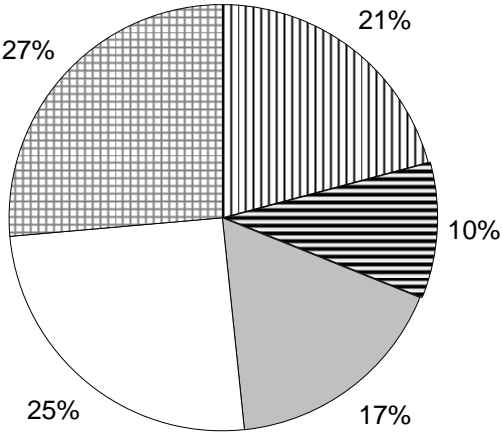
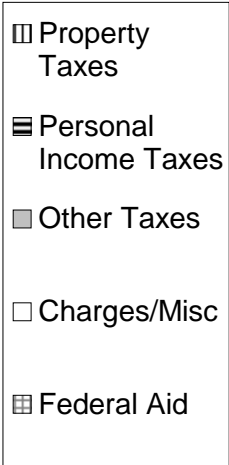
Montana

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		MT	US	MT	US	MT	US
		Total General Revenues.....	\$6,288	\$6,727	\$6,816	24.4%	20.8%
Own Sources.....	\$4,285	\$4,584	\$5,338	16.6%	16.3%	4.8%	5.3%
Taxes.....	\$2,723	\$2,913	\$3,698	10.5%	11.3%	4.4%	5.2%
Property Taxes.....	\$997	\$1,067	\$1,132	3.9%	3.5%	2.7%	5.1%
General Sales Taxes.....	\$0	\$0	\$887	0.0%	2.7%	0.0%	5.1%
Personal Income Taxes.....	\$713	\$763	\$813	2.8%	2.5%	6.7%	5.7%
Other Taxes.....	\$1,013	\$1,083	\$866	3.9%	2.6%	4.8%	4.9%
Charges/Miscellaneous.....	\$1,562	\$1,671	\$1,640	6.1%	5.0%	5.4%	5.7%
Federal Aid.....	\$2,003	\$2,143	\$1,478	7.8%	4.5%	7.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Montana

I. Personal Income Tax (2006)

State Income Tax Base

Montana's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their federal adjusted gross income equals or exceeds the following federal adjusted gross income values:

Under age 65	\$3,630 (single); \$7,260 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$5,610 (single); \$11,220 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

All Taxpayers

<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$2,399	1.0%	\$8,800 – \$11,299	5.0%
\$2,400 – \$4,299	2.0%	\$11,300 – \$14,499	6.0%
\$4,300 – \$6,499	3.0%	\$14,500 and over	6.9%
\$6,500 – \$8,799	4.0%		

Public and Private Pension Exemptions Up to \$3,600 based on income, phased out for persons with adjusted gross income of \$31,800 or greater (single) or \$33,600 (married, filing jointly, when both spouses have pension income)

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Montana

Standard Deductions and Personal Exemptions Combined

Under age 65	\$3,630 – \$5,690 (single); \$7,260 – \$11,380 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$5,610 – \$7,670 (single); \$11,220 – \$15,340 (married, filing jointly; both spouses are age 65 or older)

Interest Income Deduction

Taxpayers age 65 and older can deduct up to \$800 (single) or \$1,600 (married, filing jointly) in interest income.

Medical Savings Accounts Deduction

Each taxpayer can deduct up to \$3,000 (single) or \$6,000 (married, filing jointly) in annual contributions to a medical savings account plus interest or other income earned on the principal. These contributions cannot be deducted elsewhere, such as an itemized deduction, in order to qualify as a deduction.

Health Insurance Premiums Deduction

Taxpayers who are shareholders of an S corporation can deduct health insurance premiums paid on their behalf by an S corporation. However, the cost of the premiums must be included in the shareholders' federal adjusted gross income in order to be deducted. These premiums cannot be deducted as an itemized deduction.

Long-Term Care Insurance Premiums

Amounts paid for long-term care insurance may be 100% deductible if not deducted elsewhere on the Montana income tax return.

Federal Income Tax Deduction

On the short form, taxpayers can either deduct federal income taxes paid (up to \$5,000 single or \$10,000 married filing joint) or the standard deduction; on the long form, taxpayers can deduct federal income taxes paid (up to \$5,000 single or \$10,000 married filing joint) if they itemize deductions on the Montana form.

Local Income Taxes None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Montana

II. General Sales Tax Rates (2006)

No state or local general sales tax.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.75%	All taxable income
Gasoline (per gallon).....	\$0.27	Counties may add a \$0.01- or \$0.02-per-gallon tax.
Cigarette (per pack of 20)	\$1.70	
Beer (per gallon)	\$0.042 to \$0.139	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit None

Circuit Breaker Programs

Disabled Veterans Tax Break

Fully disabled veterans whose adjusted income is \$43,218 or less (single) or \$49,867 or less (married, filing jointly) or \$37,678 or less (surviving spouse) receive a 50% to 100% reduction in tax rates, depending on income.

Elderly Homeowner and Renter Credit

Requirements

Homeowners and renters age 62 and older whose income is less than \$45,000.....

Benefits

Up to a \$1,000 refundable credit against income taxes for property taxes paid

Low-Income Property Tax Assistance Program

Requirements

Homeowners whose income is \$18,801 or less (single) or \$25,068 or less (married, filing jointly)*

Benefits

The property tax rate is reduced.** The property tax rate reduction only applies to the first \$100,000 of taxable value.

*Homeowners must occupy their home at least seven months out of the year.

**Program works by reducing property tax rates by 20%, 50%, or 70%, depending on household income.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Montana

Extended Property Tax Assistance Program (EPTAP)

EPTAP reduces increases in property taxes on qualifying residential properties because of the 2003 reappraisal of property.

To qualify, homeowners must meet the following eligibility criteria:

- Household income must be \$75,000 or less.
- Residential property values must have increased at least 24%.
- Property taxes must have increased at least \$250.
- Homeowners must have owned their homes as of December 31, 2002.

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real property values are now reappraised every six years based on fair market value. To mitigate increases in property values because of reassessments, property value increases between appraisals are phased in over a six-year period. The current reappraisal cycle is from January 1, 2003, to December 31, 2008. This means that the fair market value determined in 2003 will not be used, for tax purposes, in calculating property tax liability until 2008. Between 2003 and 2007, annual increases in assessments will be prescribed by the state legislature. Additional tax levies are allowable only with voter approval or for certain emergencies.

Local property tax revenues (not including school districts) can only increase by no more than one-half of the average inflation rate for the prior three years. Increases beyond that are allowable only with voter approval or for certain emergencies. This limitation does not apply to new construction.

Property Tax Rate Limits

\$9.50 per \$100 of assessed value for the state government property tax

\$0.60 per \$100 of assessed value for universities

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

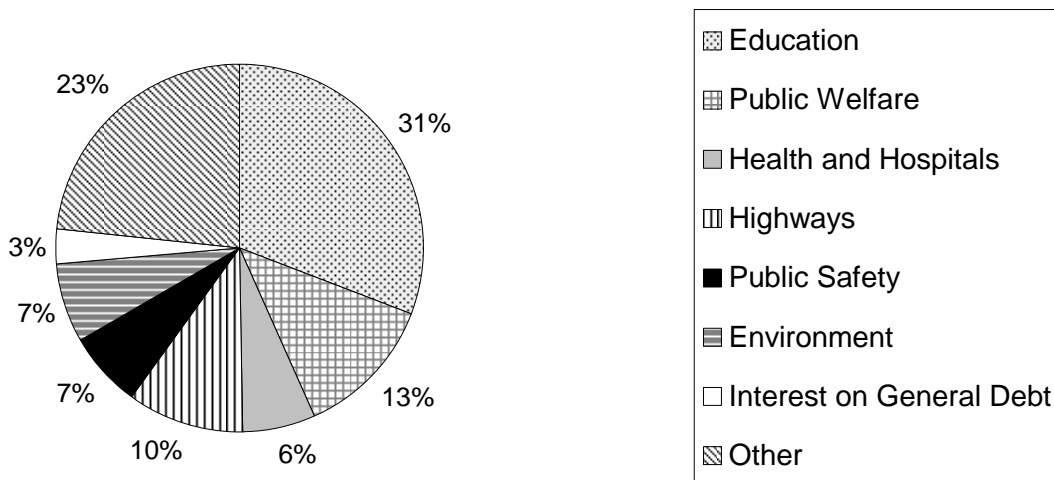
Montana

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		MT	US	MT	US	MT	US
		State/Local Direct General Expenditures	\$6,407	\$6,854	\$6,794	24.8%	20.7%
To State/Local Government	\$6,407	\$6,854	\$6,778	24.8%	20.7%	6.1%	5.8%
Education*	\$1,979	\$2,117	\$2,325	7.7%	7.1%	3.5%	6.2%
Public Welfare	\$804	\$860	\$1,221	3.1%	3.7%	6.0%	6.5%
Health and Hospitals	\$407	\$436	\$574	1.6%	1.8%	7.1%	4.9%
Highways	\$647	\$692	\$418	2.5%	1.3%	5.7%	4.9%
Public Safety*	\$432	\$463	\$599	1.7%	1.8%	8.5%	5.8%
Environment	\$445	\$476	\$383	1.7%	1.2%	5.7%	4.7%
Interest on General Debt	\$199	\$213	\$273	0.8%	0.8%	1.8%	3.6%
Other	\$1,493	\$1,598	\$985	5.8%	3.0%	11.8%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Montana (State and Local)	\$5.1	\$5,453	\$197.45	\$5.1	99.8%	\$0.01	0.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

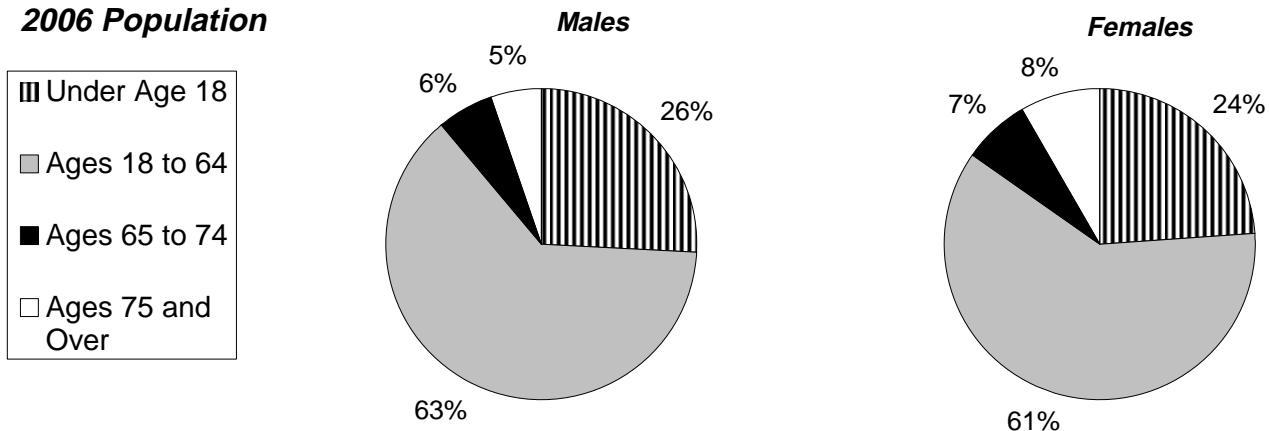
Source: U.S. Bureau of the Census

Nebraska

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NE	US	NE	US	NE	US
	Per Capita Income.....	\$20,751	\$24,175	\$32,276	\$36,629	4.5%
Median Household Income.....	\$31,794	\$35,492	\$43,761	\$48,201	3.2%	3.1%
Gross State Product (in millions).....	\$42,838	\$7,659,651	\$68,183	\$13,149,033	4.8%	5.6%
Full- and Part-Time Positions (in thousands).....	1,068	152,150	1,202	178,343	1.2%	1.6%
Employed Persons (in thousands)	863	126,708	948	144,427	0.9%	1.3%
Unemployment Rate.....	2.6%	5.4%	3.8%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NE	NE	NE	US	NE	US
Total Population.....	1,621,551	1,747,214	7.7%	12.9%	11.0%	13.3%
Males.....	791,883	863,628	9.1%	13.9%	10.2%	11.9%
Under Age 18.....	225,805	222,433	-1.5%	6.6%	14.0%	18.2%
Ages 18 to 64.....	473,305	544,684	15.1%	17.4%	9.6%	10.1%
Ages 65 to 74.....	53,890	50,376	-6.5%	4.0%	3.4%	6.9%
Ages 75 and Over.....	38,883	46,135	18.7%	25.1%	5.8%	7.7%
Females.....	829,668	883,586	6.5%	11.9%	11.8%	14.7%
Under Age 18.....	213,839	212,133	-0.8%	6.8%	12.1%	18.5%
Ages 18 to 64.....	480,508	536,161	11.6%	15.0%	12.0%	13.8%
Ages 65 to 74.....	64,226	60,976	-5.1%	-1.0%	6.8%	10.2%
Ages 75 and Over.....	71,095	74,316	4.5%	17.3%	13.2%	13.5%

Source: U.S. Bureau of the Census

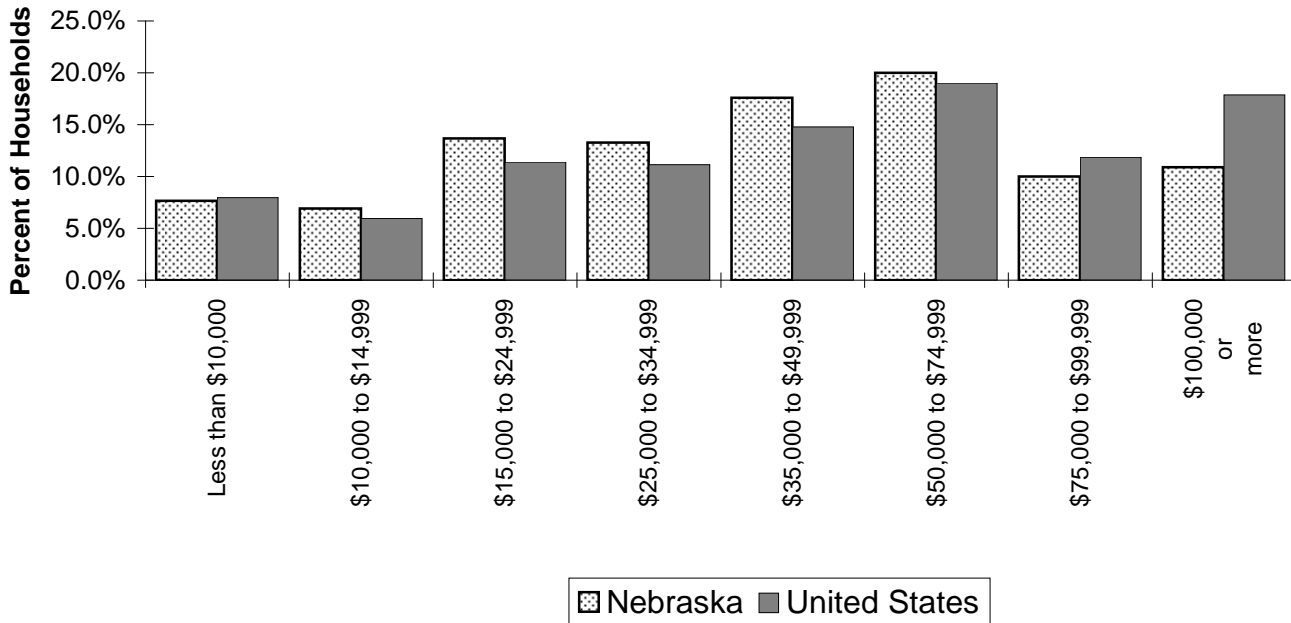
Nebraska

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	14.8%	10.7%	20.9%	22.4%	19.0%	9.5%	1.4%	1.3%	100.0%
25 to 44 years.....	6.5%	4.2%	11.4%	12.7%	17.9%	24.9%	11.9%	10.5%	100.0%
45 to 64 years.....	5.9%	4.3%	9.0%	11.0%	17.0%	22.2%	13.4%	17.3%	100.0%
65 years and over.....	10.0%	14.6%	22.9%	14.8%	17.5%	11.4%	4.2%	4.5%	100.0%
Nebraska (all ages).....	7.7%	6.9%	13.7%	13.3%	17.6%	20.0%	10.0%	10.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



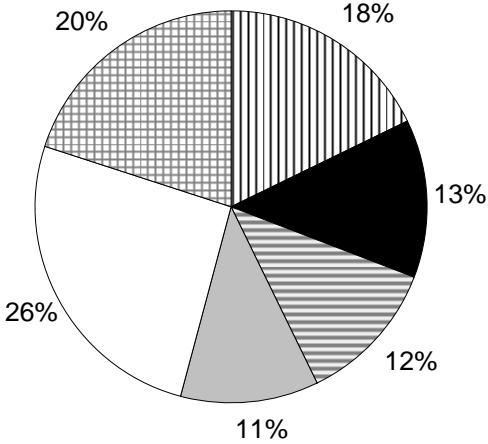
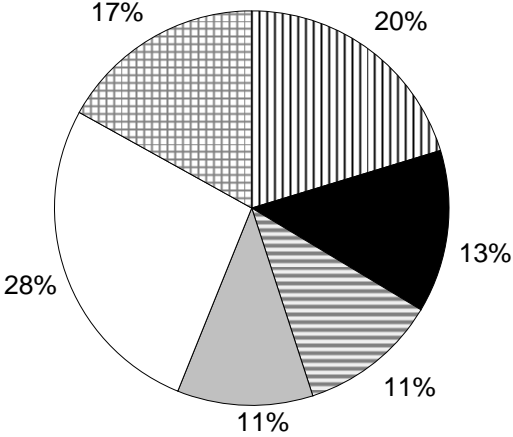
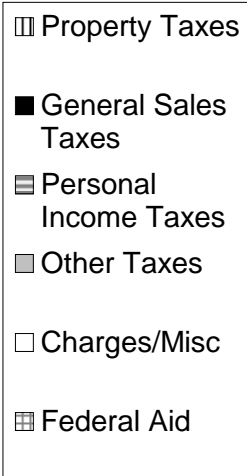
Nebraska

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NE	US	NE	US	NE	US
Total General Revenues.....	\$9,821	\$5,689	\$6,816	19.9%	20.8%	5.5%	5.6%
Own Sources.....	\$7,848	\$4,546	\$5,338	15.9%	16.3%	5.1%	5.3%
Taxes.....	\$5,316	\$3,079	\$3,698	10.8%	11.3%	5.1%	5.2%
Property Taxes.....	\$1,749	\$1,013	\$1,132	3.5%	3.5%	4.2%	5.1%
General Sales Taxes.....	\$1,287	\$746	\$887	2.6%	2.7%	5.2%	5.1%
Personal Income Taxes.....	\$1,153	\$668	\$813	2.3%	2.5%	5.9%	5.7%
Other Taxes.....	\$1,127	\$653	\$866	2.3%	2.6%	5.7%	4.9%
Charges/Miscellaneous.....	\$2,532	\$1,466	\$1,640	5.1%	5.0%	5.1%	5.7%
Federal Aid.....	\$1,973	\$1,143	\$1,478	4.0%	4.5%	7.3%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Nebraska

I. Personal Income Tax (2006)

State Income Tax Base

Nebraska's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal return and report a federal liability or if they have \$5,000 or more in Nebraska adjustments to federal adjusted gross income.

Table 1*
(for those with adjusted gross income \$150,500 or less)

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$2,400	2.56%	First \$4,000	2.56%
\$2,401 – \$17,500	3.57%	\$4,001 – \$31,000	3.57%
\$17,501 – \$27,000	5.12%	\$31,001 – \$50,000	5.12%
Over \$27,000	6.84%	Over \$50,000	6.84%

*The tax liability for taxpayers whose adjusted gross income is more than \$150,500 equals the tax calculated from table 1 plus the tax calculated from table 2.

Table 2
(for those with adjusted gross income more than \$150,500)

Rate Structure			
Single		Married, Filing Jointly	
<u>Adjusted Gross Income (AGI)</u>	<u>Tax to add is:</u>	<u>Adjusted Gross Income (AGI)</u>	<u>Tax to add is:</u>
Over \$150,501 – \$174,500	0.428% of AGI over \$150,500	Over \$150,501 – \$190,500	0.428% of AGI over \$150,500
\$174,501 – \$325,500	\$102.72 + 0.327% of AGI over \$174,500	\$190,501 – \$460,500	\$171.20 + 0.327% of AGI over \$190,500
\$325,501 – \$420,500	\$596.49 + 0.172% of AGI over \$325,500	\$460,501 – \$650,500	\$1,054.10 + 0.172% of AGI over \$460,500
Over \$420,500	\$759.89	Over \$650,500	\$1,380.90

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Nebraska

Public and Private Pension Exemption None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Standard Deductions**

Under age 65 \$5,130 (single); \$8,580 (married, filing jointly)
Age 65 and older \$6,380 (single); \$10,640 (married, filing jointly;
both spouses are age 65 or older)

**Phase-out of standard deduction at higher income levels was eliminated beginning for tax year 2006.

Personal Exemption Tax Credits*** \$106 (single); \$212 (married, filing jointly)

***Phase-out of personal exemption credit at higher income levels was eliminated beginning for tax year 2006.

Elderly or Disabled Tax Credit

Taxpayers age 65 and older or disabled may qualify for the credit. The credit equals the amount of the federal elderly tax credit. Usually taxpayers do not qualify if their federal adjusted gross income is \$17,500 or more (single) or \$20,000 or more (married, filing jointly, if only one spouse is eligible) or \$25,000 or more (married, filing jointly, if both spouses are eligible).

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.5%
Combined state/local tax rates 5.5% to 7%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Nebraska

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	7.81%	On income over \$50,000
Gasoline (per gallon).....	\$0.271	
Cigarette (per pack of 20)	\$0.64	
Beer (per gallon)	\$0.31	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit None

Circuit Breaker

Requirements

Homeowners age 65 and older whose income is \$29,300 or less (single) or \$34,500 or less (married couples). In addition, the homestead value cannot exceed \$95,000 or 200% of the county's average assessed value (whichever is greater) plus \$20,000.....

Benefits

Up to \$40,000 assessed value or 100% of the county's average assessed value (whichever is greater)

Circuit Breaker

Requirements

Disabled homeowners whose income is \$32,200 or less (single) or \$37,200 or less (married couples). In addition, the homestead value cannot exceed \$110,000 or 225% of the county's average assessed value (whichever is greater) plus \$20,000

Benefits

\$50,000 assessed value or 120% of the county's average assessed value (whichever is greater)

Deferral Program..... None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Tax Rate Limits

Rural local areas	\$1.74 per \$100 of assessed value*
Municipalities.....	\$2.19 to \$2.24 per \$100 of assessed value*

*Voters can decide to approve property tax rates exceeding these limits. These tax rate limits do not pertain to bonded indebtedness, capital lease contracts approved prior to July 1, 1998, or to levies used to pay for liability judgments.

Local political subdivisions, other than school districts, cannot annually increase various revenue funds by more than 2.5% as part of their budgetary process. These funds include property taxes, local sales taxes, and state aid (includes homestead exemption reimbursement, insurance premiums tax receipts, and street and roads funds).

The 2.5% limit does not pertain to growth in real property valuation due to improvements (to the extent that such growth exceeds 2.5%). The 2.5% limit does not apply to bonded indebtedness. An additional 1% growth rate can apply if approved by at least a three-fourths majority vote of the governing body, and voters can approve higher revenue increases.

VI. Local Expenditure Limits (2007)

School districts cannot annually increase general expenditures by more than 0% to 3% (2003-05); above average or average spending school systems are limited to 0%; other school systems can have increases of up to 3%. School districts can increase their spending limit by an additional percentage point with a three-fourths approval vote of the school board. Voters can approve higher expenditure growth.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

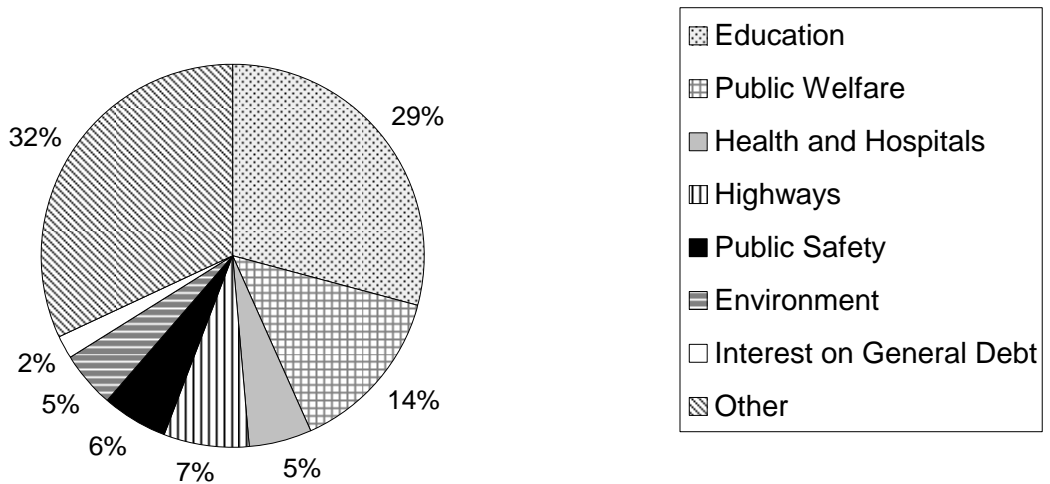
Nebraska

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NE	US	NE	US	NE	US
		State/Local Direct General Expenditures...	\$14,267	\$8,115	\$6,794	25.7%	20.7%
To State/Local Government.....	\$14,245	\$8,102	\$6,778	25.7%	20.7%	7.9%	5.8%
Education*.....	\$4,136	\$2,352	\$2,325	7.5%	7.1%	4.3%	6.2%
Public Welfare.....	\$2,022	\$1,150	\$1,221	3.6%	3.7%	7.7%	6.5%
Health and Hospitals.....	\$758	\$431	\$574	1.4%	1.8%	3.0%	4.9%
Highways.....	\$1,026	\$584	\$418	1.8%	1.3%	3.9%	4.9%
Public Safety*.....	\$793	\$451	\$599	1.4%	1.8%	7.3%	5.8%
Environment.....	\$683	\$388	\$383	1.2%	1.2%	6.1%	4.7%
Interest on General Debt.....	\$260	\$148	\$273	0.5%	0.8%	3.9%	3.6%
Other.....	\$4,567	\$2,598	\$985	8.2%	3.0%	19.5%	6.1%
To Federal Government.....	\$22	\$13	\$16	0.0%	0.0%	9.8%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Nebraska (State and Local).....	\$8.6	\$4,869	\$154.27	\$8.5	98.8%	\$0.10	1.2%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

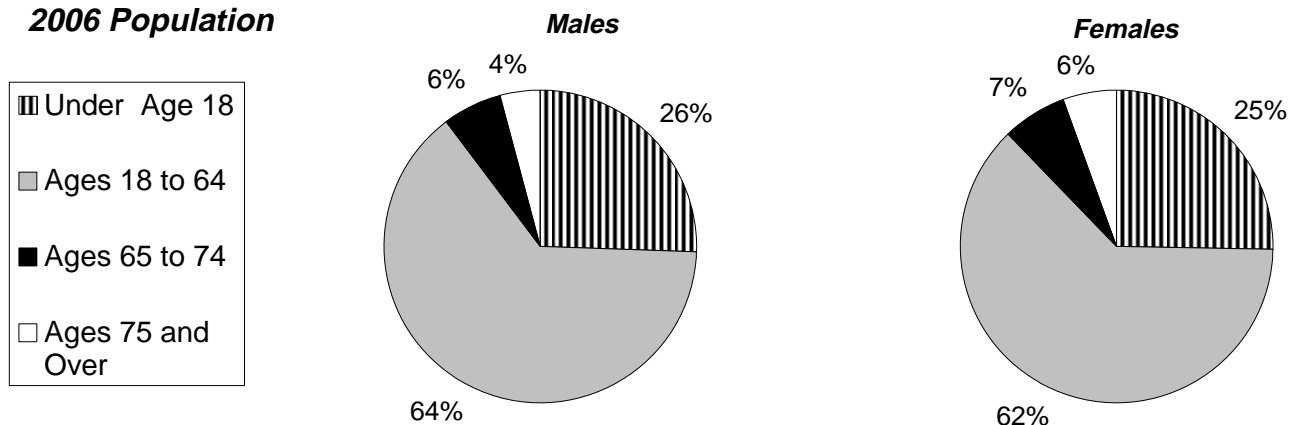
Source: U.S. Bureau of the Census

Nevada

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NV	US	NV	US	NV	US
	Per Capita Income.....	\$26,085	\$24,175	\$39,015	\$36,629	4.1%
Median Household Income	\$38,540	\$35,492	\$52,282	\$48,201	3.1%	3.1%
Gross State Product (in millions).....	\$54,085	\$7,659,651	\$118,399	\$13,149,033	8.2%	5.6%
Full- and Part-Time Positions (in thousands).....	1,035	152,150	1,612	178,343	4.5%	1.6%
Employed Persons (in thousands)	847	126,708	1,241	144,427	3.9%	1.3%
Unemployment Rate.....	5.2%	5.4%	4.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NV	NV	NV	US	NV	US
Total Population.....	1,596,476	2,495,529	56.3%	12.9%	10.3%	13.3%
Males.....	812,443	1,268,894	56.2%	13.9%	9.1%	11.9%
Under Age 18.....	215,460	324,811	50.8%	6.6%	14.0%	18.2%
Ages 18 to 64.....	511,709	815,425	59.4%	17.4%	7.6%	10.1%
Ages 65 to 74.....	56,596	76,878	35.8%	4.0%	6.9%	6.9%
Ages 75 and Over.....	28,678	51,780	80.6%	25.1%	5.4%	7.7%
Females.....	784,033	1,226,635	56.5%	11.9%	11.5%	14.7%
Under Age 18.....	204,170	309,709	51.7%	6.8%	13.8%	18.5%
Ages 18 to 64.....	481,409	768,641	59.7%	15.0%	11.3%	13.8%
Ages 65 to 74.....	58,467	80,680	38.0%	-1.0%	6.7%	10.2%
Ages 75 and Over.....	39,987	67,605	69.1%	17.3%	9.5%	13.5%

Source: U.S. Bureau of the Census

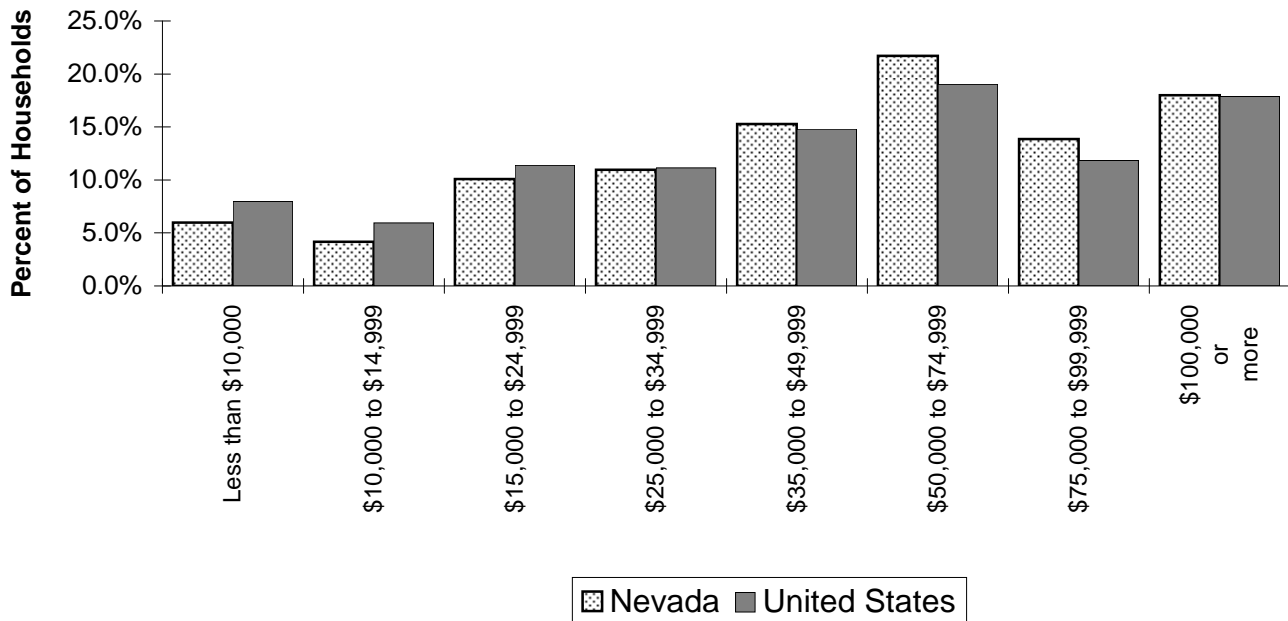
Nevada

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	10.2%	4.6%	14.8%	17.9%	19.3%	22.6%	6.2%	4.4%	100.0%
25 to 44 years.....	4.1%	2.5%	7.9%	10.6%	16.2%	24.6%	16.1%	18.1%	100.0%
45 to 64 years.....	6.0%	3.4%	8.3%	8.5%	13.7%	21.2%	15.3%	23.5%	100.0%
65 years and over.....	8.7%	9.3%	17.5%	15.1%	15.6%	16.1%	7.8%	9.9%	100.0%
Nevada (all ages).....	6.0%	4.2%	10.1%	11.0%	15.3%	21.7%	13.9%	18.0%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



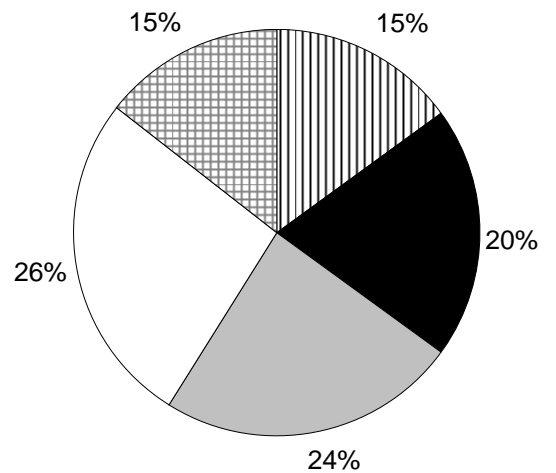
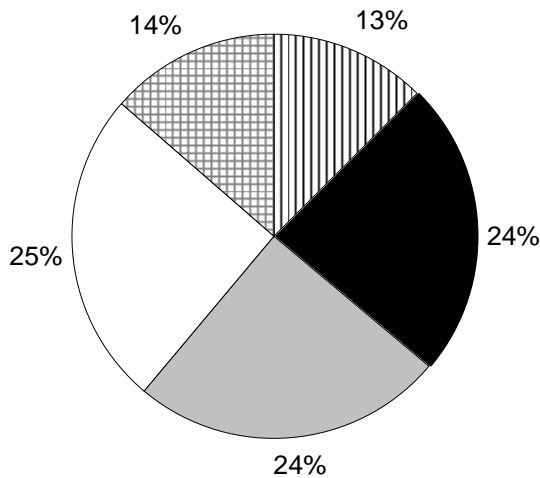
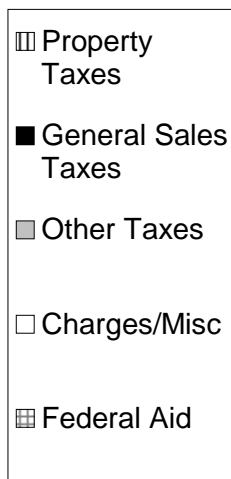
Nevada

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NV	US	NV	US	NV	US
Total General Revenues.....	\$15,375	\$6,374	\$6,816	19.1%	20.8%	9.1%	5.6%
Own Sources.....	\$13,134	\$5,445	\$5,338	16.4%	16.3%	9.0%	5.3%
Taxes.....	\$9,044	\$3,749	\$3,698	11.3%	11.3%	8.7%	5.2%
Property Taxes.....	\$2,321	\$962	\$1,132	2.9%	3.5%	11.1%	5.1%
General Sales Taxes.....	\$3,062	\$1,269	\$887	3.8%	2.7%	7.3%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$3,661	\$1,518	\$866	4.6%	2.6%	8.6%	4.9%
Charges/Miscellaneous.....	\$4,091	\$1,696	\$1,640	5.1%	5.0%	9.6%	5.7%
Federal Aid.....	\$2,241	\$929	\$1,478	2.8%	4.5%	9.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Nevada

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 2.0%*
Combined state/local tax rates..... 6.5% to 7.75%

*The state imposes a 6.5% sales tax rate. Of the 6.5%, the state collects taxes from levying a 2.0% tax rate, while localities collect taxes from the remaining 4.5% tax rate.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) No tax
Gasoline (per gallon) \$0.24 Localities may levy up to \$0.09 more per gallon.
Cigarette (per pack of 20) \$0.80
Beer (per gallon) \$0.16

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit**

Requirements	Benefits
Veterans	\$2,200 assessed value
Disabled veterans	Up to \$22,000 assessed value (depending on disability)
Surviving spouse.....	\$1,100 assessed value
Blind	\$3,300 assessed value

**Exemptions may apply to either real property or a motor vehicle.

Circuit Breaker

Requirements	Benefits
Homeowners and renters age 62 and older whose income is \$26,714 or less; the assessed value of their home cannot exceed \$200,000 or have liquid assets exceeding \$150,000	Up to \$500

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Nevada

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Generally, combined property tax rates cannot exceed \$3.64 per \$100 of assessed value. This limitation may be exceeded in certain small localities (county population of 40,000 or less) with voter approval if the combined rate was \$3.50 or greater on June 25, 1998. This limitation does not apply to school bonded indebtedness or to the state real property tax for capital projects approved by the voters.

Localities (except school districts) cannot raise property taxes by more than 6% per year. This limitation does not include new construction, improvements and additions, bonded indebtedness, or capital improvement projects (which are not funded from the operating budget).

Property taxes on single-family owner-occupied homes cannot increase by more than 3% per year. The provision provides abatement for single-family property tax increases in excess of 3%. Nonresidential properties cannot increase by more than 8% with a similar abatement provision.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

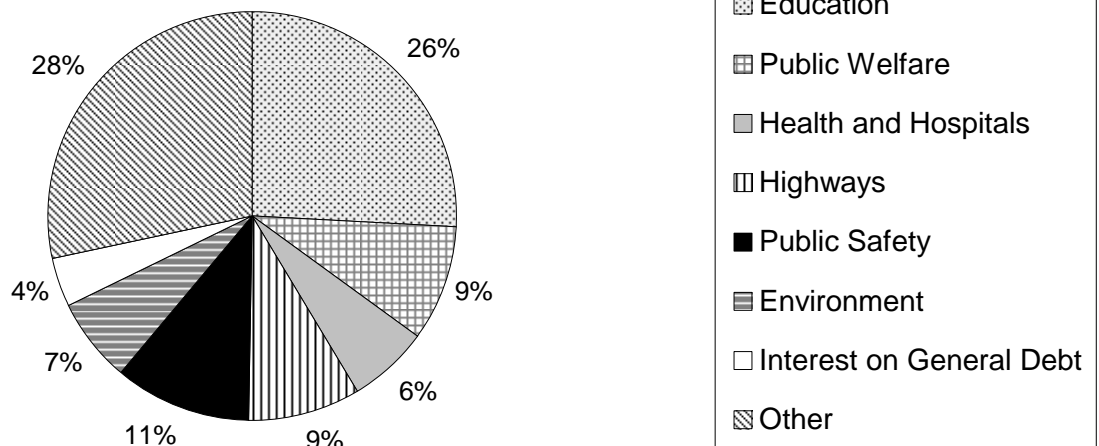
Nevada

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NV	US	NV	US	NV	US
State/Local Direct General Expenditures.....	\$17,404	\$7,215	\$6,794	21.7%	20.7%	10.5%	5.8%
To State/Local Government.....	\$17,403	\$7,214	\$6,778	21.7%	20.7%	10.5%	5.8%
Education*.....	\$4,485	\$1,859	\$2,325	5.6%	7.1%	9.5%	6.2%
Public Welfare.....	\$1,628	\$675	\$1,221	2.0%	3.7%	9.8%	6.5%
Health and Hospitals.....	\$1,071	\$444	\$574	1.3%	1.8%	7.6%	4.9%
Highways.....	\$1,556	\$645	\$418	1.9%	1.3%	9.3%	4.9%
Public Safety*.....	\$1,896	\$786	\$599	2.4%	1.8%	9.3%	5.8%
Environment.....	\$1,152	\$478	\$383	1.4%	1.2%	10.5%	4.7%
Interest on General Debt.....	\$702	\$291	\$273	0.9%	0.8%	5.8%	3.6%
Other.....	\$4,913	\$2,037	\$985	6.1%	3.0%	14.8%	6.1%
To Federal Government.....	\$1	\$0	\$16	0.0%	0.0%	-14.6%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



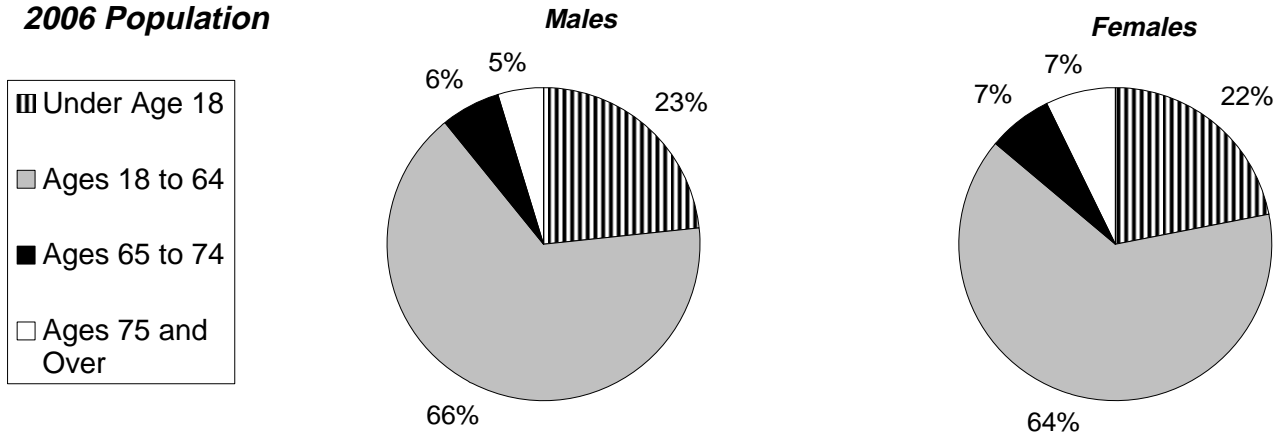
2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Nevada (State and Local).....	\$18.5	\$7,665	\$230.23	\$18.2	98.4%	\$0.30	1.6%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

New Hampshire

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NH	US	NH	US	NH	US
	Per Capita Income.....	\$26,427	\$24,175	\$39,655	\$36,629	4.1%
Median Household Income	\$39,407	\$35,492	\$61,970	\$48,201	4.6%	3.1%
Gross State Product (in millions).....	\$34,823	\$7,659,651	\$56,276	\$13,149,033	4.9%	5.6%
Full- and Part-Time Positions (in thousands).....	701	152,150	861	178,343	2.1%	1.6%
Employed Persons (in thousands)	618	126,708	712	144,427	1.4%	1.3%
Unemployment Rate.....	3.7%	5.4%	3.4%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NH	NH	NH	US	NH	US
Total Population.....	1,160,768	1,314,895	13.3%	12.9%	8.0%	13.3%
Males.....	570,216	648,568	13.7%	13.9%	7.1%	11.9%
Under Age 18.....	150,419	152,152	1.2%	6.6%	10.2%	18.2%
Ages 18 to 64.....	361,844	426,705	17.9%	17.4%	6.4%	10.1%
Ages 65 to 74.....	34,880	39,462	13.1%	4.0%	3.3%	6.9%
Ages 75 and Over.....	23,073	30,249	31.1%	25.1%	7.4%	7.7%
Females.....	590,552	666,327	12.8%	11.9%	8.9%	14.7%
Under Age 18.....	143,696	145,473	1.2%	6.8%	8.9%	18.5%
Ages 18 to 64.....	364,581	427,936	17.4%	15.0%	8.6%	13.8%
Ages 65 to 74.....	41,591	43,893	5.5%	-1.0%	8.1%	10.2%
Ages 75 and Over.....	40,684	49,025	20.5%	17.3%	12.5%	13.5%

Source: U.S. Bureau of the Census

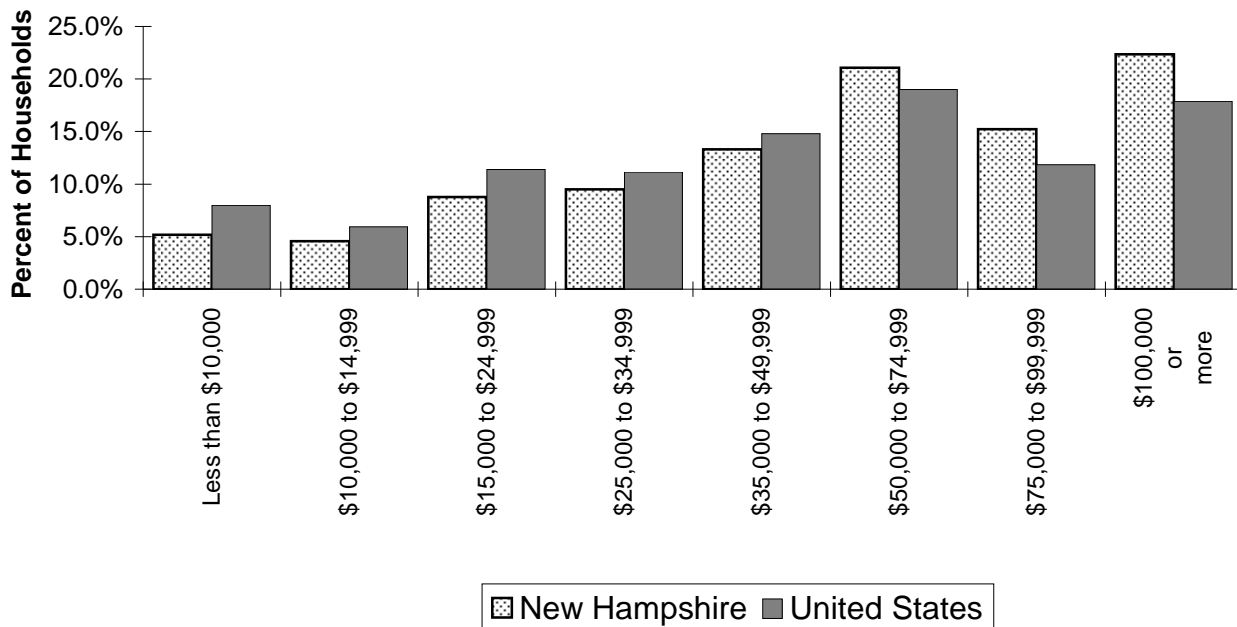
New Hampshire

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	14.9%	9.6%	17.5%	10.8%	19.3%	16.1%	6.7%	5.0%	100.0%
25 to 44 years.....	4.0%	2.4%	5.8%	9.0%	13.3%	23.1%	18.7%	23.8%	100.0%
45 to 64 years.....	3.9%	2.6%	5.7%	7.8%	12.3%	23.0%	16.4%	28.3%	100.0%
65 years and over.....	8.4%	12.1%	19.3%	13.9%	14.4%	14.2%	7.8%	9.9%	100.0%
New Hampshire (all ages)	5.2%	4.6%	8.8%	9.5%	13.3%	21.1%	15.2%	22.3%	100.0%
United States (all ages)....	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



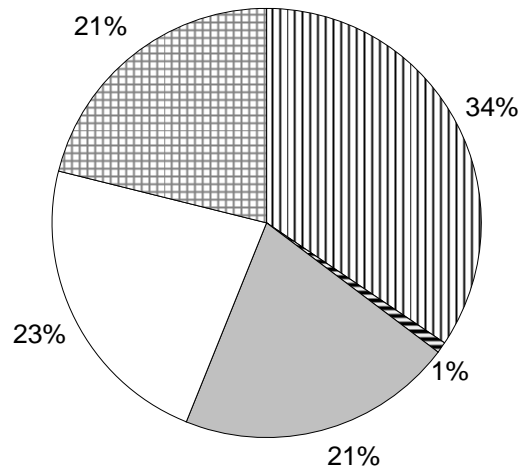
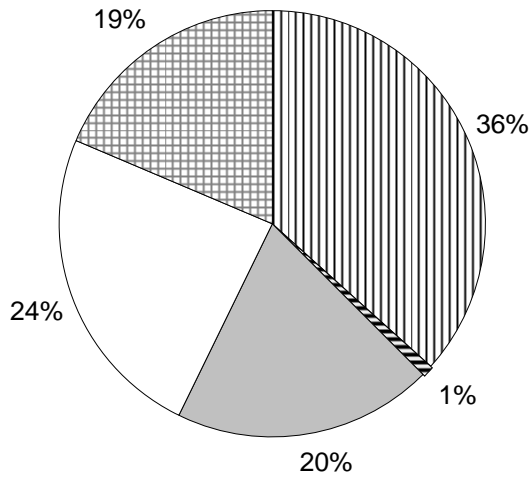
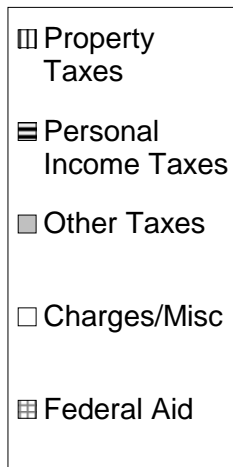
New Hampshire

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NH	US	NH	US	NH	US
Total General Revenues.....	\$7,714	\$5,903	\$6,816	16.4%	20.8%	5.4%	5.6%
Own Sources.....	\$6,089	\$4,659	\$5,338	12.9%	16.3%	5.1%	5.3%
Taxes.....	\$4,320	\$3,306	\$3,698	9.2%	11.3%	5.2%	5.2%
Property Taxes.....	\$2,650	\$2,028	\$1,132	5.6%	3.5%	4.7%	5.1%
General Sales Taxes.....	\$0	\$0	\$887	0.0%	2.7%	0.0%	5.1%
Personal Income Taxes.....	\$68	\$52	\$813	0.1%	2.5%	6.0%	5.7%
Other Taxes.....	\$1,602	\$1,226	\$866	3.4%	2.6%	6.0%	4.9%
Charges/Miscellaneous.....	\$1,769	\$1,354	\$1,640	3.8%	5.0%	5.0%	5.7%
Federal Aid.....	\$1,625	\$1,243	\$1,478	3.4%	4.5%	6.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



New Hampshire

I. Personal Income Tax (2006)

State Income Tax Base

New Hampshire's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their gross taxable interest and dividend income exceeds \$2,400 (single) or \$4,800 (married, filing jointly).

Rate Structure

A tax is levied only on interest and dividends at a rate of 5.0%.

Local Income Taxes None

II. General Sales Tax Rates (2006)

No state or local general sales tax is levied.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	8.5%
Gasoline (per gallon)	\$0.18
Cigarette (per pack of 20)	\$0.80
Beer (per gallon)	\$0.30

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Eligibility Requirements and Benefits

Homeowners age 65 and older who have been New Hampshire residents for at least three consecutive years may be eligible for the exemption. Income requirements can vary depending on the locality, but household income cannot exceed \$13,400 (single) or \$20,400 (married). Asset requirements (excluding a person's residence) cannot exceed \$35,000. The income and assets limits as well as the homestead exemptions can be increased with local voter approval. Exemptions must equal at least \$5,000 in assessed property value.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Hampshire

Homestead Exemption or Credit

Veterans Tax credit of \$50 or from \$51 to \$500 (depending on locality) for qualifying veterans with local approval

Homestead Exemption or Credit (local option programs)

Eligibility Requirements and Benefits

Disabled homeowners who have been New Hampshire residents for at least five years, whose income is \$13,400 or less (single) or \$20,400 or less (married), and whose assets are \$35,000 or less (excluding a person's residence) are eligible for the exemption amount (as adopted by the locality). The income and assets limits as well as the homestead exemption can be increased with local voter approval. The amount of the exemption and level of income and assets (excluding the value of the property owner's residence) are determined by local approval.

Disabled veterans Tax credit ranging from \$700 or \$701 to \$2,000 (depending on locality) and a total exemption for specially adapted households with local approval

Blind \$15,000 assessed value with local approval*

Deaf \$5,000 assessed value with local approval*

*Localities have the option of adopting higher exemption amounts.

Circuit Breaker

Requirements

Homeowners whose income is \$20,000 or less (single) or \$40,000 or less (married filers)

Benefits

Up to a tax credit equal to the entire state education property tax that is owed

Deferral Program (local option program)

Requirements

Homeowners age 65 and older or disabled who have owned their homes for at least five consecutive years (age 65 and older) or one year (disabled)

Benefits

Up to 85% of the home's equity value.

V. Real Property Tax Limits, Caps, or Freezes (2007)

No statewide limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Hampshire

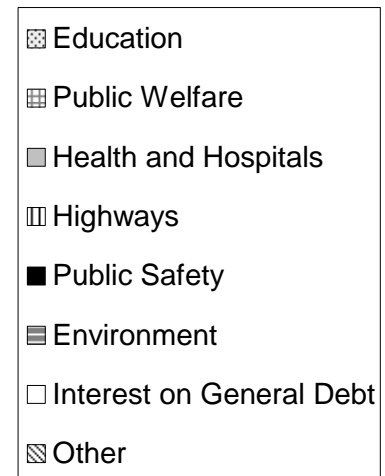
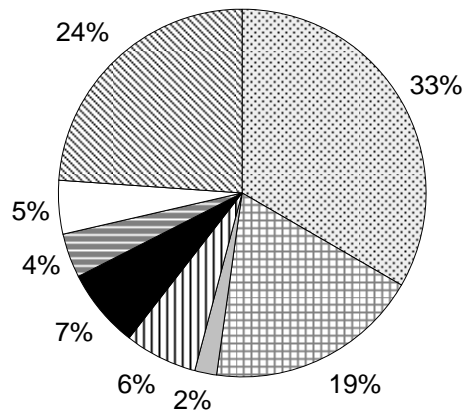
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NH	US	NH	US	NH	US
		State/Local Direct General Expenditures	\$8,662	\$6,628	\$6,794	18.4%	20.7%
To State/Local Government	\$8,662	\$6,628	\$6,778	18.4%	20.7%	6.7%	5.8%
Education*	\$2,894	\$2,215	\$2,325	6.1%	7.1%	6.6%	6.2%
Public Welfare	\$1,624	\$1,243	\$1,221	3.4%	3.7%	5.0%	6.5%
Health and Hospitals	\$180	\$138	\$574	0.4%	1.8%	3.8%	4.9%
Highways	\$537	\$411	\$418	1.1%	1.3%	5.9%	4.9%
Public Safety*	\$620	\$474	\$599	1.3%	1.8%	6.6%	5.8%
Environment	\$319	\$244	\$383	0.7%	1.2%	4.6%	4.7%
Interest on General Debt	\$428	\$328	\$273	0.9%	0.8%	0.0%	3.6%
Other	\$2,060	\$1,576	\$985	4.4%	3.0%	13.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
New Hampshire (State and Local)	\$9.3	\$7,109	\$196.95	\$9.3	99.8%	\$0.02	0.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

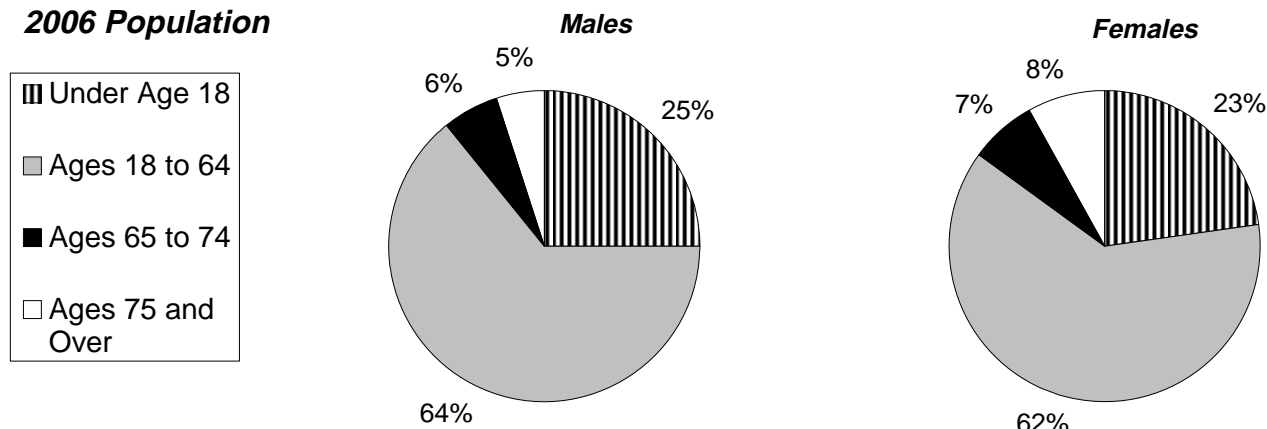
Source: U.S. Bureau of the Census

New Jersey

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NJ	US	NJ	US	NJ	US
	Per Capita Income.....	\$30,470	\$24,175	\$46,328	\$36,629	4.3%
Median Household Income	\$47,468	\$35,492	\$68,059	\$48,201	3.7%	3.1%
Gross State Product (in millions).....	\$281,806	\$7,659,651	\$453,177	\$13,149,033	4.9%	5.6%
Full- and Part-Time Positions (in thousands).....	4,386	152,150	5,116	178,343	1.6%	1.6%
Employed Persons (in thousands)	3,926	126,708	4,309	144,427	0.9%	1.3%
Unemployment Rate.....	6.2%	5.4%	4.6%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NJ	NJ	NJ	US	NJ	US
Total Population.....	8,009,624	8,724,560	8.9%	12.9%	8.7%	13.3%
Males.....	3,877,750	4,262,291	9.9%	13.9%	7.7%	11.9%
Under Age 18.....	1,015,459	1,068,295	5.2%	6.6%	11.7%	18.2%
Ages 18 to 64.....	2,418,882	2,730,637	12.9%	17.4%	6.4%	10.1%
Ages 65 to 74.....	265,387	252,787	-4.7%	4.0%	6.1%	6.9%
Ages 75 and Over.....	178,022	210,572	18.3%	25.1%	6.4%	7.7%
Females.....	4,131,874	4,462,269	8.0%	11.9%	9.6%	14.7%
Under Age 18.....	967,057	1,021,043	5.6%	6.8%	12.0%	18.5%
Ages 18 to 64.....	2,508,261	2,776,843	10.7%	15.0%	8.8%	13.8%
Ages 65 to 74.....	338,826	306,607	-9.5%	-1.0%	8.6%	10.2%
Ages 75 and Over.....	317,730	357,776	12.6%	17.3%	10.7%	13.5%

Source: U.S. Bureau of the Census

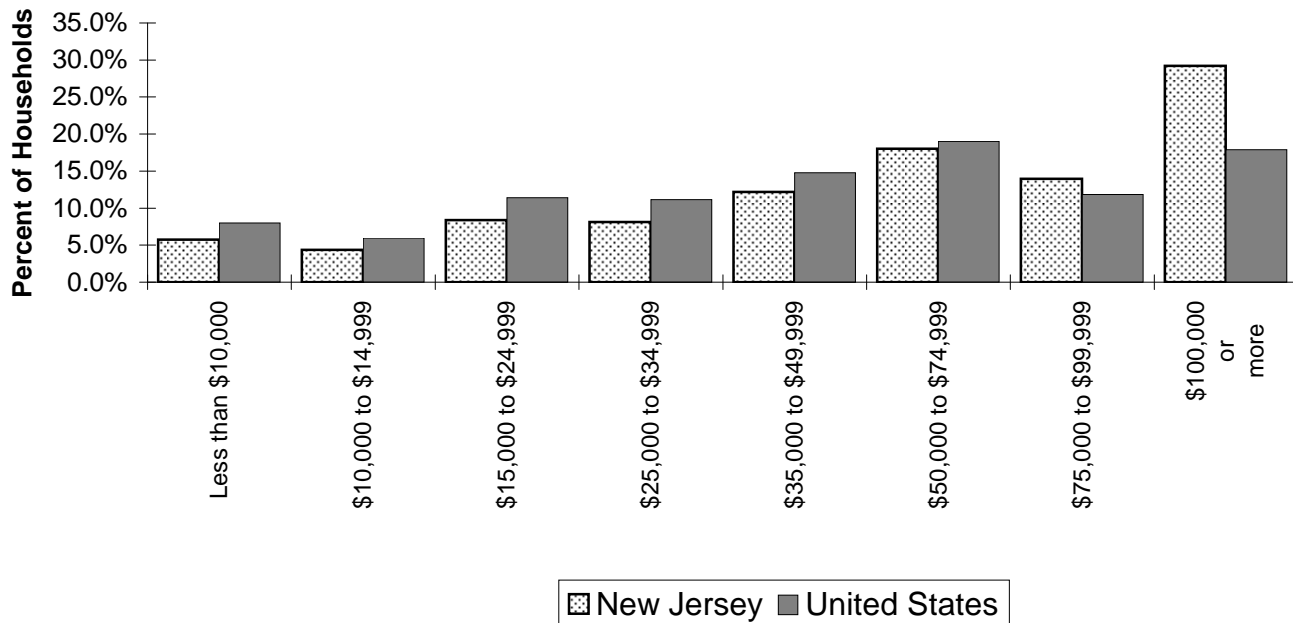
New Jersey

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.9%	6.9%	15.2%	12.2%	16.4%	16.7%	9.1%	5.5%	100.0%
25 to 44 years.....	4.4%	2.6%	6.1%	7.4%	12.6%	19.6%	16.2%	31.1%	100.0%
45 to 64 years.....	4.3%	2.8%	5.2%	6.1%	10.3%	18.2%	15.2%	37.9%	100.0%
65 years and over.....	9.4%	10.2%	17.6%	12.6%	14.5%	15.1%	8.4%	12.3%	100.0%
New Jersey (all ages)....	5.7%	4.4%	8.4%	8.1%	12.2%	18.0%	14.0%	29.2%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



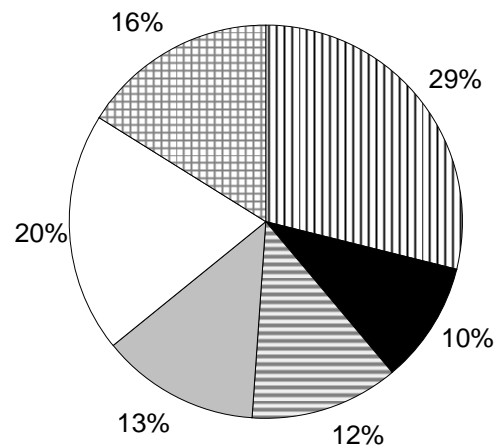
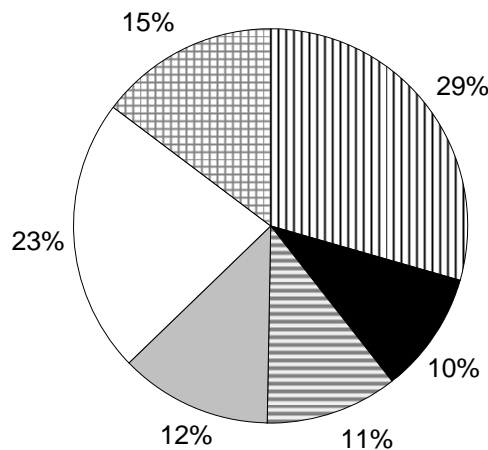
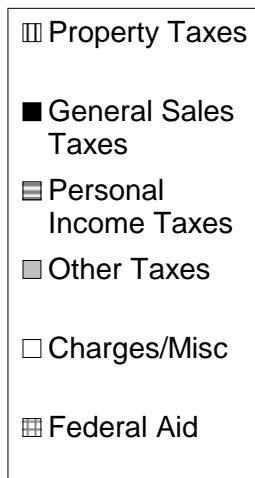
New Jersey

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NJ	US	NJ	US	NJ	US
Total General Revenues.....	\$66,438	\$7,634	\$6,816	18.4%	20.8%	4.8%	5.6%
Own Sources.....	\$55,812	\$6,413	\$5,338	15.4%	16.3%	4.6%	5.3%
Taxes.....	\$42,557	\$4,890	\$3,698	11.8%	11.3%	5.0%	5.2%
Property Taxes.....	\$19,197	\$2,206	\$1,132	5.3%	3.5%	4.6%	5.1%
General Sales Taxes.....	\$6,552	\$753	\$887	1.8%	2.7%	4.7%	5.1%
Personal Income Taxes.....	\$8,224	\$945	\$813	2.3%	2.5%	6.1%	5.7%
Other Taxes.....	\$8,584	\$986	\$866	2.4%	2.6%	5.2%	4.9%
Charges/Miscellaneous.....	\$13,254	\$1,523	\$1,640	3.7%	5.0%	3.5%	5.7%
Federal Aid.....	\$10,627	\$1,221	\$1,478	2.9%	4.5%	5.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



New Jersey

I. Personal Income Tax (2006)

State Income Tax Base

New Jersey's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their gross income exceeds \$10,000 (single) or \$20,000 (married, filing jointly).

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$20,000	1.4%	First \$20,000	1.4%
\$20,001 – \$35,000	1.75%	\$20,001 – \$50,000	1.75%
\$35,001 – \$40,000	3.5%	\$50,001 – \$70,000	2.45%
\$40,001 – \$75,000	5.525%	\$70,001 – \$80,000	3.5%
\$75,001 – \$500,000	6.37%	\$80,001 – \$150,000	5.525%
Over \$500,000	8.97%	\$150,001 – \$500,000	6.37%
		Over \$500,000	8.97%

Public and Private Pension Exemptions

Generally, public pensioners age 62 or older or disabled with gross income of \$100,000 or less qualify for pension exemptions of \$15,000 (single) or \$20,000 (married, filing jointly). However, military pensioners meeting the same age and income criteria qualify for a full exemption of their military pension income.

Additional Retirement Income Exemption

Taxpayers age 62 and older who did not claim the maximum allowable pension exemption may be able to claim an additional retirement income exclusion if their wages, net profits from business, partnership income, and S corporation income equal \$3,000 or less. The additional retirement income exclusion equals the difference between the maximum pension exemptions (shown above) and the amount a taxpayer claims for the pension exemption.

Taxpayers who have never received and never will receive or be eligible for Social Security or Railroad Retirement benefits may be able to receive an additional retirement income exemption up to \$3,000 (single) or \$6,000 (married, filing jointly).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Jersey

Social Security Benefits Full exemption

Medical Expense Deduction

Expenses in excess of 2% of income can be deducted. This is not an itemized deduction. Medical expenses involving contributions to a medical savings account or amounts taken as a deduction for self-employed health insurance cannot be deducted.

Personal Exemptions Combined

Under age 65 \$1,000 (single); \$2,000 (married, filing jointly)
Age 65 and older \$2,000 (single); \$4,000 (married, filing jointly;
both spouses are age 65 or older)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 7.0%*
Combined state/local tax rates 7.0%*

*Some areas, known as "urban enterprise zones," are allowed to levy a general sales tax of 3%.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 9.0% On all taxable income
Gasoline (per gallon) \$0.105 An additional \$0.04-per-gallon gross receipts tax is also levied for a total of \$0.145 per gallon.
Cigarette (per pack of 20) \$2.575
Beer (per gallon) \$0.12

IV. Real Property Tax Relief Programs (2007)

Homestead Credit

Requirements

Benefits

Homeowners age 65 and older, or who are totally disabled, or their surviving spouses age 55 or older with incomes not over \$10,000 (excluding Social Security benefits or a government pension up to the maximum benefit amount allowed for Social Security, whichever is greater) \$250 property tax deduction

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Jersey

100% disabled veterans or surviving spouses	Total property tax exemption
Veterans or surviving spouses of veterans	\$250 property tax deduction
Homeowners and renters under age 65 whose income is <i>more than</i> \$10,000 (single) or \$20,000 (married, filing jointly) or homeowners and renters age 65 and older (all incomes) are eligible for a property tax credit or deduction.	Deduction equals the total amount of property taxes paid (or 18% of the rent paid for renters) up to \$10,000 from their taxable personal income for income taxes.*

*If the tax savings from this deduction exceeds \$50, taxpayers *would take* this deduction. However, if the tax savings from this deduction does not exceed \$50, taxpayers *would not take* this deduction but instead would take a \$50 refundable tax credit off their income taxes. Residents whose income is less than \$10,000 are not entitled to a \$50 property tax credit, unless they are age 65 and older or disabled. Taxpayers age 65 and older or disabled receive the \$50 credit automatically with their rebate check.

Circuit Breaker

Requirements

Benefits

Homeowners whose income is \$250,000 or less.....	Up to a \$2,000 rebate
Renters age 65 and older or disabled whose income is \$100,000 or less.....	Up to a \$860 rebate
Renters under age 65 whose income is \$100,000 or less.....	Up to a \$350 rebate
Deferral Program	None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Jersey

V. Real Property Tax Limits, Caps, or Freezes (2007)

To qualify for the property tax freeze for 2005, homeowners age 65 and older or permanently disabled must meet the following eligibility requirements: (1) have an income of less than \$41,972 (single) or \$51,466 (married, filing jointly) in 2005; (2) have an income of less than \$43,693 (single) or \$53,576 (married, filing jointly) in 2006; (3) have lived in their homes for at least three years; (4) have been New Jersey residents at least 10 years. The reimbursement for the year 2006 equals the amount of property taxes paid in 2006 that exceeds the amount paid in the base year (the first year that a homeowner met all of the requirements). The base year could be as early as 1997.

VI. Local Expenditure Limits (2007)

Local municipalities and counties cannot increase their appropriations by more than 4.0% or the cost of living (price deflator for state and local government purchases of goods and services), whichever is less, over the previous year. Exceptions to this limit include capital expenditures, homeland security requirements, and any amount approved by referendum.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

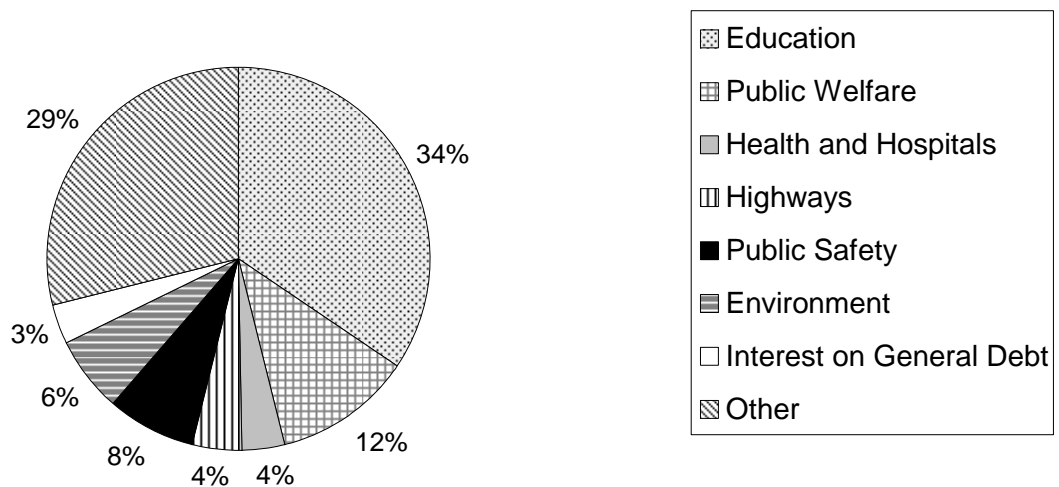
New Jersey

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NJ	US	NJ	US	NJ	US
		State/Local Direct General Expenditures	\$77,457	\$8,900	\$6,794	21.4%	20.7%
To State/Local Government	\$77,359	\$8,889	\$6,778	21.4%	20.7%	6.2%	5.8%
Education*	\$26,577	\$3,054	\$2,325	7.3%	7.1%	6.5%	6.2%
Public Welfare	\$9,125	\$1,048	\$1,221	2.5%	3.7%	2.6%	6.5%
Health and Hospitals	\$2,805	\$322	\$574	0.8%	1.8%	3.0%	4.9%
Highways	\$3,142	\$361	\$418	0.9%	1.3%	1.1%	4.9%
Public Safety*	\$5,890	\$677	\$599	1.6%	1.8%	4.4%	5.8%
Environment	\$4,862	\$559	\$383	1.3%	1.2%	5.0%	4.7%
Interest on General Debt	\$2,629	\$302	\$273	0.7%	0.8%	2.2%	3.6%
Other	\$22,331	\$2,566	\$985	6.2%	3.0%	12.0%	6.1%
To Federal Government	\$98	\$11	\$16	0.0%	0.0%	5.7%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
New Jersey (State and Local)	\$72.9	\$8,375	\$201.53	\$70.3	96.5%	\$2.56	3.5%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

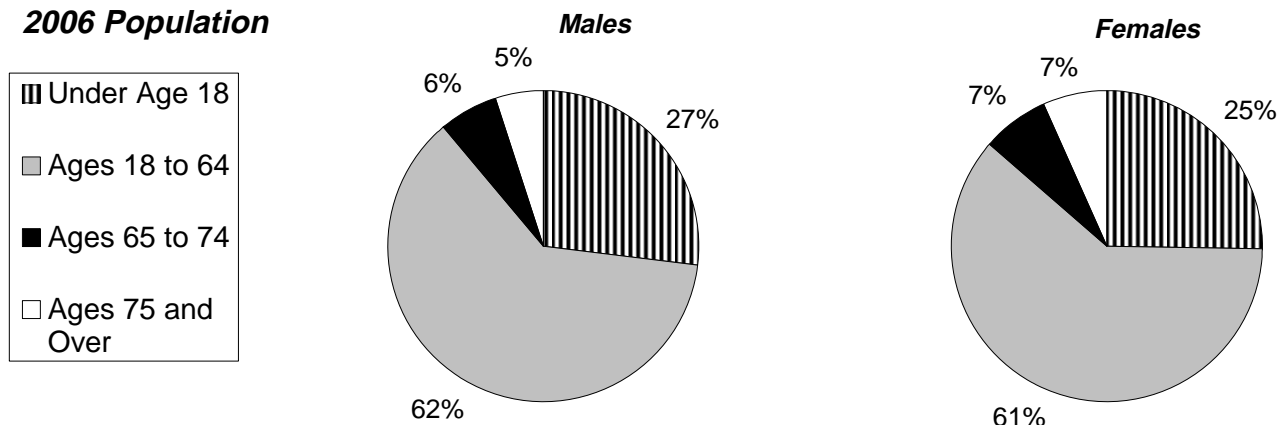
Source: U.S. Bureau of the Census

New Mexico

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NM	US	NM	US	NM	US
	Per Capita Income.....	\$19,029	\$24,175	\$29,725	\$36,629	4.6%
Median Household Income	\$25,086	\$35,492	\$40,028	\$48,201	4.8%	3.1%
Gross State Product (in millions).....	\$43,658	\$7,659,651	\$75,910	\$13,149,033	5.7%	5.6%
Full- and Part-Time Positions (in thousands).....	915	152,150	1,100	178,343	1.9%	1.6%
Employed Persons (in thousands)	752	126,708	896	144,427	1.8%	1.3%
Unemployment Rate.....	7.5%	5.4%	4.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NM	NM	NM	US	NM	US
	Total Population.....	1,706,151	1,954,599	14.6%	12.9%	18.5%
Males.....	840,002	964,808	14.9%	13.9%	16.6%	11.9%
Under Age 18.....	254,085	259,161	2.0%	6.6%	24.7%	18.2%
Ages 18 to 64.....	502,958	598,665	19.0%	17.4%	14.3%	10.1%
Ages 65 to 74.....	50,466	60,025	18.9%	4.0%	7.7%	6.9%
Ages 75 and Over.....	32,493	46,957	44.5%	25.1%	10.8%	7.7%
Females.....	866,149	989,791	14.3%	11.9%	20.4%	14.7%
Under Age 18.....	243,895	249,769	2.4%	6.8%	26.5%	18.5%
Ages 18 to 64.....	515,347	604,404	17.3%	15.0%	18.8%	13.8%
Ages 65 to 74.....	58,653	68,368	16.6%	-1.0%	14.2%	10.2%
Ages 75 and Over.....	48,254	67,250	39.4%	17.3%	18.2%	13.5%

Source: U.S. Bureau of the Census

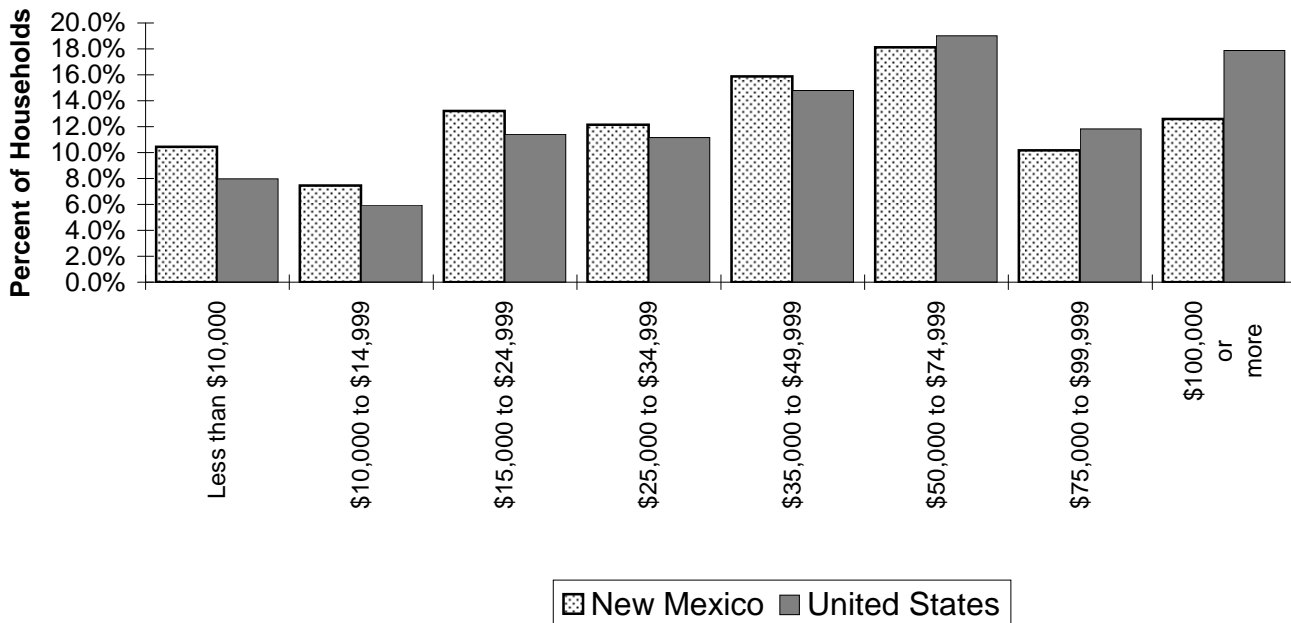
New Mexico

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	23.4%	12.5%	21.7%	14.0%	16.7%	8.4%	1.9%	1.5%	100.0%
25 to 44 years.....	8.5%	6.6%	12.5%	13.9%	17.5%	19.4%	10.8%	10.8%	100.0%
45 to 64 years.....	8.5%	5.3%	9.6%	9.5%	14.8%	20.3%	13.1%	18.8%	100.0%
65 years and over.....	13.5%	11.5%	18.5%	13.5%	14.8%	14.7%	6.1%	7.3%	100.0%
New Mexico (all ages)...	10.4%	7.4%	13.2%	12.2%	15.9%	18.1%	10.2%	12.6%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



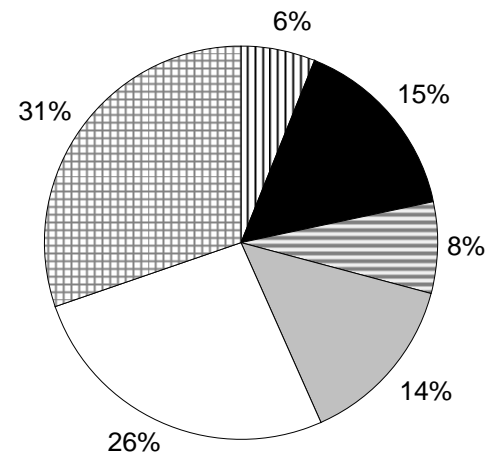
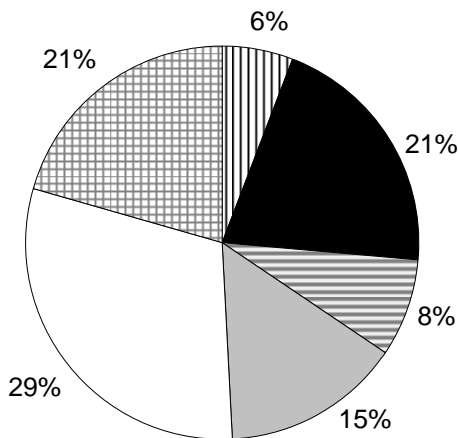
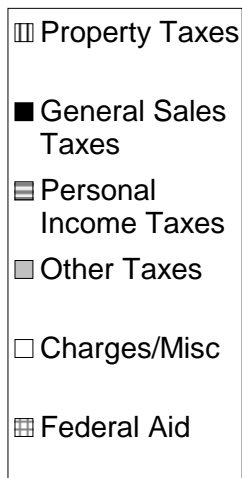
New Mexico

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NM	US	NM	US	NM	US
Total General Revenues.....	\$14,008	\$7,273	\$6,816	28.1%	20.8%	6.7%	5.6%
Own Sources.....	\$9,750	\$5,062	\$5,338	19.6%	16.3%	5.3%	5.3%
Taxes.....	\$6,069	\$3,151	\$3,698	12.2%	11.3%	5.3%	5.2%
Property Taxes.....	\$863	\$448	\$1,132	1.7%	3.5%	7.2%	5.1%
General Sales Taxes.....	\$2,155	\$1,119	\$887	4.3%	2.7%	3.6%	5.1%
Personal Income Taxes.....	\$1,086	\$564	\$813	2.2%	2.5%	6.3%	5.7%
Other Taxes.....	\$1,965	\$1,020	\$866	3.9%	2.6%	6.2%	4.9%
Charges/Miscellaneous.....	\$3,680	\$1,911	\$1,640	7.4%	5.0%	5.2%	5.7%
Federal Aid.....	\$4,258	\$2,211	\$1,478	8.6%	4.5%	10.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



New Mexico

I. Personal Income Tax (2006)

State Income Tax Base

New Mexico's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal tax return, if they want to claim a refund, or if they want to claim any New Mexico rebates or credits.

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$5,500	1.7%	First \$8,000	1.7%
\$5,501 – \$11,000	3.2%	\$8,001 – \$16,000	3.2%
\$11,001 – \$16,000	4.7%	\$16,001 – \$24,000	4.7%
Over \$16,000	5.3%	Over \$24,000	5.3%

Income Exemption

Eligibility	Taxpayers age 65 and older or blind
Income ceilings	\$28,500 (single); \$51,000 (married, filing jointly)
Exemption amount	Up to \$8,000 per eligible taxpayer depending on income

Taxpayers age 100 and older do not have to pay any income tax.

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Medical Savings Account (MSA) Exemption

MSA contributions, interest, and some withdrawals are exempt to the extent that they were not deducted in determining federal taxable income. The MSA must be established by a self-employed person or by an employer for an employee.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Mexico

Medical Care Expense Deduction

Taxpayers can deduct from 10% to 25% of unreimbursed and uncompensated medical care expenses (depending on income). These expenses cannot be deducted if they were already itemized on the federal return. These expenses can include premium costs for long-term care insurance, qualified long-term care services, and unreimbursed insurance premiums and copayments that were not deducted on the federal return.

Standard Deductions and Personal Exemptions Combined*

Under age 65*	\$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)
Age 65 and older*	\$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Low-Income Tax Credit

Eligibility	Taxpayers whose modified gross income is \$22,000 or less; moreover, taxpayers cannot claim this credit if they are eligible to be claimed as a dependent or are actually claimed as a dependent
Tax credit amount	Up to \$450

Local Income Taxes..... None

II. General Sales Tax Rates (2006)

State	5.0%
Combined state/local tax rates.....	5.125% to 7.875%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	7.6%	On income over \$1 million
Gasoline (per gallon)	\$0.17	An additional \$0.01 tax is levied for the petroleum products loading fee.
Cigarette (per pack of 20)	\$0.91	
Beer (per gallon)	\$0.41	

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New Mexico

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners.....	\$2,000 assessed value (\$4,000 for veterans)

Circuit Breaker

Requirements	Benefits
Homeowners and renters age 65 and older whose modified gross income is \$16,000 or less*	Up to a \$250 tax credit (from personal income taxes)

*Los Alamos County homeowners whose modified gross income is \$24,000 or less also qualify for a property tax credit of up to \$350 (from personal income taxes).

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

New Mexico has a number of statutory maximum tax rates for various tax districts, as shown below:

Schools (general purposes)	\$0.50 per \$1,000 of net taxable value
Municipalities (general purposes)	\$7.65 per \$1,000 of net taxable value
Counties (general purposes).....	\$11.85 per \$1,000 of net taxable value

The above maximum rates do not pertain to bonded indebtedness and may be raised with voter approval or the creation of temporary special taxing districts.

Property tax revenues from local taxing districts cannot increase annually by more than 5% or inflation (whichever is less). This limitation applies to existing properties and not to additional properties and improvements. Moreover, this limitation does not apply to debt service.

The value of existing real property values cannot increase more than 3% of the prior year's value or more than 6.1% of the property value from two years ago (whichever is higher). This limitation does not apply to physical improvements, a change in ownership, or a change in use or zoning. The limitation will not apply to a county having a ratio of property tax value to sales price of less than 85%.

Assessed property values will be frozen for homeowners age 65 and older whose household income is \$18,000 or less.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

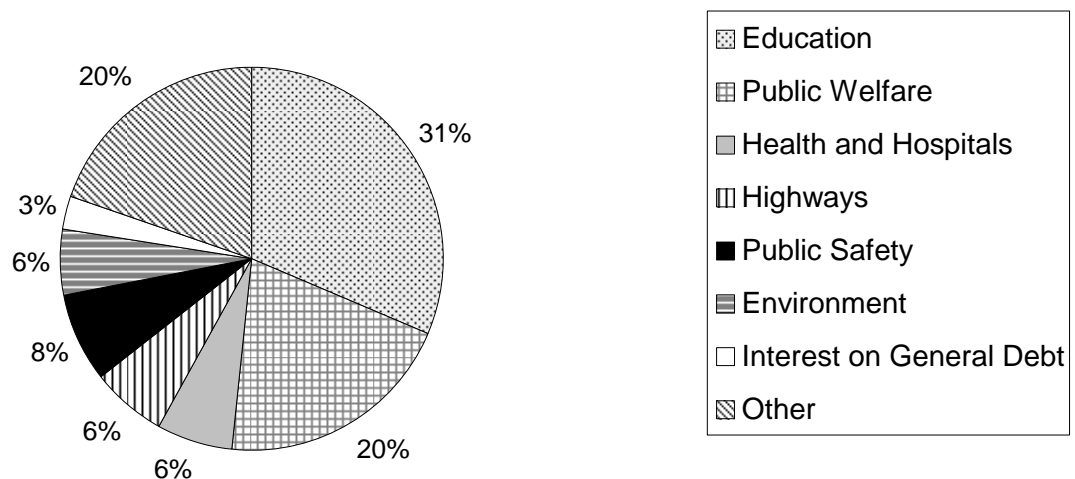
New Mexico

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NM	US	NM	US	NM	US
State/Local Direct General Expenditures	\$15,572	\$8,085	\$6,794	31.3%	20.7%	7.8%	5.8%
To State/Local Government	\$15,572	\$8,085	\$6,778	31.3%	20.7%	7.8%	5.8%
Education*	\$4,879	\$2,533	\$2,325	9.8%	7.1%	6.6%	6.2%
Public Welfare	\$3,156	\$1,639	\$1,221	6.3%	3.7%	13.1%	6.5%
Health and Hospitals	\$1,009	\$524	\$574	2.0%	1.8%	2.7%	4.9%
Highways	\$972	\$505	\$418	2.0%	1.3%	0.9%	4.9%
Public Safety*	\$1,181	\$613	\$599	2.4%	1.8%	6.7%	5.8%
Environment	\$863	\$448	\$383	1.7%	1.2%	5.6%	4.7%
Interest on General Debt	\$436	\$226	\$273	0.9%	0.8%	5.0%	3.6%
Other	\$3,076	\$1,597	\$985	6.2%	3.0%	14.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
New Mexico (State and Local)	\$10.4	\$5,421	\$209.64	\$10.4	99.1%	\$0.09	0.9%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

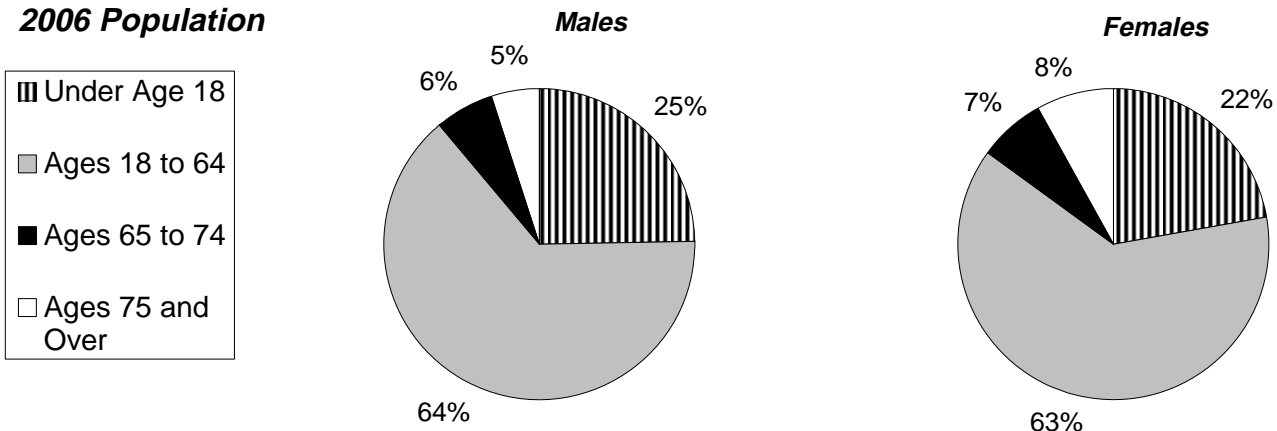
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New York

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NY	US	NY	US	NY	US
	Per Capita Income.....	\$28,424	\$24,175	\$43,962	\$36,629	4.5%
Median Household Income	\$35,410	\$35,492	\$48,222	\$48,201	3.1%	3.1%
Gross State Product (in millions).....	\$630,003	\$7,659,651	\$1,021,944	\$13,149,033	5.0%	5.6%
Full- and Part-Time Positions (in thousands).....	9,686	152,150	10,948	178,343	1.2%	1.6%
Employed Persons (in thousands)	8,229	126,708	9,073	144,427	1.0%	1.3%
Unemployment Rate.....	6.3%	5.4%	4.5%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NY	NY	NY	US	NY	US
Total Population.....	18,143,805	19,306,183	6.4%	12.9%	14.2%	13.3%
Males.....	8,722,892	9,355,020	7.2%	13.9%	12.7%	11.9%
Under Age 18.....	2,317,666	2,309,646	-0.3%	6.6%	19.8%	18.2%
Ages 18 to 64.....	5,442,827	6,015,931	10.5%	17.4%	10.5%	10.1%
Ages 65 to 74.....	577,433	565,298	-2.1%	4.0%	9.5%	6.9%
Ages 75 and Over.....	384,966	464,145	20.6%	25.1%	9.3%	7.7%
Females.....	9,420,913	9,951,163	5.6%	11.9%	15.6%	14.7%
Under Age 18.....	2,210,903	2,204,696	-0.3%	6.8%	20.4%	18.5%
Ages 18 to 64.....	5,750,629	6,253,224	8.7%	15.0%	14.3%	13.8%
Ages 65 to 74.....	748,905	699,378	-6.6%	-1.0%	12.7%	10.2%
Ages 75 and Over.....	710,476	793,865	11.7%	17.3%	15.4%	13.5%

Source: U.S. Bureau of the Census

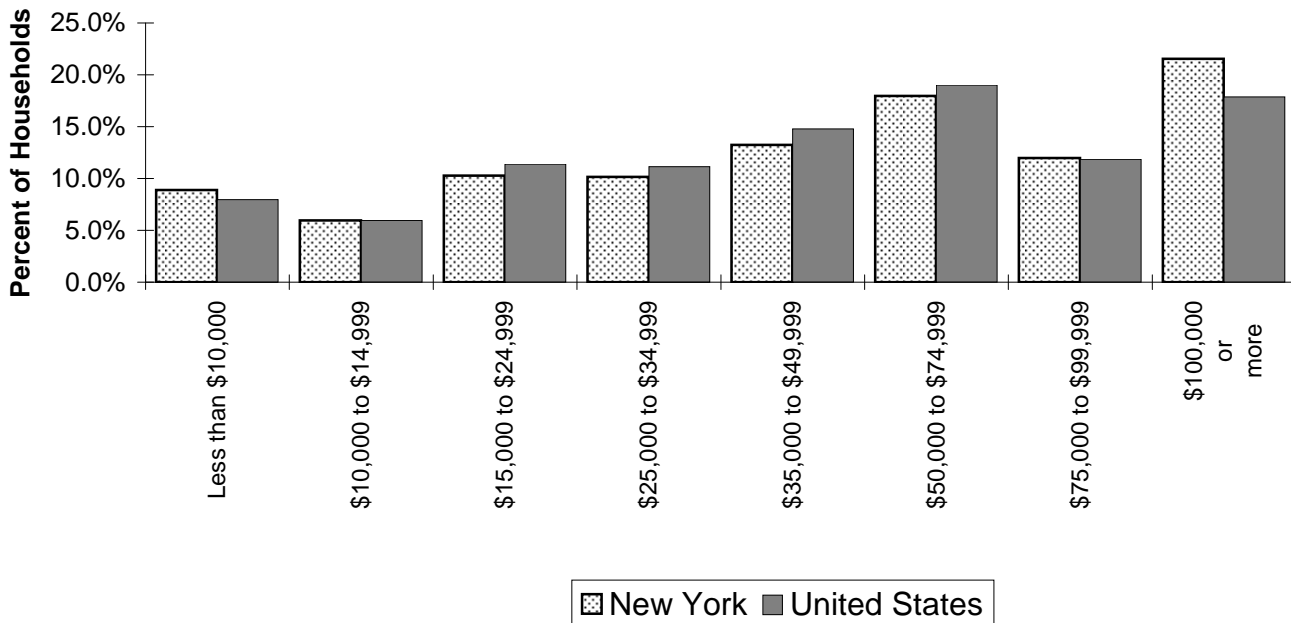
New York

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	19.8%	9.5%	16.7%	15.1%	16.0%	12.9%	5.4%	4.8%	100.0%
25 to 44 years.....	7.2%	4.1%	8.3%	9.8%	13.8%	20.2%	13.8%	22.8%	100.0%
45 to 64 years.....	7.4%	3.9%	7.5%	8.5%	12.6%	18.8%	13.6%	27.9%	100.0%
65 years and over.....	12.8%	12.3%	17.7%	13.0%	13.2%	13.4%	7.0%	10.6%	100.0%
New York (all ages).....	8.9%	5.9%	10.3%	10.2%	13.3%	17.9%	12.0%	21.5%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



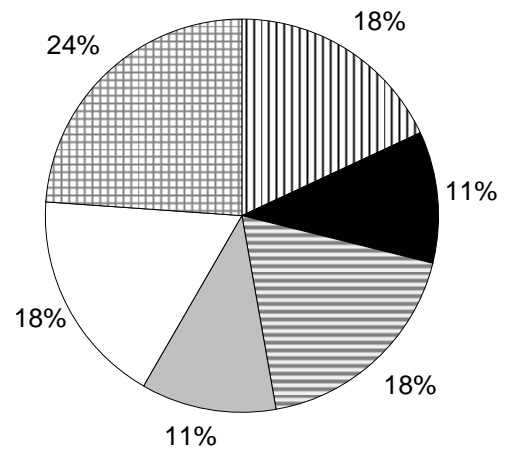
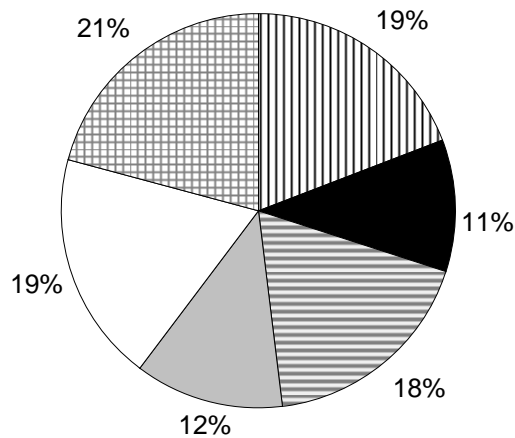
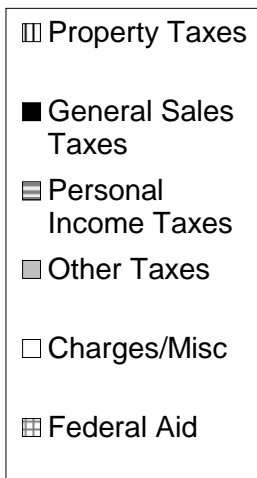
New York

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NY	US	NY	US	NY	US
		Total General Revenues.....	\$190,576	\$9,866	\$6,816	25.8%	20.8%
Own Sources.....	\$144,874	\$7,500	\$5,338	19.6%	16.3%	4.4%	5.3%
Taxes.....	\$111,108	\$5,752	\$3,698	15.0%	11.3%	4.5%	5.2%
Property Taxes.....	\$34,150	\$1,768	\$1,132	4.6%	3.5%	4.1%	5.1%
General Sales Taxes.....	\$21,101	\$1,092	\$887	2.9%	2.7%	5.1%	5.1%
Personal Income Taxes.....	\$34,844	\$1,804	\$813	4.7%	2.5%	5.1%	5.7%
Other Taxes.....	\$21,013	\$1,088	\$866	2.8%	2.6%	3.8%	4.9%
Charges/Miscellaneous.....	\$33,767	\$1,748	\$1,640	4.6%	5.0%	4.1%	5.7%
Federal Aid.....	\$45,702	\$2,366	\$1,478	6.2%	4.5%	6.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



New York

I. Personal Income Tax (2006)

State Income Tax Base

New York's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they filed a federal return or if their federal adjusted gross income plus New York additions (on the New York tax return) exceeds \$3,000 (single and the taxpayer can be claimed as a dependent on another person's return) or \$4,000 (single and married, filing jointly).

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$8,000	4.0%	First \$16,000	4.0%
\$8,001 – \$11,000	4.5%	\$16,001 – \$22,000	4.5%
\$11,001 – \$13,000	5.25%	\$22,001 – \$26,000	5.25%
\$13,001 – \$20,000	5.9%	\$26,001 – \$40,000	5.9%
Over \$20,000	6.85%	Over \$40,000	6.85%

Public Pension Exemption Full exemption

Private Pension Exemption \$20,000 exemption for persons age 59½ or older

Social Security Benefits Full exemption

Standard Deductions (all ages) \$7,500 (single); \$15,000 (married, filing jointly)

Long-Term Care Expense Deduction

Residents in a continuing care retirement community can deduct the portion of fees they paid for the cost of providing long-term benefits from \$280 (age 40 or younger) to \$3,530 (age 71 and older).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New York

Household Tax Credits

Single taxpayers receive tax credits ranging from \$75 (federal adjusted gross income of \$5,000 or less) to \$0 (federal adjusted gross income of \$28,000 or over).

Married taxpayers filing jointly receive tax credits ranging from \$105 (federal adjusted gross income of \$5,000 or less) to \$0 (federal adjusted gross income of \$32,000 or more). This assumes that both spouses have no dependents.

Long-Term Care Insurance Credit..... 20% of the premiums

Local Income Taxes

Yonkers 10% of the net state income tax

New York City Local Income Tax

Rate Structure			
Single		Married, Filing Jointly	
City Taxable Income	Rate	City Taxable Income	Rate
First \$12,000	2.907%	First \$21,600	2.907%
\$12,001 – \$25,000	3.534%	\$21,601 – \$45,000	3.534%
\$25,001 – \$50,000	3.591%	\$45,001 – \$90,000	3.591%
Over \$50,000	3.648%	Over \$90,000	3.648%

II. General Sales Tax Rates (2006)

State 4.00%
 Combined state/local tax rates..... 4.00% to 8.625%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	7.5%	All taxable income
Gasoline (per gallon)	\$0.08	Gasoline is subject to the sales tax and a petroleum tax of \$0.166.
Cigarette (per pack of 20)	\$1.50	New York City levies another \$1.50-per-pack tax.
Beer (per gallon)	\$0.11	New York City levies another \$0.12-per-gallon tax.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

New York

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

Homeowners age 65 and older whose household adjusted gross income is \$67,850 or less	\$56,800 exemption off the full value of their primary residence for school property taxes*
All other homeowners	\$30,000 exemption off the full value of their primary residence for school property taxes*

*These average exemption amounts increase in counties where median home prices exceed the state average but are not reduced if median home prices are below the state average. New York City homeowners are also eligible to receive a tax credit off their local personal income taxes based on their school property taxes.

Qualifying veterans.....	Local option exemption of 15% of assessed value (subject to fixed dollar limits) if they served during wartime plus an additional exemption of 10% of assessed value (subject to fixed dollar limits) if they served in a combat zone. An additional exemption is available to disabled veterans equal to one-half of their service-related disability ratings (subject to fixed dollar limits) Exemptions apply to all local property taxes except for school property taxes.
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Circuit Breaker

Requirements

Benefits

Homeowners and renters (except public subsidized housing) whose income is \$18,000 or less. In addition, the value of real properties cannot exceed \$85,000.....	Up to \$375 for persons age 65 and older; \$75 for others (tax credits for personal income taxes)
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Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Circuit Breaker

Requirements

Homeowners age 65 and older or disabled with income of \$35,399 or less

Benefits

Local option program with exemption ranging from 5% of the assessed value (income of \$34,500 to \$35,399) to 50% of assessed value (income of \$27,000 or less)

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)*

Counties	1.5% to 2.0% of average full market value for five years*
Cities and villages	2.0% of average full market value for five years (except New York City); 2.5% of average full market value for five years (New York City)*

*These limits do not include bonded indebtedness or funding for special long-term purposes; nor do they apply to towns, school districts, or special districts, except school districts in cities of 125,000 or more that have no separate taxing powers or limits but are subject to tax limits for cities described above.

For New York City and Nassau County, assessed property values for one-, two-, or three-family residential property cannot increase more than 6% per year or 20% over a five-year period. For New York City, assessed property values cannot increase more than 8% annually or 30% over a five-year period for property consisting of four to 10 residential units. The assessment limits do not apply to additions or improvements made to the property since the last assessment.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

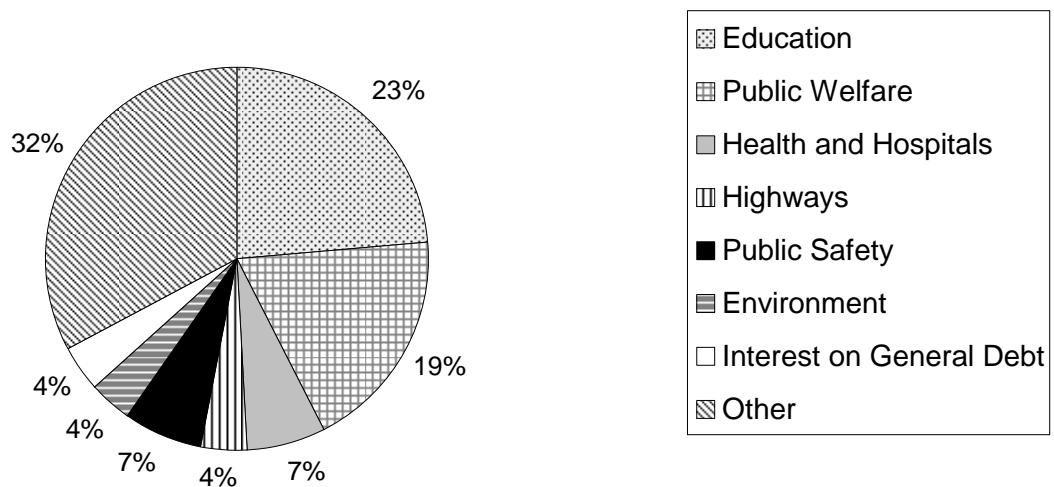
New York

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NY	US	NY	US	NY	US
		State/Local Direct General Expenditures	\$227,985	\$11,803	\$6,794	30.8%	20.7%
To State/Local Government	\$227,356	\$11,771	\$6,778	30.7%	20.7%	6.7%	5.8%
Education*	\$53,849	\$2,788	\$2,325	7.3%	7.1%	4.9%	6.2%
Public Welfare	\$42,638	\$2,207	\$1,221	5.8%	3.7%	5.3%	6.5%
Health and Hospitals	\$15,100	\$782	\$574	2.0%	1.8%	2.6%	4.9%
Highways	\$8,802	\$456	\$418	1.2%	1.3%	4.1%	4.9%
Public Safety*	\$15,583	\$807	\$599	2.1%	1.8%	4.4%	5.8%
Environment	\$8,252	\$427	\$383	1.1%	1.2%	4.7%	4.7%
Interest on General Debt	\$8,339	\$432	\$273	1.1%	0.8%	1.5%	3.6%
Other	\$74,793	\$3,872	\$985	10.1%	3.0%	14.2%	6.1%
To Federal Government	\$629	\$33	\$16	0.1%	0.0%	-1.5%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
New York (State and Local)	\$233.1	\$12,068	\$315.10	\$227.1	97.4%	\$6.03	2.6%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

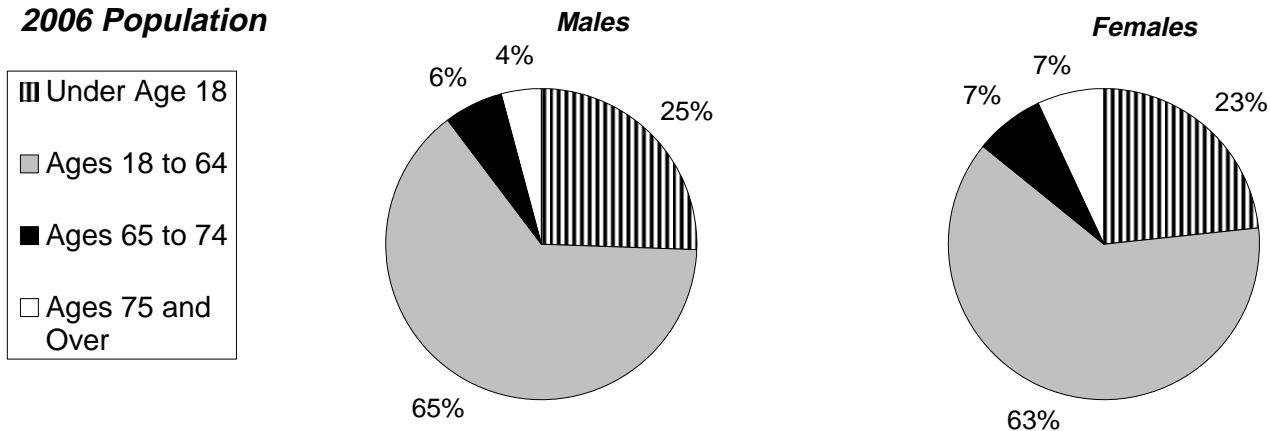
Source: U.S. Bureau of the Census

North Carolina

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	NC	US	NC	US	NC	US
	Per Capita Income.....	\$22,320	\$24,175	\$32,338	\$36,629	3.8%
Median Household Income	\$35,601	\$35,492	\$39,797	\$48,201	1.1%	3.1%
Gross State Product (in millions).....	\$201,329	\$7,659,651	\$374,525	\$13,149,033	6.4%	5.6%
Full- and Part-Time Positions (in thousands).....	4,487	152,150	5,315	178,343	1.7%	1.6%
Employed Persons (in thousands)	3,704	126,708	4,251	144,427	1.4%	1.3%
Unemployment Rate.....	4.4%	5.4%	4.8%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	NC	NC	NC	US	NC	US
Total Population.....	7,307,658	8,856,505	21.2%	12.9%	14.7%	13.3%
Males.....	3,543,764	4,341,298	22.5%	13.9%	13.1%	11.9%
Under Age 18.....	937,314	1,105,822	18.0%	6.6%	20.5%	18.2%
Ages 18 to 64.....	2,240,501	2,792,714	24.6%	17.4%	10.9%	10.1%
Ages 65 to 74.....	230,900	258,901	12.1%	4.0%	7.1%	6.9%
Ages 75 and Over.....	135,049	183,861	36.1%	25.1%	8.6%	7.7%
Females.....	3,763,894	4,515,207	20.0%	11.9%	16.2%	14.7%
Under Age 18.....	897,569	1,049,565	16.9%	6.8%	19.9%	18.5%
Ages 18 to 64.....	2,311,601	2,831,453	22.5%	15.0%	15.3%	13.8%
Ages 65 to 74.....	296,483	315,641	6.5%	-1.0%	11.3%	10.2%
Ages 75 and Over.....	258,241	318,548	23.4%	17.3%	16.5%	13.5%

Source: U.S. Bureau of the Census

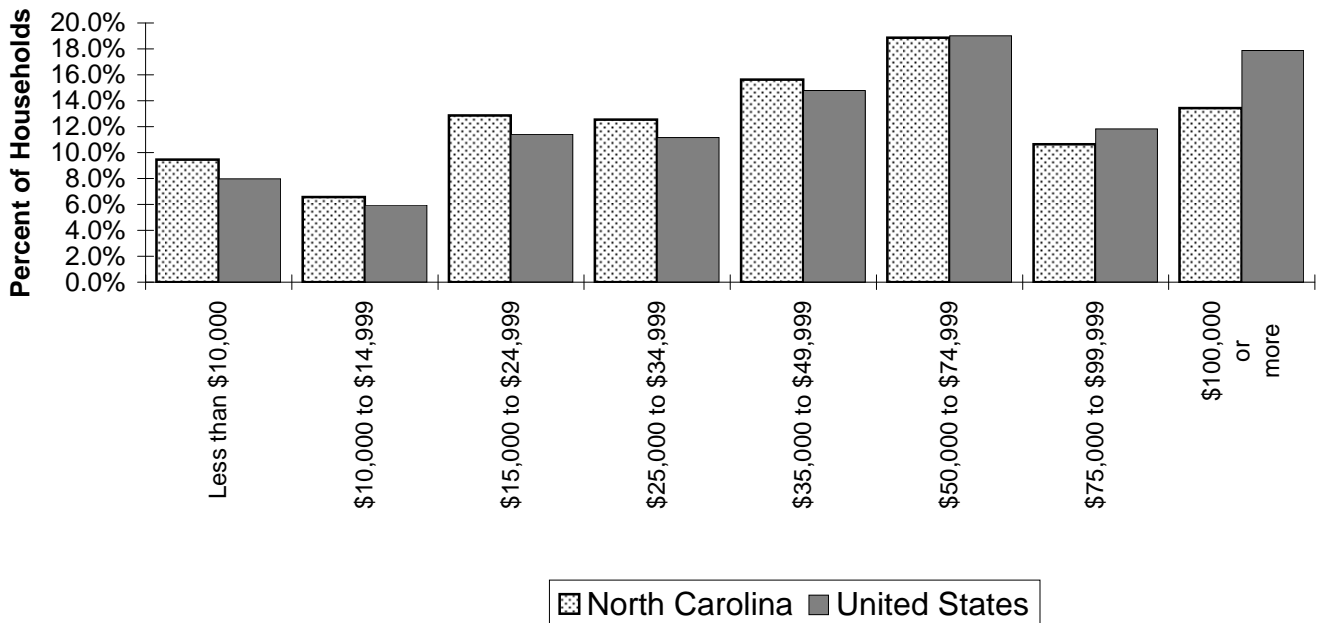
North Carolina

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	23.8%	11.8%	18.6%	18.2%	13.3%	11.0%	2.2%	1.2%	100.0%
25 to 44 years.....	7.1%	4.4%	11.1%	13.0%	17.2%	21.5%	12.4%	13.3%	100.0%
45 to 64 years.....	7.6%	5.0%	10.4%	10.6%	14.7%	20.2%	12.5%	18.9%	100.0%
65 years and over.....	13.5%	12.4%	19.5%	13.9%	15.0%	13.3%	5.8%	6.6%	100.0%
North Carolina (all ages)..	9.4%	6.6%	12.9%	12.5%	15.6%	18.9%	10.6%	13.4%	100.0%
United States (all ages)....	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



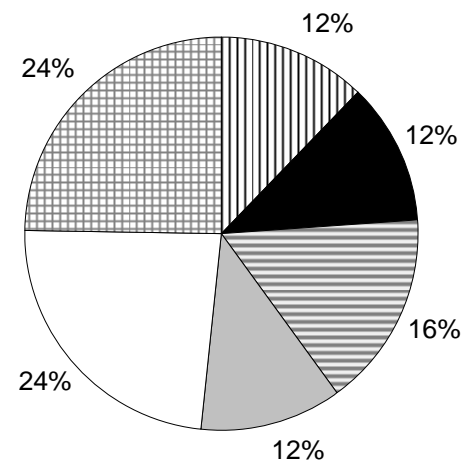
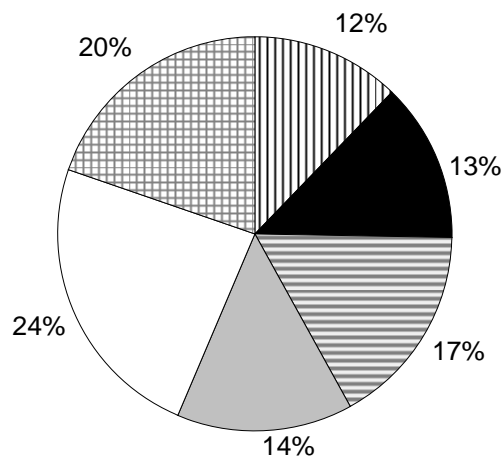
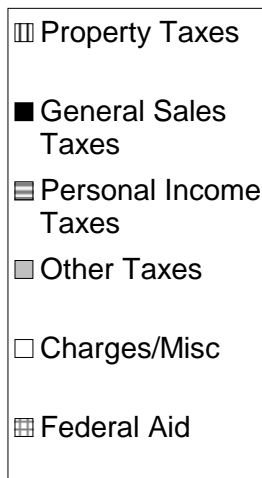
North Carolina

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		NC	US	NC	US	NC	US
		Total General Revenues.....	\$52,895	\$6,099	\$6,816	21.0%	20.8%
Own Sources.....	\$39,828	\$4,592	\$5,338	15.8%	16.3%	5.8%	5.3%
Taxes.....	\$27,307	\$3,149	\$3,698	10.9%	11.3%	5.6%	5.2%
Property Taxes.....	\$6,450	\$744	\$1,132	2.6%	3.5%	6.4%	5.1%
General Sales Taxes.....	\$6,242	\$720	\$887	2.5%	2.7%	5.5%	5.1%
Personal Income Taxes.....	\$8,428	\$972	\$813	3.4%	2.5%	6.0%	5.7%
Other Taxes.....	\$6,187	\$713	\$866	2.5%	2.6%	4.3%	4.9%
Charges/Miscellaneous.....	\$12,521	\$1,444	\$1,640	5.0%	5.0%	6.4%	5.7%
Federal Aid.....	\$13,067	\$1,507	\$1,478	5.2%	4.5%	9.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



North Carolina

I. Personal Income Tax (2006)

State Income Tax Base

North Carolina's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers must file if their federal gross income exceeds the minimum filing thresholds.

Minimum Filing Income Thresholds

Under age 65 \$5,500 (single); \$11,000 (married, filing jointly; both spouses are under age 65)
 Age 65 and older \$6,250 (single); \$12,200 (married, filing jointly; both spouses are age 65 or older)

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$12,750	6.0%	First \$21,250	6.0%
\$12,751 – \$60,000	7.0%	\$21,251 – \$100,000	7.0%
\$60,001 – \$120,000	7.75%	\$100,001 – \$200,000	7.75%
Over \$120,000	8.25%	Over \$200,000	8.25%

Public Pension Exemption*

North Carolina state and local retirees and federal retirees who worked for five years or more as of August 12, 1989, receive a full pension exemption based on their defined benefit plan. This benefit also applies to the state's 401(k) and 457 plans if the retiree contributed to the plan prior to August 12, 1989. Other government retirees receive up to a \$4,000 exemption per taxpayer.

Private Pension Exemption* \$2,000 exemption per taxpayer

*Total private and public exemptions may not exceed \$4,000 per taxpayer for those retirees who did not qualify for the full public pension exemption.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

North Carolina

Standard Deductions and Personal Exemptions Combined

Under age 65	\$5,500 (single); \$11,000 (married, filing jointly)*
Age 65 and older	\$6,250 (single); \$12,200 (married, filing jointly; both spouses are age 65 or older)*

*Personal exemptions for these figures are for taxpayers whose federal adjusted gross income is less than \$60,000 (single) or \$100,000 (married, filing jointly). Personal exemptions are less for taxpayers with higher incomes.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	4.25%**
Combined state/local tax rates.....	6.75% to 7.25%***

**The state tax rate will change to 4.0% on July 1, 2007.

***Only Mecklenburg County has a combined rate of 7.25%; the other counties have a combined rate of 6.75%.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.9%	On all taxable income
Gasoline (per gallon)	\$0.299	
Cigarette (per pack of 20)	\$0.35	
Beer (per gallon)	\$0.532	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Homeowners age 65 and older or permanently and totally disabled with disposable income below \$19,700

Benefits

Exempt on the first \$20,000 of assessed value or 50% of the assessed value (whichever is greater)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

North Carolina

Homestead Exemption or Credit

Requirements	Benefits
Disabled veterans	\$38,000 assessed value
Circuit Breaker	None
Deferral Program	None*

*Starting in 2009, homeowners age 65 and older or permanently and totally disabled whose income is approximately \$37,500 or less may defer the amount of property taxes that exceeds 4% or 5% of their income (depending on their income level). Moreover, in order to qualify, homeowners must have lived in their residence for at least 5 years. However, homeowners who receive a homestead exemption cannot defer their property taxes.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Counties or cities are subject to a property tax rate cap of \$1.50 per \$100 of appraised real property value. Taxes levied for certain specific services such as jails are exempted from this rate cap. The caps can also be overridden with voter approval for counties and cities.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

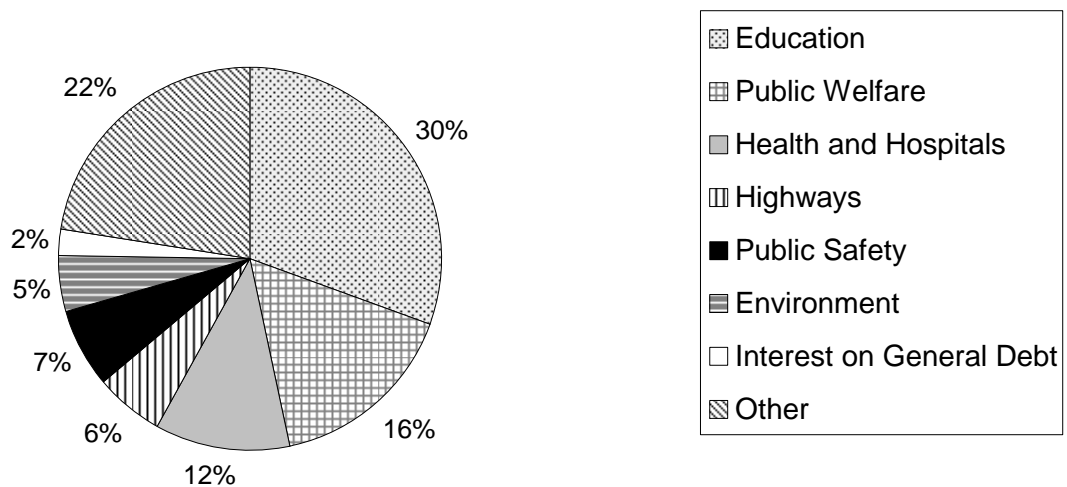
North Carolina

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		NC	US	NC	US	NC	US
		State/Local Direct General Expenditures	\$60,758	\$7,006	\$6,794	24.2%	20.7%
To State/Local Government	\$60,758	\$7,006	\$6,778	24.2%	20.7%	8.3%	5.8%
Education*	\$18,634	\$2,149	\$2,325	7.4%	7.1%	6.7%	6.2%
Public Welfare	\$9,646	\$1,112	\$1,221	3.8%	3.7%	8.7%	6.5%
Health and Hospitals	\$7,000	\$807	\$574	2.8%	1.8%	6.5%	4.9%
Highways	\$3,551	\$409	\$418	1.4%	1.3%	6.3%	4.9%
Public Safety*	\$4,061	\$468	\$599	1.6%	1.8%	5.5%	5.8%
Environment	\$2,818	\$325	\$383	1.1%	1.2%	5.5%	4.7%
Interest on General Debt	\$1,343	\$155	\$273	0.5%	0.8%	5.6%	3.6%
Other	\$13,705	\$1,580	\$985	5.5%	3.0%	16.3%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
North Carolina (State and Local)	\$40.9	\$4,717	\$162.79	\$40.7	99.5%	\$0.22	0.5%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

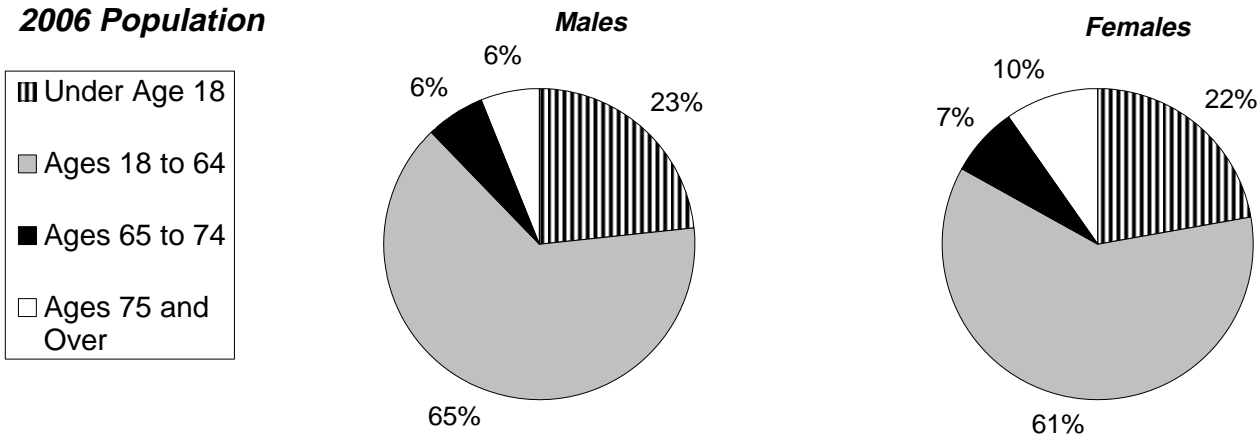
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North Dakota

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	ND	US	ND	US	ND	US
	Per Capita Income.....	\$21,068	\$24,175	\$33,034	\$36,629	4.6%
Median Household Income.....	\$31,470	\$35,492	\$41,047	\$48,201	2.7%	3.1%
Gross State Product (in millions).....	\$16,075	\$7,659,651	\$26,385	\$13,149,033	5.1%	5.6%
Full- and Part-Time Positions (in thousands).....	429	152,150	485	178,343	1.3%	1.6%
Employed Persons (in thousands)	334	126,708	346	144,427	0.4%	1.3%
Unemployment Rate.....	3.2%	5.4%	3.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	ND	ND	ND	US	ND	US
Total Population.....	642,858	635,867	-1.1%	12.9%	11.4%	13.3%
Males.....	320,294	319,427	-0.3%	13.9%	9.5%	11.9%
Under Age 18.....	85,844	74,357	-13.4%	6.6%	12.7%	18.2%
Ages 18 to 64.....	194,902	205,668	5.5%	17.4%	8.7%	10.1%
Ages 65 to 74.....	21,581	20,005	-7.3%	4.0%	5.2%	6.9%
Ages 75 and Over.....	17,967	19,397	8.0%	25.1%	9.7%	7.7%
Females.....	322,564	316,440	-1.9%	11.9%	13.4%	14.7%
Under Age 18.....	81,247	70,577	-13.1%	6.8%	13.2%	18.5%
Ages 18 to 64.....	187,416	192,391	2.7%	15.0%	13.3%	13.8%
Ages 65 to 74.....	24,688	22,688	-8.1%	-1.0%	9.0%	10.2%
Ages 75 and Over.....	29,213	30,784	5.4%	17.3%	17.8%	13.5%

Source: U.S. Bureau of the Census

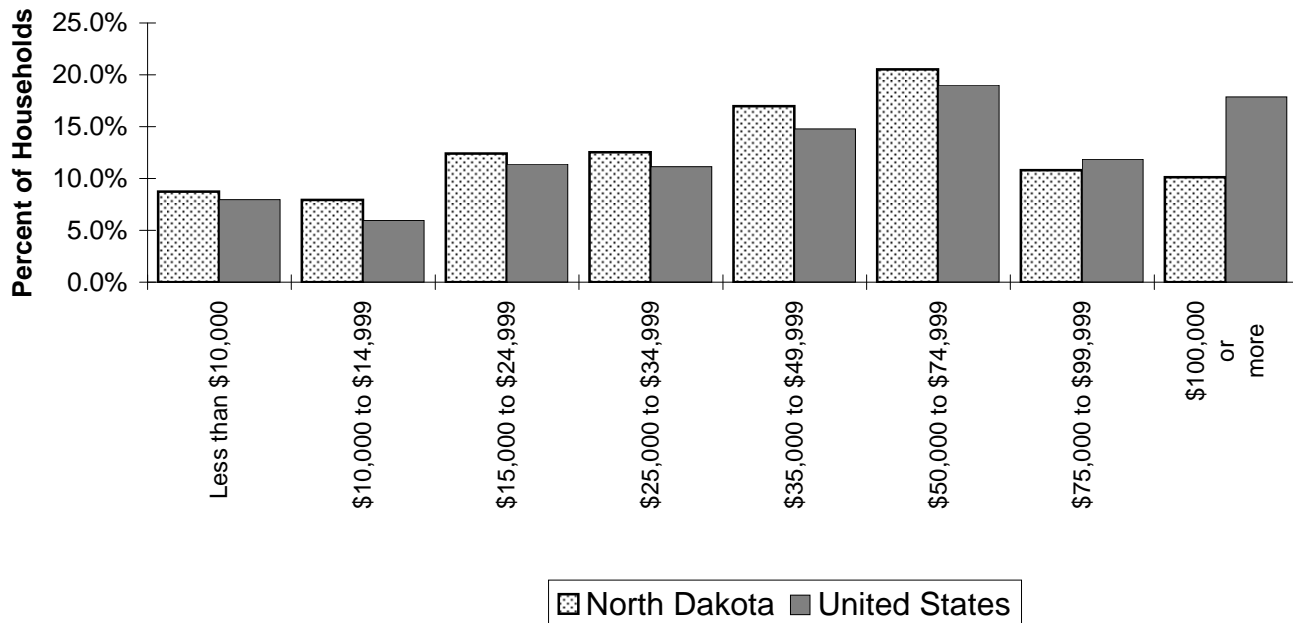
North Dakota

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.6%	14.1%	21.3%	14.5%	17.4%	10.9%	3.9%	0.2%	100.0%
25 to 44 years.....	5.0%	4.3%	9.8%	13.5%	18.4%	24.2%	14.0%	10.6%	100.0%
45 to 64 years.....	6.1%	4.8%	7.8%	10.2%	16.0%	25.0%	14.2%	15.8%	100.0%
65 years and over.....	14.2%	15.5%	19.4%	13.7%	16.1%	12.3%	3.8%	5.0%	100.0%
North Dakota (all ages).	8.7%	7.9%	12.4%	12.5%	17.0%	20.5%	10.8%	10.1%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



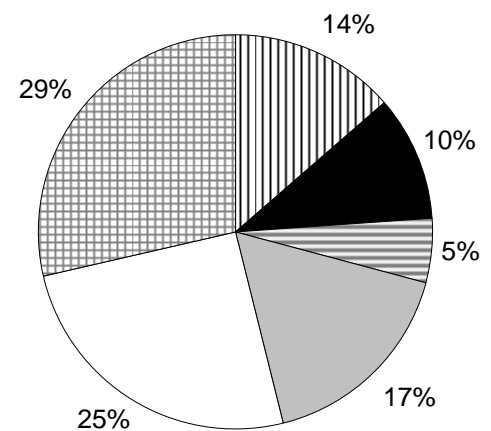
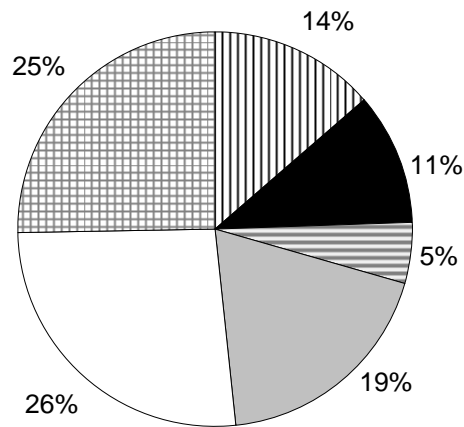
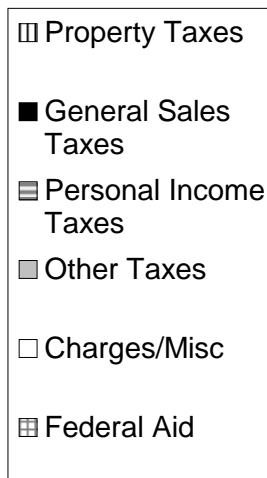
North Dakota

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		ND	US	ND	US	ND	US
		Total General Revenues.....	\$4,587	\$7,228	\$6,816	24.6%	20.8%
Own Sources.....	\$3,276	\$5,162	\$5,338	17.5%	16.3%	4.2%	5.3%
Taxes.....	\$2,121	\$3,342	\$3,698	11.4%	11.3%	4.2%	5.2%
Property Taxes.....	\$620	\$977	\$1,132	3.3%	3.5%	4.6%	5.1%
General Sales Taxes.....	\$479	\$755	\$887	2.6%	2.7%	4.3%	5.1%
Personal Income Taxes.....	\$242	\$381	\$813	1.3%	2.5%	5.4%	5.7%
Other Taxes.....	\$780	\$1,229	\$866	4.2%	2.6%	3.6%	4.9%
Charges/Miscellaneous.....	\$1,154	\$1,818	\$1,640	6.2%	5.0%	4.2%	5.7%
Federal Aid.....	\$1,311	\$2,066	\$1,478	7.0%	4.5%	6.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



North Dakota

I. Personal Income Tax (2006)

State Income Tax Base

North Dakota's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers must file if they are required to file a federal return.

Rate Structure (Form ND-1)*			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$30,650	2.1%	First \$51,200	2.1%
\$30,651 – \$74,200	3.92%	\$51,201 – \$123,700	3.92%
\$74,201 – \$154,800	4.34%	\$123,701 – \$188,450	4.34%
\$154,801 – \$336,550	5.04%	\$188,451 – \$336,550	5.04%
Over \$336,550	5.54%	Over \$336,550	5.54%

Rate Structure (Form ND-2)*			
All Taxpayers			
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$3,000	2.67%	\$15,001 – \$25,000	8.00%
\$3,001 – \$5,000	4.00%	\$25,001 – \$35,000	9.33%
\$5,001 – \$8,000	5.33%	\$35,001 – \$50,000	10.67%
\$8,001 – \$15,000	6.67%	Over \$50,000	12.00%

*In most cases, tax liability is less with Form ND-1 because of lower marginal tax rates.

Public Pension Exemption**

Federal/military.....	\$5,000 exemption less Social Security benefits received for persons age 50 and older
State/local	\$5,000 exemption less Social Security benefits received for public safety persons

**Only taxpayers who fill out the long form (ND-2) can deduct pension income.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

North Dakota

Private Pension Exemption..... None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Standard Deductions and Personal Exemptions Combined*

Under age 65* \$8,450 (single); \$16,900 (married, filing jointly;
both spouses are under age 65)
Age 65 and older* \$9,700 (single); \$18,900 (married, filing jointly;
both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Medical Expenses Deduction Taxpayers can deduct medical expenses not allowed as a federal itemized deduction on tax Form ND-2.

Long-Term Insurance Premiums Credit Taxpayers can claim a tax credit equal to 25% of long-term care insurance premiums or \$100 times the number of qualifying persons covered by the policy (whichever is less) on Form ND-2.

Other Deductions Full federal income tax deduction for taxpayers who fill out Form ND-2.

Local Income Taxes..... None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

North Dakota

II. General Sales Tax Rates (2006)

State 5.0%
Combined state/local tax rates..... 5.0% to 7.5%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 7.0% On income over \$30,000
Gasoline (per gallon).....\$0.23
Cigarette (per pack of 20) \$0.44
Beer (per gallon) \$0.16 Bin bottles/cans; \$0.08 Bulk containers

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Homeowners.....

Benefits

10% of residential property tax up to \$500 (\$1,000 married couples)

Circuit Breaker

Requirements

Homeowners and renters age 65 and older or permanently disabled whose income is \$17,500 or less. In addition, for homeowners, assets may not exceed \$50,000 (excluding the first \$100,000 of the homestead's market value).....

Benefits

Homeowners \$3,375 in taxable value; renters \$240 tax refund

Deferral Program

Requirements

Homeowners age 65 and older whose income is \$14,000 or less. Assets may not exceed \$50,000 (excluding first \$80,000 of the homestead's market value).

Benefits

Defer up to \$6,000 of special assessments

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real Property Tax Rate Limits

Counties	\$2.30 per \$100 of taxable value
Municipalities.....	\$3.80 or \$4.00 per \$100 of taxable value
School districts	\$18.50 per \$100 of taxable value

The above limits apply to the general fund levy, not to various special fund levies, such as debt service and emergency levies.

Local taxing districts cannot collect more than the highest amount of property taxes collected for the previous three years. This limitation does not apply to property improvements and additions, capital improvements, or to bonded indebtedness. In addition, voters can approve higher property tax collections. Because of this limitation, many local governments can set their property tax rates higher than the above property tax rate limits.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

North Dakota

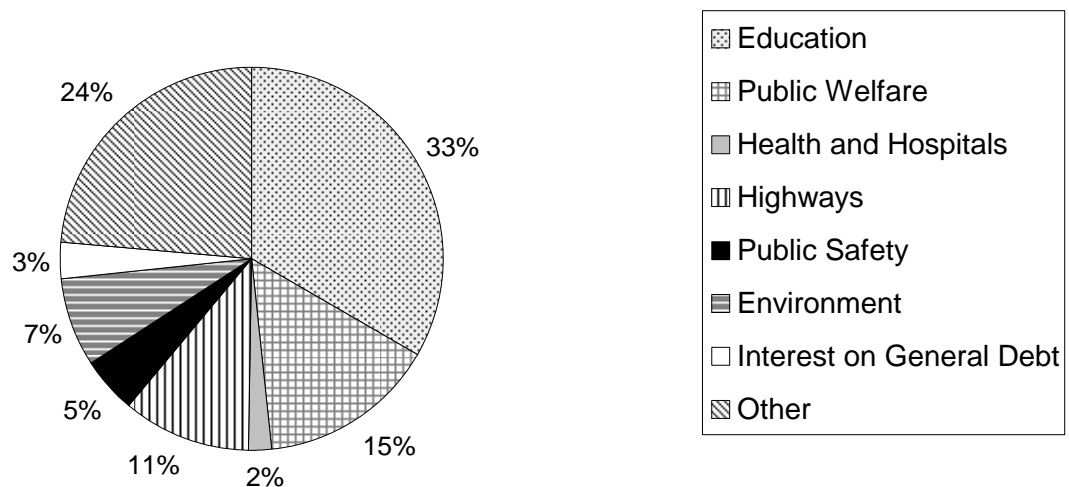
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		ND	US	ND	US	ND	US
State/Local Direct General Expenditures	\$4,796	\$7,558	\$6,794	25.7%	20.7%	5.7%	5.8%
To State/Local Government	\$4,796	\$7,558	\$6,778	25.7%	20.7%	5.7%	5.8%
Education*	\$1,600	\$2,521	\$2,325	8.6%	7.1%	4.7%	6.2%
Public Welfare	\$714	\$1,125	\$1,221	3.8%	3.7%	4.3%	6.5%
Health and Hospitals	\$99	\$155	\$574	0.5%	1.8%	0.7%	4.9%
Highways	\$522	\$823	\$418	2.8%	1.3%	4.3%	4.9%
Public Safety*	\$217	\$341	\$599	1.2%	1.8%	6.2%	5.8%
Environment	\$359	\$566	\$383	1.9%	1.2%	6.2%	4.7%
Interest on General Debt	\$157	\$247	\$273	0.8%	0.8%	3.4%	3.6%
Other	\$1,129	\$1,778	\$985	6.0%	3.0%	10.3%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
North Dakota (State and Local)	\$3.3	\$5,222	\$177.46	\$3.2	96.7%	\$0.11	3.3%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

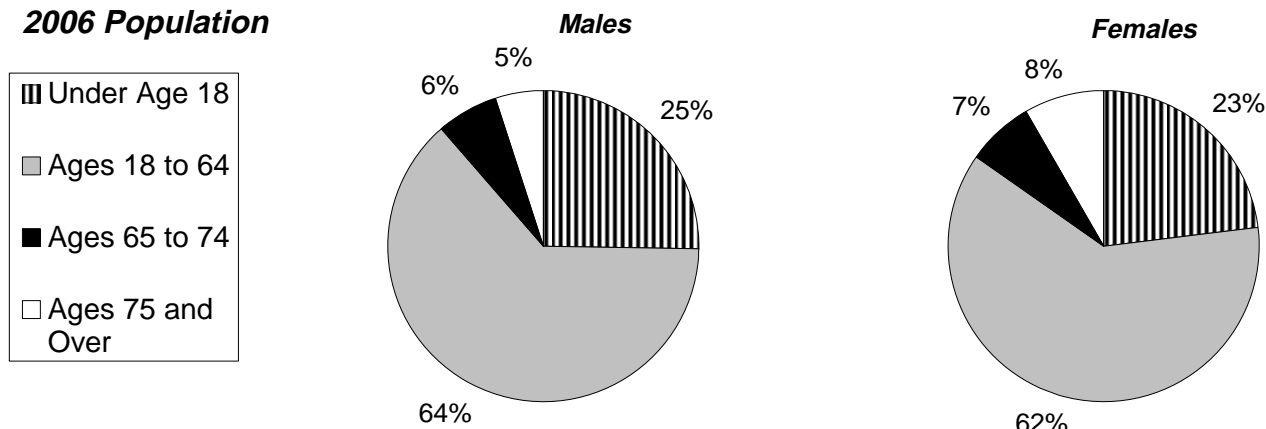
Source: U.S. Bureau of the Census

Ohio

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	OH	US	OH	US	OH	US
	Per Capita Income.....	\$23,322	\$24,175	\$33,217	\$36,629	3.6%
Median Household Income	\$34,070	\$35,492	\$45,900	\$48,201	3.0%	3.1%
Gross State Product (in millions).....	\$305,413	\$7,659,651	\$461,302	\$13,149,033	4.2%	5.6%
Full- and Part-Time Positions (in thousands).....	6,437	152,150	6,894	178,343	0.7%	1.6%
Employed Persons (in thousands)	5,378	126,708	5,609	144,427	0.4%	1.3%
Unemployment Rate.....	5.0%	5.4%	5.5%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	OH	OH	OH	US	OH	US
Total Population.....	11,187,032	11,478,006	2.6%	12.9%	13.3%	13.3%
Males.....	5,404,179	5,597,677	3.6%	13.9%	11.7%	11.9%
Under Age 18.....	1,457,907	1,415,611	-2.9%	6.6%	18.3%	18.2%
Ages 18 to 64.....	3,340,789	3,552,227	6.3%	17.4%	10.1%	10.1%
Ages 65 to 74.....	369,260	347,026	-6.0%	4.0%	5.3%	6.9%
Ages 75 and Over.....	236,223	282,813	19.7%	25.1%	6.0%	7.7%
Females.....	5,782,853	5,880,329	1.7%	11.9%	14.9%	14.7%
Under Age 18.....	1,387,032	1,354,424	-2.4%	6.8%	19.1%	18.5%
Ages 18 to 64.....	3,499,255	3,623,750	3.6%	15.0%	14.3%	13.8%
Ages 65 to 74.....	464,635	419,549	-9.7%	-1.0%	9.4%	10.2%
Ages 75 and Over.....	431,931	482,606	11.7%	17.3%	11.8%	13.5%

Source: U.S. Bureau of the Census

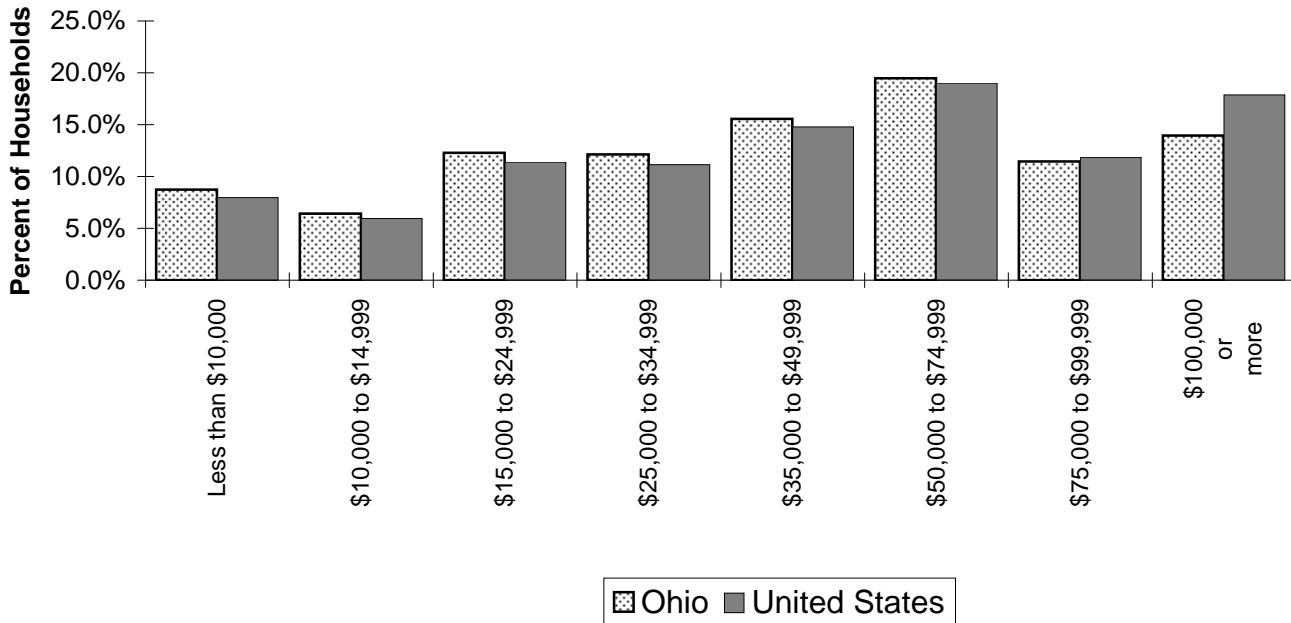
Ohio

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	25.9%	11.4%	18.9%	15.2%	14.7%	10.2%	2.9%	0.9%	100.0%
25 to 44 years.....	7.5%	4.3%	9.5%	11.9%	16.7%	23.0%	13.4%	13.9%	100.0%
45 to 64 years.....	7.4%	4.2%	8.6%	9.7%	14.4%	21.2%	14.3%	20.2%	100.0%
65 years and over.....	9.4%	12.8%	22.1%	16.3%	16.0%	12.6%	5.1%	5.7%	100.0%
Ohio (all ages).....	8.7%	6.4%	12.3%	12.1%	15.6%	19.5%	11.5%	13.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



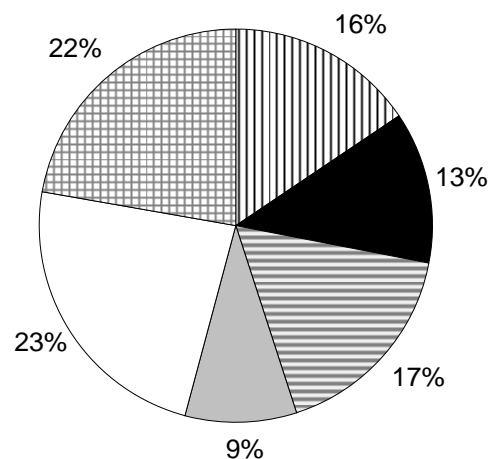
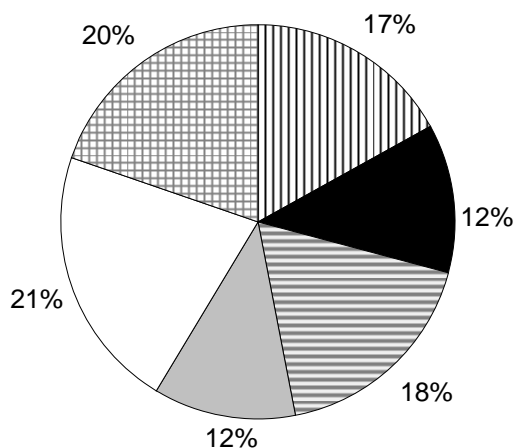
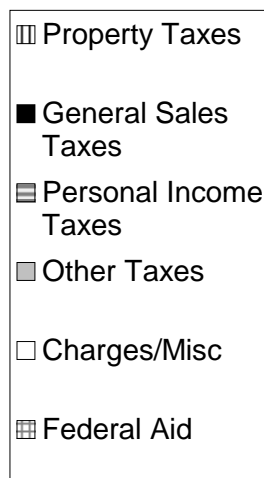
Ohio

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		OH	US	OH	US	OH	US
		Total General Revenues.....	\$77,164	\$6,727	\$6,816	21.9%	20.8%
Own Sources.....	\$59,981	\$5,229	\$5,338	17.1%	16.3%	5.0%	5.3%
Taxes.....	\$41,715	\$3,637	\$3,698	11.9%	11.3%	4.5%	5.2%
Property Taxes.....	\$11,974	\$1,044	\$1,132	3.4%	3.5%	4.5%	5.1%
General Sales Taxes.....	\$9,650	\$841	\$887	2.7%	2.7%	5.6%	5.1%
Personal Income Taxes.....	\$13,079	\$1,140	\$813	3.7%	2.5%	4.8%	5.7%
Other Taxes.....	\$7,012	\$611	\$866	2.0%	2.6%	2.8%	4.9%
Charges/Miscellaneous.....	\$18,266	\$1,592	\$1,640	5.2%	5.0%	6.2%	5.7%
Federal Aid.....	\$17,183	\$1,498	\$1,478	4.9%	4.5%	6.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Ohio

I. Personal Income Tax (2006)

State Income Tax Base

Ohio's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their federal adjusted gross income equals or exceeds the following:

Under age 65	\$1,400 (single); \$2,800 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$11,400 (single); \$12,800 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

		All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$5,000	0.681%	\$40,001 – \$80,000	4.764%
\$5,001 – \$10,000	1.361%	\$80,001 – \$100,000	5.444%
\$10,001 – \$15,000	2.722%	\$100,001 – 200,000	6.320%
\$15,001 – \$20,000	3.403%	Over \$200,000	6.870%
\$20,001 – \$40,000	4.083%		

Retirement Income Tax Credit

Tax credits are available up to \$200 for \$8,000 or more of retirement income.

Personal Exemptions

All ages \$1,400 (single); \$2,800 (married, filing jointly)

Personal Exemption Tax Credits

All ages \$20 (single); \$40 (married, filing jointly)

Senior Citizen Tax Credit \$50 (single and married, filing jointly) for taxpayers age 65 and older

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Ohio

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners.....	12.5% of property taxes

Homestead Exemption or Credit

Requirements	Benefits
All homeowners age 65 and older or totally disabled	\$25,000 fair market value exemption
Circuit Breaker	None
Deferral Program.....	None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real Property Tax Rate Limits

Total local real property tax rates for all taxing units cannot exceed 1% of the property's true market value without voter approval. Most local jurisdictions levy tax rates beyond this constitutional limit.

Real Property Revenue Limits

Local taxing districts cannot collect higher property tax revenues because of higher aggregate property tax reassessments for the entire individual tax district. This limit does not apply to property additions and improvements or bonded indebtedness and only applies to revenues collected from property tax rates exceeding 1%.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Ohio

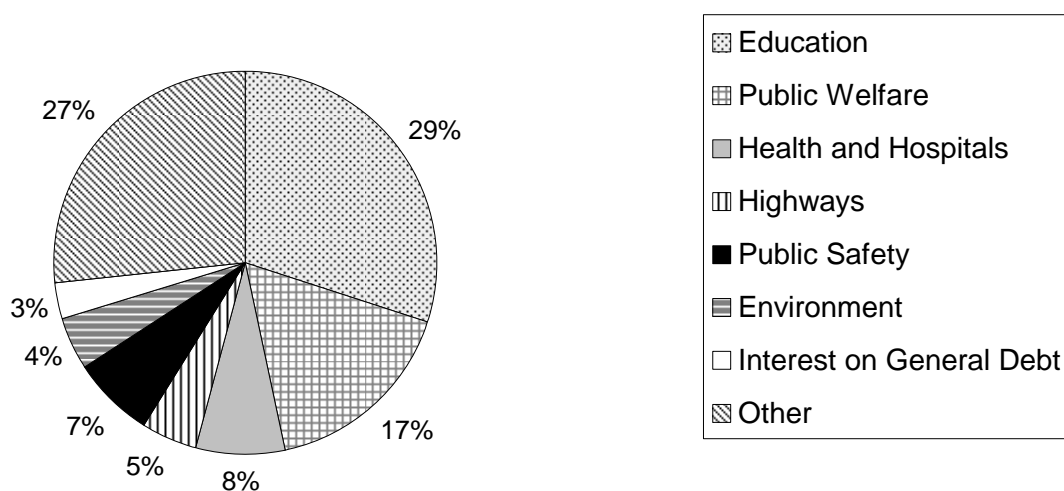
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		OH	US	OH	US	OH	US
State/Local Direct General Expenditures.....	\$91,933	\$8,015	\$6,794	26.1%	20.7%	7.6%	5.8%
To State/Local Government.....	\$91,930	\$8,014	\$6,778	26.1%	20.7%	7.6%	5.8%
Education*.....	\$27,509	\$2,398	\$2,325	7.8%	7.1%	5.9%	6.2%
Public Welfare.....	\$15,303	\$1,334	\$1,221	4.4%	3.7%	6.6%	6.5%
Health and Hospitals.....	\$7,032	\$613	\$574	2.0%	1.8%	6.2%	4.9%
Highways.....	\$4,402	\$384	\$418	1.3%	1.3%	4.6%	4.9%
Public Safety*.....	\$6,218	\$542	\$599	1.8%	1.8%	4.9%	5.8%
Environment.....	\$4,134	\$360	\$383	1.2%	1.2%	5.5%	4.7%
Interest on General Debt.....	\$2,880	\$251	\$273	0.8%	0.8%	6.2%	3.6%
Other.....	\$24,452	\$2,132	\$985	7.0%	3.0%	15.2%	6.1%
To Federal Government.....	\$3	\$0	\$16	0.0%	0.0%	4.3%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Ohio (State and Local).....	\$60.6	\$5,287	\$172.48	\$59.1	97.5%	\$1.51	2.5%
United States.....	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

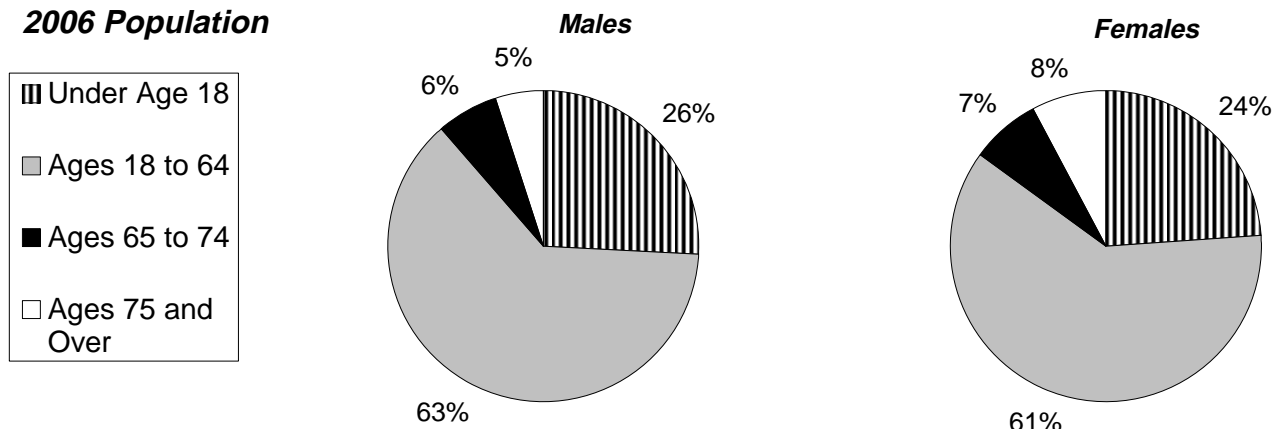
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Oklahoma

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	OK	US	OK	US	OK	US
	Per Capita Income.....	\$19,743	\$24,175	\$32,398	\$36,629	5.1%
Median Household Income	\$27,437	\$35,492	\$38,838	\$48,201	3.5%	3.1%
Gross State Product (in millions).....	\$74,936	\$7,659,651	\$134,651	\$13,149,033	6.0%	5.6%
Full- and Part-Time Positions (in thousands).....	1,861	152,150	2,145	178,343	1.4%	1.6%
Employed Persons (in thousands)	1,515	126,708	1,651	144,427	0.9%	1.3%
Unemployment Rate.....	4.2%	5.4%	4.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	OK	OK	OK	US	OK	US
Total Population.....	3,289,634	3,579,212	8.8%	12.9%	17.0%	13.3%
Males.....	1,606,110	1,764,514	9.9%	13.9%	15.4%	11.9%
Under Age 18.....	450,036	458,280	1.8%	6.6%	23.9%	18.2%
Ages 18 to 64.....	973,072	1,107,269	13.8%	17.4%	13.2%	10.1%
Ages 65 to 74.....	109,562	112,711	2.9%	4.0%	7.0%	6.9%
Ages 75 and Over.....	73,440	86,254	17.4%	25.1%	7.5%	7.7%
Females.....	1,683,524	1,814,698	7.8%	11.9%	18.5%	14.7%
Under Age 18.....	426,038	435,754	2.3%	6.8%	24.7%	18.5%
Ages 18 to 64.....	994,166	1,104,364	11.1%	15.0%	17.6%	13.8%
Ages 65 to 74.....	132,825	133,336	0.4%	-1.0%	9.3%	10.2%
Ages 75 and Over.....	130,495	141,244	8.2%	17.3%	15.4%	13.5%

Source: U.S. Bureau of the Census

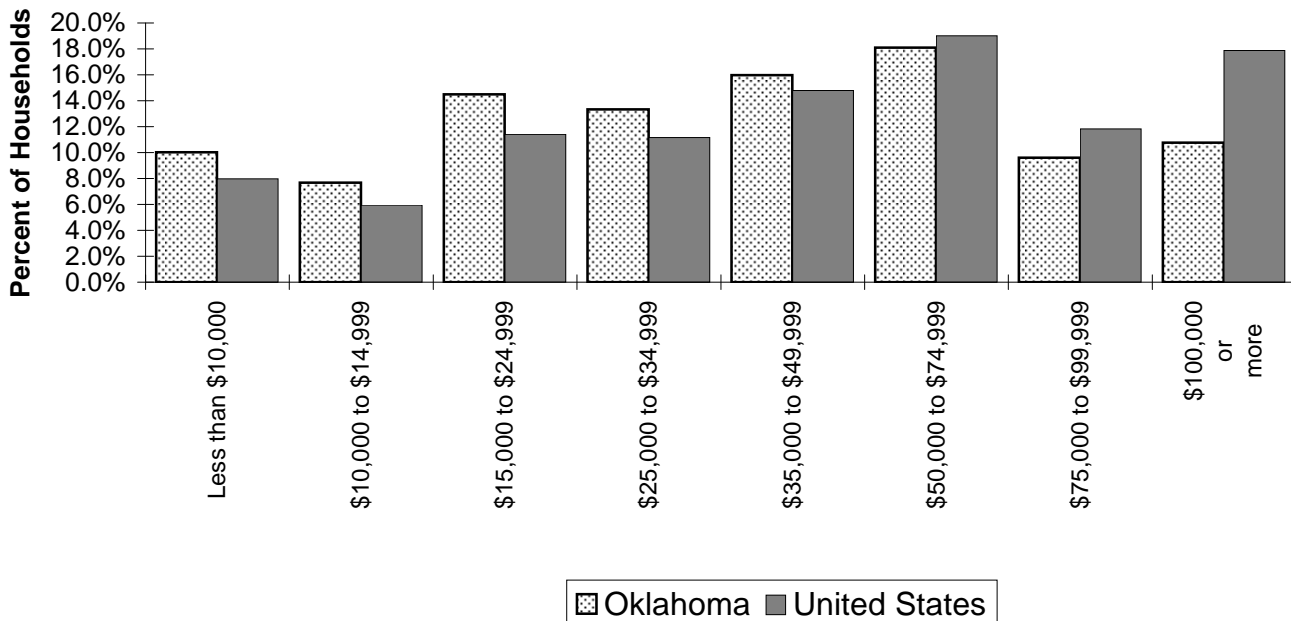
Oklahoma

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	22.6%	11.5%	22.9%	15.6%	16.0%	9.4%	1.0%	1.0%	100.0%
25 to 44 years.....	8.9%	5.2%	13.1%	14.4%	17.3%	20.6%	10.8%	9.7%	100.0%
45 to 64 years.....	8.3%	5.8%	11.0%	10.5%	15.4%	20.4%	12.6%	16.0%	100.0%
65 years and over.....	11.0%	13.6%	20.1%	15.7%	14.8%	12.9%	5.2%	6.6%	100.0%
Oklahoma (all ages).....	10.0%	7.7%	14.5%	13.3%	16.0%	18.1%	9.6%	10.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



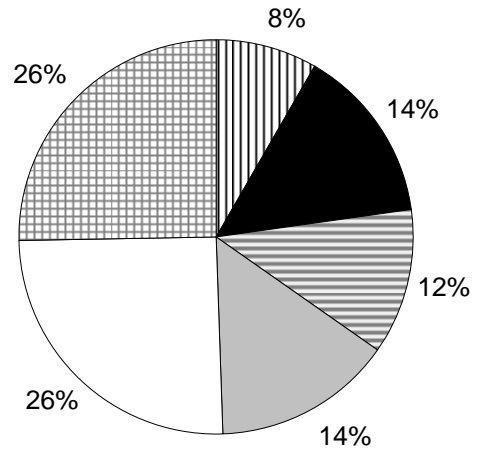
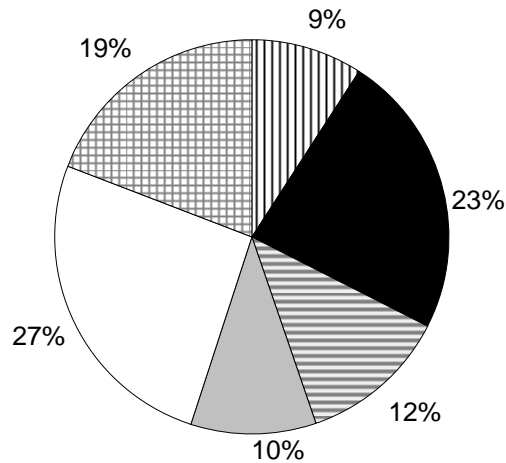
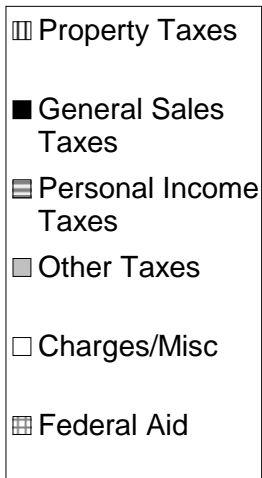
Oklahoma

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		OK	US	OK	US	OK	US
Total General Revenues.....	\$20,422	\$5,763	\$6,816	20.4%	20.8%	5.9%	5.6%
Own Sources.....	\$15,242	\$4,301	\$5,338	15.2%	16.3%	5.0%	5.3%
Taxes.....	\$10,073	\$2,843	\$3,698	10.1%	11.3%	4.7%	5.2%
Property Taxes.....	\$1,719	\$485	\$1,132	1.7%	3.5%	5.0%	5.1%
General Sales Taxes.....	\$2,930	\$827	\$887	2.9%	2.7%	0.9%	5.1%
Personal Income Taxes.....	\$2,469	\$697	\$813	2.5%	2.5%	5.7%	5.7%
Other Taxes.....	\$2,955	\$834	\$866	3.0%	2.6%	9.6%	4.9%
Charges/Miscellaneous.....	\$5,169	\$1,459	\$1,640	5.2%	5.0%	5.7%	5.7%
Federal Aid.....	\$5,179	\$1,462	\$1,478	5.2%	4.5%	9.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Oklahoma

I. Personal Income Tax (2006)

State Income Tax Base

Oklahoma's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers who have sufficient gross income for filing a federal return must file. In addition, taxpayers who have any withholding or make Oklahoma estimated tax payments must file.

Rate Structure*			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,000	0.5%	First \$2,000	0.5%
\$1,001 – \$2,500	1.0%	\$2,001 – \$5,000	1.0%
\$2,501 – \$3,750	2.0%	\$5,001 – \$7,500	2.0%
\$3,751 – \$4,900	3.0%	\$7,501 – \$9,800	3.0%
\$4,901 – \$7,200	4.0%	\$9,801 – \$12,200	4.0%
\$7,201 – \$8,700	5.0%	\$12,201 – \$15,000	5.0%
\$8,701 – \$10,500	6.0%	\$15,001 – \$21,000	6.0%
Over \$10,500	6.25%	Over \$21,000	6.25%

Military Retirement Exemption Greater of 50% of retirement benefits or \$10,000

Public Pension Exemption* \$10,000 exemption per retiree

Private Pension Exemption* \$10,000 exemption per retiree whose adjusted gross income is \$37,500 or less (single filers) or \$75,000 or less (married, filing jointly)

*Total public and private exemptions cannot exceed \$10,000 per person.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Oklahoma

Standard Deductions and Personal Exemptions Combined

Under age 65.	\$3,000 (single); \$5,000 (married, filing jointly)
Age 65 and older*	\$3,000 (single); \$5,000 (married, filing jointly, where both spouses are age 65 or older)

*Age 65 and older above does not include special exemption for those age 65 and older, which is described below.

Special Exemption for Those Age 65 and Older

Single with federal AGI of \$15,000 or less.....One additional exemption (\$1,000)

Married, filing jointly with federal AGI of
\$25,000 or less and both age 65 and older.....Two additional exemptions (\$2,000)

Medical Savings Accounts (MSA) Deduction

Taxpayers can deduct contributions made to and interest earned from an Oklahoma MSA.
Taxpayers cannot deduct those contributions if they were already deducted on their federal return.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	4.5%
Combined state/local tax rates.....	4.5% to 10.75%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.0%	All taxable income
Gasoline (per gallon)	\$0.16	Another \$0.01 per gallon tax is imposed on gas sold by a distributor.
Cigarette (per pack of 20)	\$1.03	
Beer (per gallon)	\$0.403	Over 3.2% alcohol
	\$0.36	Other alcoholic beer beverages

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Oklahoma

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit*

Requirements	Benefits
All homeowners.....	\$1,000 assessed value or \$2,000 assessed value if income is \$20,000 or less

*Effective January 1, 2006, some disabled veterans will not have to pay property taxes.

Circuit Breaker

Requirements	Benefits
Homeowners age 65 and older or disabled, whose income is \$12,000 or less	Up to a \$200 tax credit

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Real Property Valuation Cap

The fair cash value of assessed real property cannot increase by more than 5% per year.

Senior Citizen Valuation Freeze

The fair cash value of assessed real property remains unchanged for homeowners once they reach age 65 if their household income is equal to or less than the United States Department of Housing and Urban Development median income for the county.

Property Tax Rate Limits

Property tax rate limits for each local taxing unit can vary from 0.0025% of the assessed property value (health department levy) to 1.5% of the assessed property value (school district levy).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Oklahoma

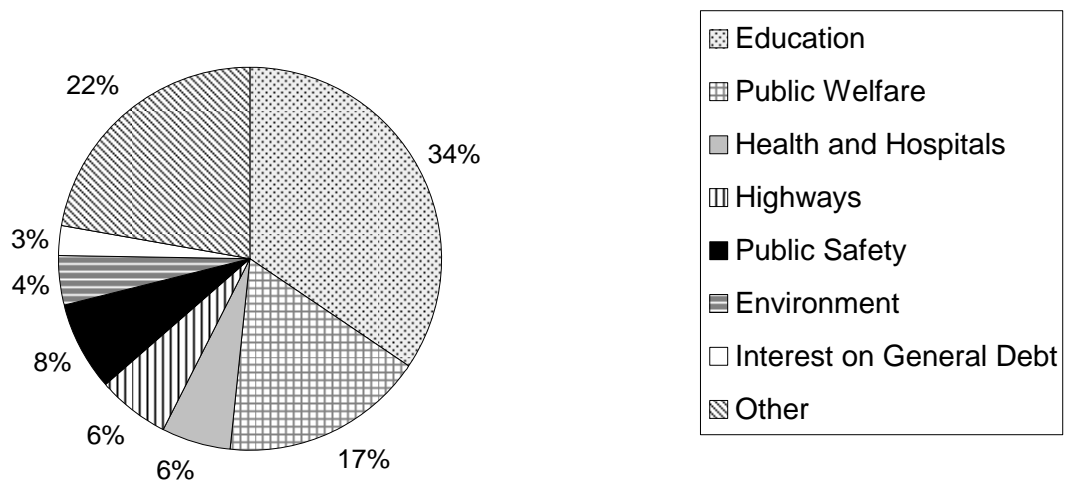
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		OK	US	OK	US	OK	US
		State/Local Direct General Expenditures	\$22,005	\$6,210	\$6,794	22.0%	20.7%
To State/Local Government	\$21,964	\$6,199	\$6,778	21.9%	20.7%	6.9%	5.8%
Education*	\$7,557	\$2,133	\$2,325	7.6%	7.1%	5.4%	6.2%
Public Welfare	\$3,765	\$1,063	\$1,221	3.8%	3.7%	8.9%	6.5%
Health and Hospitals	\$1,297	\$366	\$574	1.3%	1.8%	0.9%	4.9%
Highways	\$1,327	\$374	\$418	1.3%	1.3%	4.6%	4.9%
Public Safety*	\$1,662	\$469	\$599	1.7%	1.8%	6.3%	5.8%
Environment	\$917	\$259	\$383	0.9%	1.2%	4.3%	4.7%
Interest on General Debt	\$561	\$158	\$273	0.6%	0.8%	2.2%	3.6%
Other	\$4,878	\$1,377	\$985	4.9%	3.0%	15.2%	6.1%
To Federal Government	\$41	\$12	\$16	0.0%	0.0%	0.1%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Oklahoma (State and Local)	\$14.4	\$4,067	\$143.99	\$14.4	99.9%	\$0.02	0.1%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

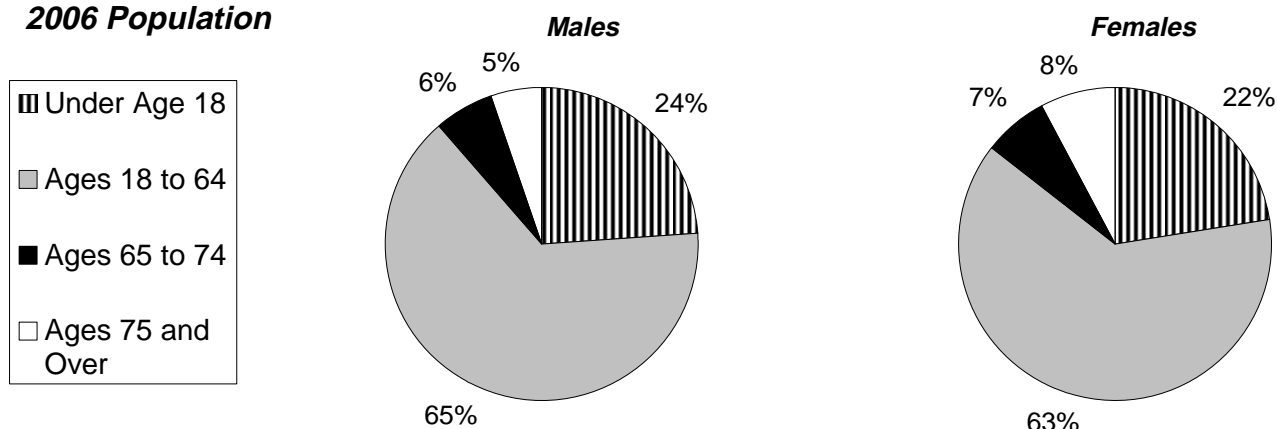
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Oregon

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	OR	US	OR	US	OR	US
	Per Capita Income.....	\$23,398	\$24,175	\$33,252	\$36,629	3.6%
Median Household Income	\$35,492	\$35,492	\$47,091	\$48,201	2.9%	3.1%
Gross State Product (in millions).....	\$91,166	\$7,659,651	\$151,301	\$13,149,033	5.2%	5.6%
Full- and Part-Time Positions (in thousands).....	1,933	152,150	2,304	178,343	1.8%	1.6%
Employed Persons (in thousands)	1,619	126,708	1,796	144,427	1.0%	1.3%
Unemployment Rate.....	5.6%	5.4%	5.4%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	OR	OR	OR	US	OR	US
Total Population.....	3,195,087	3,700,758	15.8%	12.9%	13.3%	13.3%
Males.....	1,576,143	1,839,688	16.7%	13.9%	12.1%	11.9%
Under Age 18.....	412,870	438,459	6.2%	6.6%	16.2%	18.2%
Ages 18 to 64.....	979,976	1,192,538	21.7%	17.4%	11.7%	10.1%
Ages 65 to 74.....	104,291	113,884	9.2%	4.0%	6.0%	6.9%
Ages 75 and Over.....	79,006	94,807	20.0%	25.1%	6.1%	7.7%
Females.....	1,618,944	1,861,070	15.0%	11.9%	14.3%	14.7%
Under Age 18.....	391,600	417,800	6.7%	6.8%	17.3%	18.5%
Ages 18 to 64.....	981,024	1,173,781	19.6%	15.0%	14.1%	13.8%
Ages 65 to 74.....	123,324	126,723	2.8%	-1.0%	9.8%	10.2%
Ages 75 and Over.....	122,996	142,766	16.1%	17.3%	10.9%	13.5%

Source: U.S. Bureau of the Census

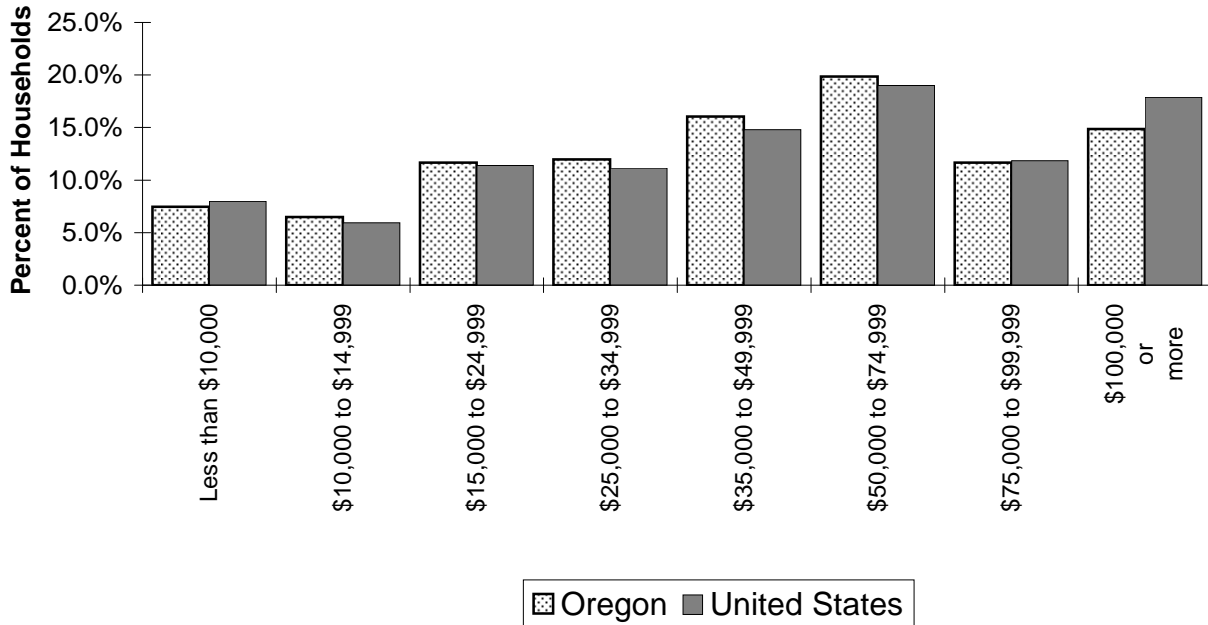
Oregon

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	18.1%	12.2%	19.8%	18.2%	14.8%	12.0%	3.3%	1.5%	100.0%
25 to 44 years.....	5.7%	4.3%	9.7%	11.9%	18.3%	22.7%	12.8%	14.6%	100.0%
45 to 64 years.....	7.1%	4.6%	8.9%	9.5%	14.0%	21.2%	14.2%	20.7%	100.0%
65 years and over.....	8.4%	12.3%	18.4%	15.3%	16.4%	14.6%	7.1%	7.5%	100.0%
Oregon (all ages).....	7.5%	6.5%	11.7%	12.0%	16.0%	19.9%	11.7%	14.8%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



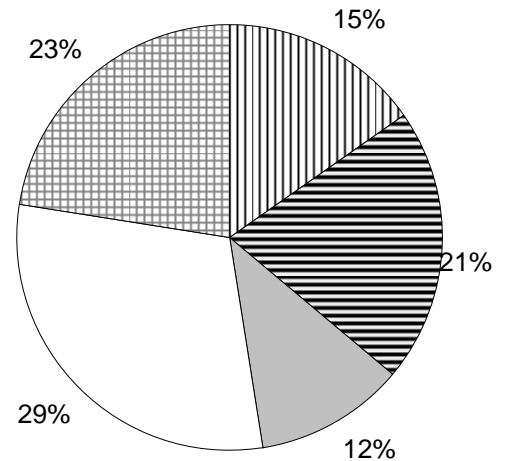
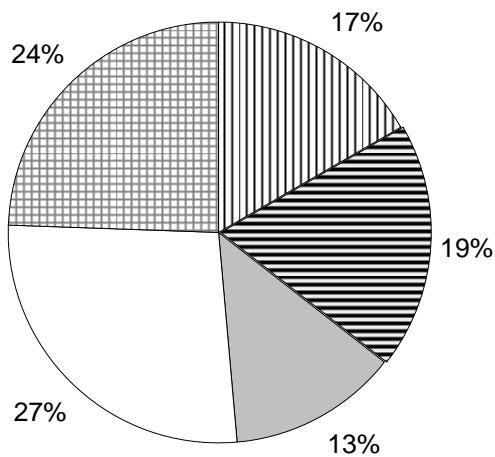
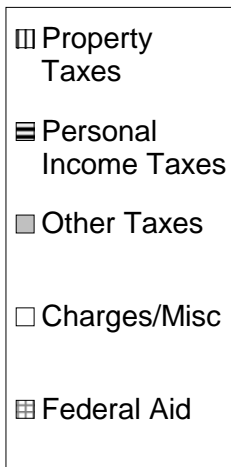
Oregon

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		OR	US	OR	US	OR	US
		Total General Revenues.....	\$23,328	\$6,411	\$6,816	21.2%	20.8%
Own Sources.....	\$18,070	\$4,966	\$5,338	16.5%	16.3%	4.9%	5.3%
Taxes.....	\$11,107	\$3,052	\$3,698	10.1%	11.3%	4.4%	5.2%
Property Taxes.....	\$3,563	\$979	\$1,132	3.2%	3.5%	3.7%	5.1%
General Sales Taxes.....	\$0	\$0	\$887	0.0%	2.7%	0.0%	5.1%
Personal Income Taxes.....	\$4,829	\$1,327	\$813	4.4%	2.5%	5.6%	5.7%
Other Taxes.....	\$2,715	\$746	\$866	2.5%	2.6%	3.2%	4.9%
Charges/Miscellaneous.....	\$6,963	\$1,914	\$1,640	6.3%	5.0%	5.7%	5.7%
Federal Aid.....	\$5,258	\$1,445	\$1,478	4.8%	4.5%	3.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Oregon

I. Personal Income Tax (2006)

State Income Tax Base

Oregon's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers must file if they file a federal tax return or have \$1 or more of Oregon income tax withheld from wages. Residents are also required to file if their gross income exceeds the following amounts:

Under age 65	\$4,890 (single); \$9,800 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$6,090 (single); \$11,800 (married, filing jointly; both spouses are age 65 or older)

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$2,750	5.0%	First \$5,500	5.0%
\$2,751 – \$6,850	7.0%	\$5,501 – \$13,700	7.0%
Over \$6,850	9.0%	Over \$13,700	9.0%

Retirement Income Tax Credit

Tax credits are available up to 9% of pension income for persons age 62 and older whose income is less than \$22,500 (single) or \$45,000 (married, filing jointly), who have received less than \$7,500 (single) or \$15,000 (married, filing jointly) in Social Security benefits and Tier 1 Railroad Retirement benefits, and whose household income plus their Social Security benefits and Tier 1 Railroad Retirement benefits is less than \$22,500 (single) or \$45,000 (married, filing jointly).

Federal pensioners retiring before October 1, 1991, are eligible to receive a full exemption on their federal pension income. Federal pensioners retiring after October 1, 1991, can receive an exemption on their federal pension income based on the time they worked prior to October 1, 1991, compared with their total service time.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Oregon

Standard Deduction

Under age 65	\$1,840 (single); \$3,685 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$3,040 (single); \$5,685 (married, filing jointly; both spouses are age 65 or older)

Health Insurance Premiums Deduction

Taxpayers who have an employer that provides taxable health insurance to them and their same-sex partner may qualify for a deduction.

Other Deductions Federal income taxes owed up to \$5,000

Personal Exemption Credit \$159 (single); \$318 (married, filing jointly)

Elderly or Disabled Tax Credit* 40% of the federal elderly or disabled tax credit

*Taxpayers may claim either the retirement income tax credit or the elderly or disabled tax credit, but not both.

Long-Term Care Insurance Premiums

Credit 15% of their insurance premiums or \$500 (whichever is less); only policies issued in 2000 or later qualify

Local Income Taxes None

II. General Sales Tax Rates (2006)

No state or local sales tax is levied.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.6%	All taxable income
Gasoline (per gallon)	\$0.24	Local taxes, where levied, are additional.
Cigarette (per pack of 20)	\$1.18	
Beer (per gallon)	\$0.084	

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Oregon

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Disabled veterans or surviving spouses.....	\$15,450 assessed value
Service-linked disabled veterans or surviving spouses	\$18,540 assessed value

Circuit Breaker

Requirements	Benefits
Renters age 58 and older whose income is \$10,000 or less and household assets are less than \$25,000.....	Difference between yearly rent paid and 20% of yearly household income; benefit cannot exceed \$2,100 per year

Deferral Program

Requirements	Benefits
Persons age 62 and older or disabled with household income of \$35,000 or less are initially eligible to enter the deferral program. Upon entering the program, recipients must have federal adjusted gross income of \$35,000 or less to continue qualifying for the program.	Defer the payment of homestead property taxes
Persons age 62 and older with household income of \$35,000 or less are initially eligible to enter the deferral program. Upon entering the program, recipients must have federal adjusted gross income of \$35,000 or less to continue qualifying for the program.....	Defer the payment of special assessments

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

V. Real Property Tax Limits, Caps, or Freezes (2007)

- Growth in assessed values of real property cannot exceed 3% per year. This limit does not apply to new construction or major improvement projects (with market values greater than \$10,000 in one year or \$25,000 over five years).
- Total school property tax rates cannot exceed 0.5% of the market value of individual properties.
- Total non-school operating tax rates cannot exceed 1% of the market value of individual properties.
- Taxing districts cannot impose property tax rates beyond certain prescribed limits (otherwise known as permanent limits on assessed property values) without voter approval.
- Voter-approved bonds may exceed any of the limits described earlier.

For an individual property, whatever limit or combination of limits of the above yields the lowest tax is utilized.

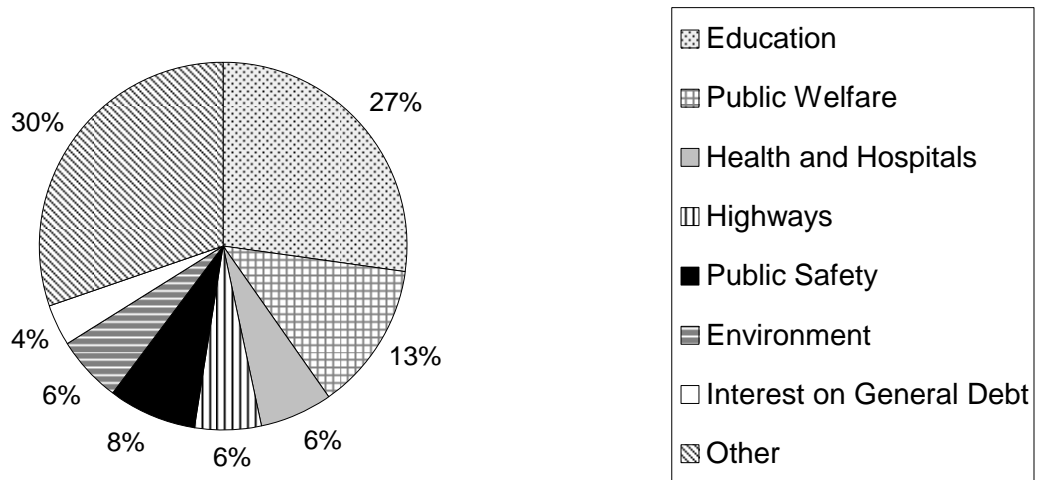
Oregon

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		OR	US	OR	US	OR	US
		State/Local Direct General Expenditures	\$29,084	\$7,993	\$6,794	26.5%	20.7%
To State/Local Government	\$29,084	\$7,993	\$6,778	26.5%	20.7%	7.3%	5.8%
Education*	\$7,880	\$2,166	\$2,325	7.2%	7.1%	4.9%	6.2%
Public Welfare	\$3,806	\$1,046	\$1,221	3.5%	3.7%	6.1%	6.5%
Health and Hospitals	\$1,889	\$519	\$574	1.7%	1.8%	4.8%	4.9%
Highways	\$1,670	\$459	\$418	1.5%	1.3%	4.9%	4.9%
Public Safety*	\$2,320	\$638	\$599	2.1%	1.8%	7.3%	5.8%
Environment	\$1,662	\$457	\$383	1.5%	1.2%	5.5%	4.7%
Interest on General Debt	\$1,046	\$287	\$273	1.0%	0.8%	5.1%	3.6%
Other	\$8,812	\$2,421	\$985	8.0%	3.0%	13.5%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Oregon (State and Local)	\$25.9	\$7,106	\$235.47	\$25.8	99.8%	\$0.04	0.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

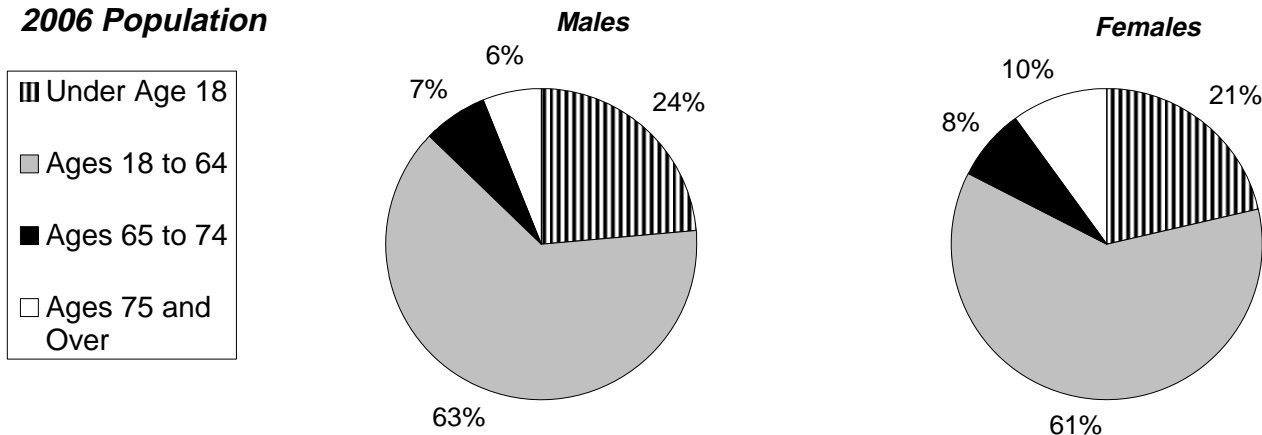
Source: U.S. Bureau of the Census

Pennsylvania

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	PA	US	PA	US	PA	US
	Per Capita Income.....	\$24,344	\$24,175	\$36,689	\$36,629	4.2%
Median Household Income	\$34,899	\$35,492	\$48,477	\$48,201	3.3%	3.1%
Gross State Product (in millions).....	\$325,515	\$7,659,651	\$510,293	\$13,149,033	4.6%	5.6%
Full- and Part-Time Positions (in thousands).....	6,525	152,150	7,296	178,343	1.1%	1.6%
Employed Persons (in thousands)	5,662	126,708	6,010	144,427	0.6%	1.3%
Unemployment Rate.....	5.4%	5.4%	4.7%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	PA	PA	PA	US	PA	US
Total Population.....	12,038,008	12,440,621	3.3%	12.9%	12.1%	13.3%
Males.....	5,783,087	6,047,537	4.6%	13.9%	10.7%	11.9%
Under Age 18.....	1,475,292	1,435,343	-2.7%	6.6%	17.1%	18.2%
Ages 18 to 64.....	3,542,850	3,845,146	8.5%	17.4%	9.2%	10.1%
Ages 65 to 74.....	454,739	401,656	-11.7%	4.0%	5.9%	6.9%
Ages 75 and Over.....	310,206	365,392	17.8%	25.1%	6.0%	7.7%
Females.....	6,254,921	6,393,084	2.2%	11.9%	13.3%	14.7%
Under Age 18.....	1,401,110	1,369,530	-2.3%	6.8%	16.7%	18.5%
Ages 18 to 64.....	3,703,597	3,905,279	5.4%	15.0%	12.7%	13.8%
Ages 65 to 74.....	584,490	485,555	-16.9%	-1.0%	9.1%	10.2%
Ages 75 and Over.....	565,724	632,720	11.8%	17.3%	12.7%	13.5%

Source: U.S. Bureau of the Census

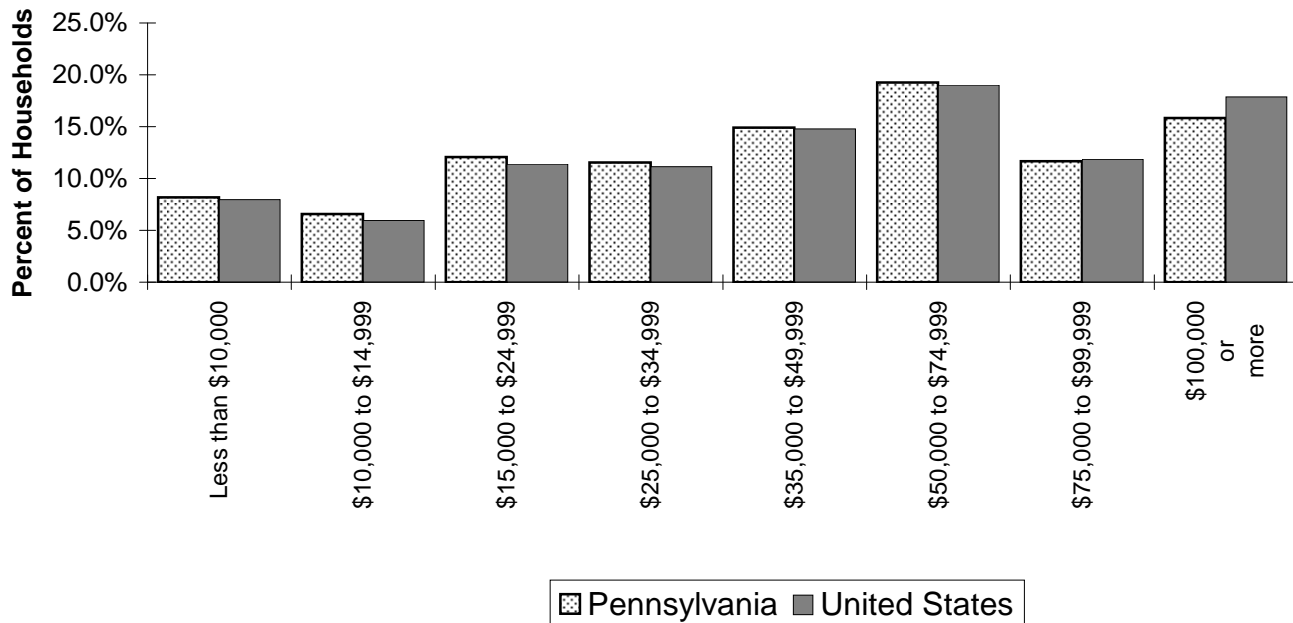
Pennsylvania

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	25.1%	10.3%	18.5%	14.5%	14.2%	12.2%	3.5%	1.7%	100.0%
25 to 44 years.....	6.4%	3.6%	8.8%	10.8%	16.3%	23.4%	14.2%	16.7%	100.0%
45 to 64 years.....	6.8%	4.3%	8.0%	9.6%	13.9%	20.6%	14.4%	22.3%	100.0%
65 years and over.....	10.4%	13.9%	22.2%	15.2%	14.8%	12.5%	4.9%	6.1%	100.0%
Pennsylvania (all ages).	8.2%	6.6%	12.1%	11.5%	14.9%	19.2%	11.7%	15.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



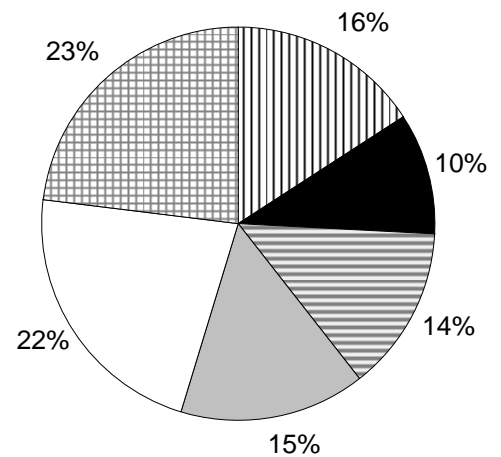
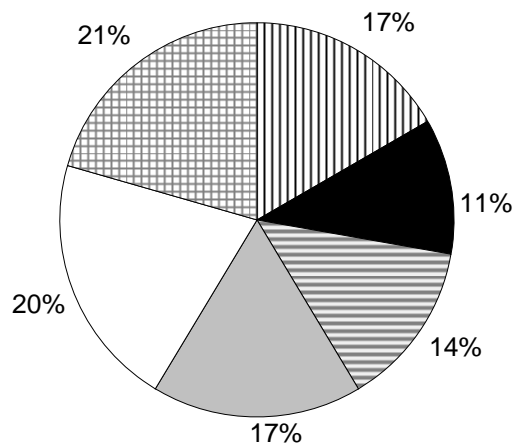
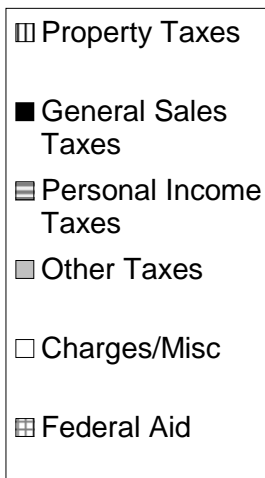
Pennsylvania

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		PA	US	PA	US	PA	US
Total General Revenues.....	\$84,036	\$6,774	\$6,816	20.3%	20.8%	5.1%	5.6%
Own Sources.....	\$64,777	\$5,222	\$5,338	15.7%	16.3%	4.8%	5.3%
Taxes.....	\$46,019	\$3,710	\$3,698	11.1%	11.3%	4.4%	5.2%
Property Taxes.....	\$13,391	\$1,079	\$1,132	3.2%	3.5%	4.7%	5.1%
General Sales Taxes.....	\$8,258	\$666	\$887	2.0%	2.7%	3.9%	5.1%
Personal Income Taxes.....	\$11,462	\$924	\$813	2.8%	2.5%	5.1%	5.7%
Other Taxes.....	\$12,908	\$1,041	\$866	3.1%	2.6%	3.9%	4.9%
Charges/Miscellaneous.....	\$18,758	\$1,512	\$1,640	4.5%	5.0%	5.9%	5.7%
Federal Aid.....	\$19,259	\$1,552	\$1,478	4.7%	4.5%	6.2%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Pennsylvania

I. Personal Income Tax (2006)

State Income Tax Base

Pennsylvania's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if they have Pennsylvania gross taxable income exceeding \$33 or they have incurred a loss from any transaction as an individual, sole proprietor, partner in a partnership, or Pennsylvania S corporation shareholder.

Rate Structure

3.07% of taxable income

Public and Private Pension Income Full exemption

Social Security Benefits Full exemption

Standard Deductions and Personal Exemptions Combined

None

Local Income Taxes

Many cities and boroughs levy earned income taxes. Philadelphia and Pittsburgh levy a wage and net profits tax. Philadelphia also levies a school district investment income tax.

II. General Sales Tax Rates (2006)

State 6.0%
Combined state/local tax rates..... 6.0% to 7.0%*

*Only the city of Philadelphia and Allegheny County levy a local 1% general sales tax. No other locality levies a local general sales tax.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.99%	All taxable income
Gasoline (per gallon)	\$0.12	An additional \$0.142-per-gallon oil franchise tax applies.
Cigarette (per pack of 20)	\$1.35	
Beer (per gallon)	\$0.08	

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Pennsylvania

IV. Real Property Tax Relief Programs (2007)

Homestead Exemptions/Exclusions

Requirements	Benefits
Homeowners	School districts and municipalities have the option of offering an exclusion of up to 50% of the median assessed value of residential properties for property taxes (Act 50).
Homeowners	School districts have the option of offering an exclusion of up to 50% of the median assessed value of residential properties for property taxes (Act 72). School districts cannot increase their budget more than the cost of living to qualify for the program.
Fully disabled veterans with service-related disability	Full exemption

Circuit Breaker

Requirements	Benefits
Homeowners age 65 and older, surviving spouses age 50 or older, or permanently disabled (age 18 and older) whose income is \$35,000 or less	Up to a \$650 property tax rebate
Renters age 65 and older, surviving spouses age 50 or older, or permanently disabled (age 18 and older) whose income is \$15,000 or less	Up to a \$650 rent rebate

Deferral Program (local option program)

Requirements	Benefits
Homeowners whose household income is under \$15,000	Defer real property taxes in excess of the prior year's property tax liability

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Pennsylvania

V. Real Property Tax Limits, Caps, or Freezes (2007)

Total aggregate property taxes following the year of assessment cannot annually increase by more than 5% or 10%, depending on the political subdivision. This limit does not apply to new construction or additions.

Any percentage increase in “aggregate” school property taxes because of higher property assessments cannot be greater than the percentage change in statewide average weekly wages in the preceding year. This limitation does not apply to new additions and improvements, emergencies, and bonded indebtedness and can be overridden through a voter referendum.

Property Tax Rate Limits*

Boroughs.....	\$3.00 per \$100 of taxable value
Second-class townships.....	\$1.40 per \$100 of taxable value
Cities	\$2.50 per \$100 of taxable value
First-class townships.....	\$3.00 per \$100 of taxable value
Counties	\$2.50 to \$3.00 per \$100 of taxable value

*Exceptions to these limits include bonded indebtedness and special restricted receipt levies. In addition, these limits do not apply to Philadelphia, Pittsburgh, Scranton, and the Philadelphia School District.

VI. Local Expenditure Limits (2007)

School districts pursuant to Special Session Act 1 cannot increase their budgets by more than the cost of living. In exchange, school districts will receive more state aid from state slot machine revenues. The increase in state aid will result in lower property taxes to homeowners through a homestead exclusion of up to 50% of the median assessed value of residential properties for property taxes.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Pennsylvania

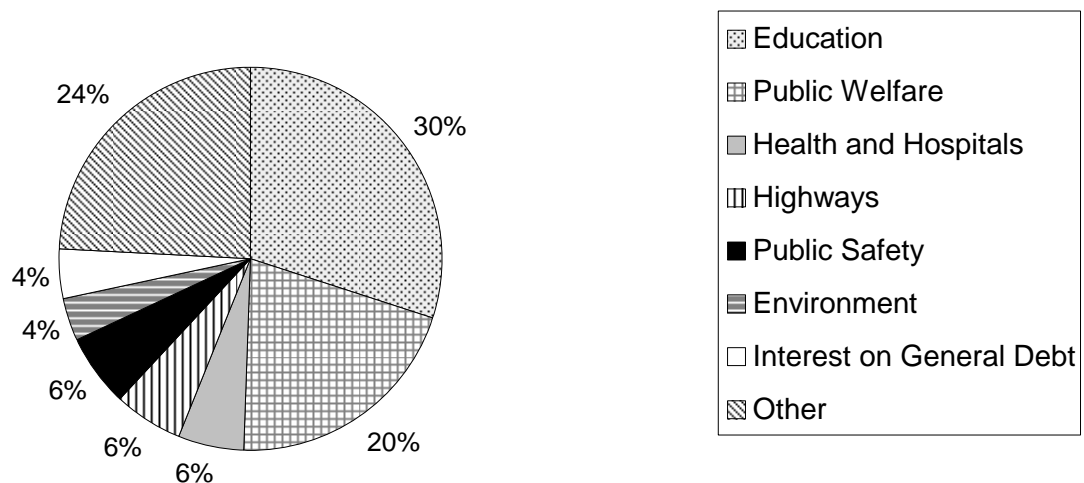
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		PA	US	PA	US	PA	US
		State/Local Direct General Expenditures	\$100,437	\$8,096	\$6,794	24.3%	20.7%
To State/Local Government	\$100,275	\$8,083	\$6,778	24.2%	20.7%	7.1%	5.8%
Education*	\$30,193	\$2,434	\$2,325	7.3%	7.1%	6.3%	6.2%
Public Welfare	\$20,421	\$1,646	\$1,221	4.9%	3.7%	6.2%	6.5%
Health and Hospitals	\$5,660	\$456	\$574	1.4%	1.8%	6.0%	4.9%
Highways	\$5,775	\$466	\$418	1.4%	1.3%	6.7%	4.9%
Public Safety*	\$6,134	\$494	\$599	1.5%	1.8%	5.9%	5.8%
Environment	\$3,611	\$291	\$383	0.9%	1.2%	4.0%	4.7%
Interest on General Debt	\$4,190	\$338	\$273	1.0%	0.8%	2.0%	3.6%
Other	\$24,290	\$1,958	\$985	5.9%	3.0%	12.8%	6.1%
To Federal Government	\$162	\$13	\$16	0.0%	0.0%	1.4%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Pennsylvania (State and Local)	\$100.6	\$8,109	\$243.03	\$99.3	98.7%	\$1.26	1.3%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

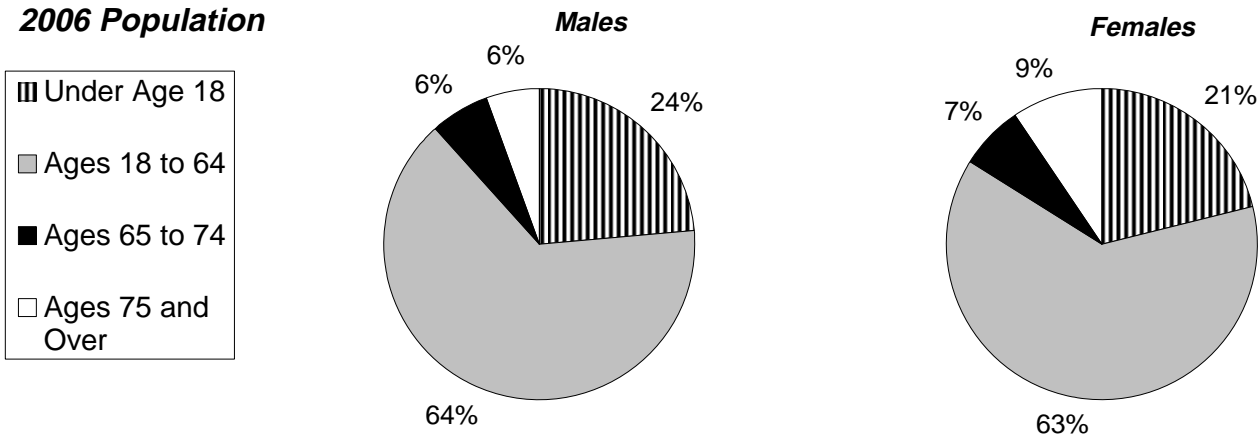
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Rhode Island

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	RI	US	RI	US	RI	US
	Per Capita Income.....	\$24,106	\$24,175	\$37,261	\$36,629	4.5%
Median Household Income	\$36,986	\$35,492	\$53,736	\$48,201	3.8%	3.1%
Gross State Product (in millions).....	\$26,665	\$7,659,651	\$45,660	\$13,149,033	5.5%	5.6%
Full- and Part-Time Positions (in thousands).....	544	152,150	620	178,343	1.3%	1.6%
Employed Persons (in thousands)	490	126,708	548	144,427	1.1%	1.3%
Unemployment Rate.....	5.3%	5.4%	5.1%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population			Poverty Rate		
	1996	2006	Percentage Change 1996–2006		2006	
	RI	RI	RI	US	RI	US
Total Population.....	987,858	1,067,610	8.1%	12.9%	11.1%	13.3%
Males.....	474,413	516,213	8.8%	13.9%	9.9%	11.9%
Under Age 18.....	121,356	121,649	0.2%	6.6%	16.7%	18.2%
Ages 18 to 64.....	292,176	335,015	14.7%	17.4%	8.0%	10.1%
Ages 65 to 74.....	35,423	30,356	-14.3%	4.0%	8.3%	6.9%
Ages 75 and Over.....	25,458	29,193	14.7%	25.1%	4.8%	7.7%
Females.....	513,445	551,397	7.4%	11.9%	12.2%	14.7%
Under Age 18.....	115,048	115,802	0.7%	6.8%	13.5%	18.5%
Ages 18 to 64.....	303,379	347,178	14.4%	15.0%	12.2%	13.8%
Ages 65 to 74.....	46,220	36,949	-20.1%	-1.0%	9.2%	10.2%
Ages 75 and Over.....	48,798	51,468	5.5%	17.3%	11.5%	13.5%

Source: U.S. Bureau of the Census

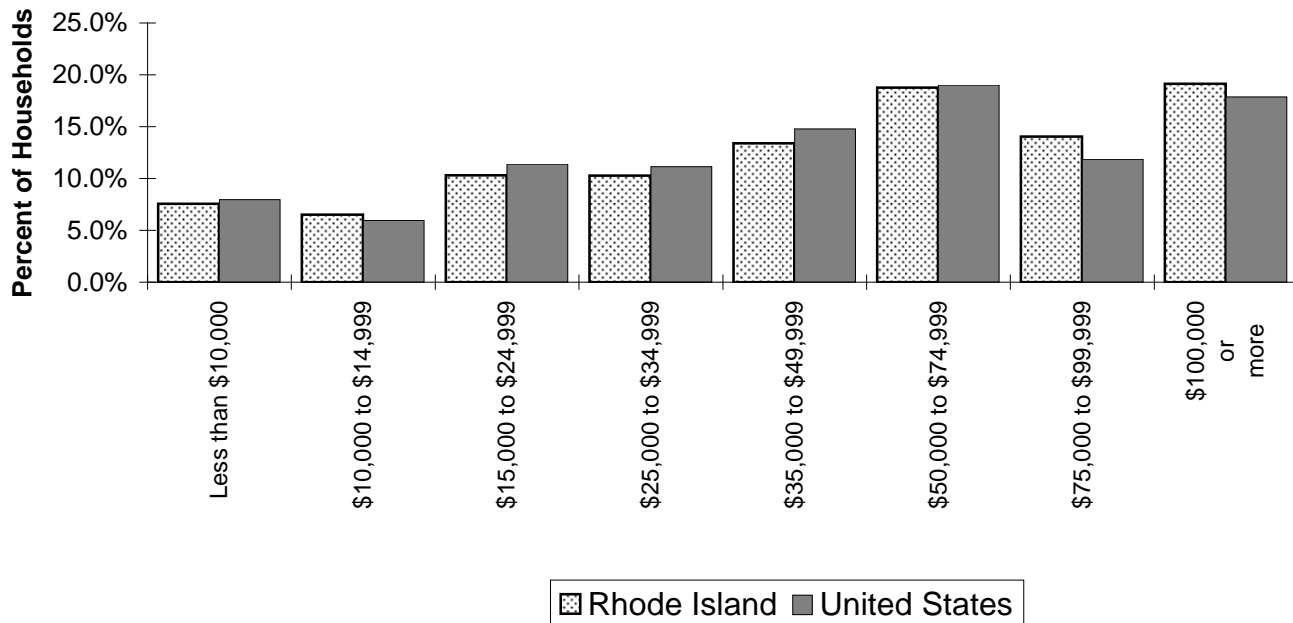
Rhode Island

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	19.3%	11.7%	13.9%	16.7%	22.4%	13.1%	2.0%	0.9%	100.0%
25 to 44 years.....	5.5%	3.9%	6.5%	10.4%	13.5%	22.8%	18.7%	18.8%	100.0%
45 to 64 years.....	6.4%	4.9%	7.3%	8.2%	12.0%	19.6%	14.9%	26.6%	100.0%
65 years and over.....	10.9%	12.9%	21.6%	12.9%	14.1%	11.5%	6.9%	9.2%	100.0%
Rhode Island (all ages).	7.6%	6.5%	10.3%	10.3%	13.4%	18.8%	14.0%	19.1%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



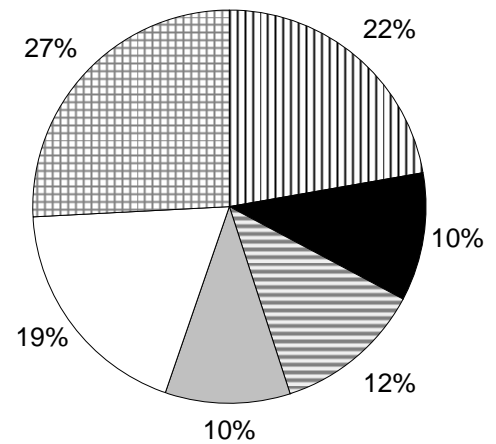
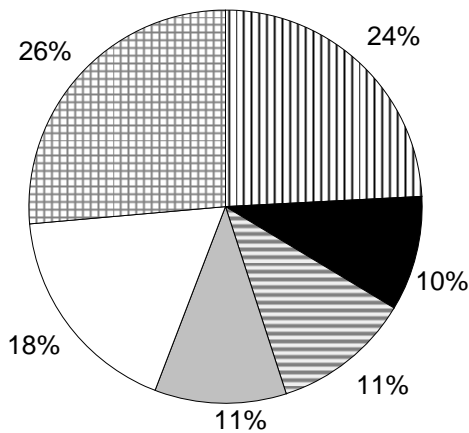
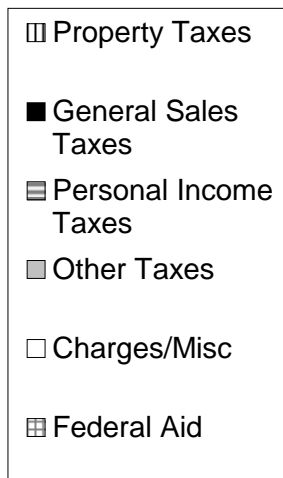
Rhode Island

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		RI	US	RI	US	RI	US
Total General Revenues.....	\$8,147	\$7,589	\$6,816	22.1%	20.8%	5.6%	5.6%
Own Sources.....	\$6,041	\$5,627	\$5,338	16.4%	16.3%	5.7%	5.3%
Taxes.....	\$4,500	\$4,192	\$3,698	12.2%	11.3%	5.5%	5.2%
Property Taxes.....	\$1,819	\$1,695	\$1,132	4.9%	3.5%	4.8%	5.1%
General Sales Taxes.....	\$844	\$786	\$887	2.3%	2.7%	6.3%	5.1%
Personal Income Taxes.....	\$998	\$930	\$813	2.7%	2.5%	6.5%	5.7%
Other Taxes.....	\$839	\$781	\$866	2.3%	2.6%	5.1%	4.9%
Charges/Miscellaneous.....	\$1,542	\$1,436	\$1,640	4.2%	5.0%	6.1%	5.7%
Federal Aid.....	\$2,106	\$1,962	\$1,478	5.7%	4.5%	5.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Rhode Island

I. Personal Income Tax (2006)

State Income Tax Base

Rhode Island's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal tax return or have received Rhode Island income exceeding federal personal exemptions.

Rate Structure*			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$30,650	3.75%	First \$51,200	3.75%
\$30,651 – \$74,200	7.0%	\$51,201 – \$123,700	7.0%
\$74,201 – \$154,800	7.75%	\$123,701 – \$188,450	7.75%
\$154,801 – \$336,550	9.0%	\$188,451 – \$336,550	9.0%
Over \$336,550	9.9%	Over \$336,550	9.9%

*There is an alternative flat tax of 8% on modified federal adjusted gross income.

Public and Private Pension Exemptions None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Rhode Island

Standard Deductions and Personal Exemptions Combined*

Under age 65*	\$8,400 (single); \$15,200 (married, filing jointly, both spouses are under age 65)
Age 65 and older*	\$9,700 (single); \$17,200 (married, filing jointly, both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	7.0%
Combined state/local tax rates.....	7.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.0%	All taxable income (minimum tax \$250)
Gasoline (per gallon).....	\$0.30	
Cigarette (per pack of 20)	\$2.46	Plus a 7% sales tax
Beer (per gallon)	\$0.097	

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit**

Requirements	Benefits
Veterans.....	\$1,000 assessed value
Blind	\$6,000 assessed value

**Some localities may provide other forms of homestead exemptions.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Rhode Island

Circuit Breaker*

Eligibility	Homeowners and renters age 65 and older, or recipients of Social Security Disability Income payments
Income ceiling	\$30,000
Maximum benefit.....	\$300 tax credit

*If sufficient state monies are available, homeowners and renters under age 65 can also apply to receive full or partial credit after June 30.

Deferral Program	No statewide programs are available; however, some cities and towns offer such programs.
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V. Real Property Tax Limits, Caps, or Freezes (2007)

Local taxing districts cannot annually increase local property tax revenues by more than 5.25% for 2008. This limit falls in 0.25% increments until it reaches 4.0% in 2013. Exceptions to this limit include various special emergency situations, increases in bonded indebtedness, and losses in non-property tax revenues.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

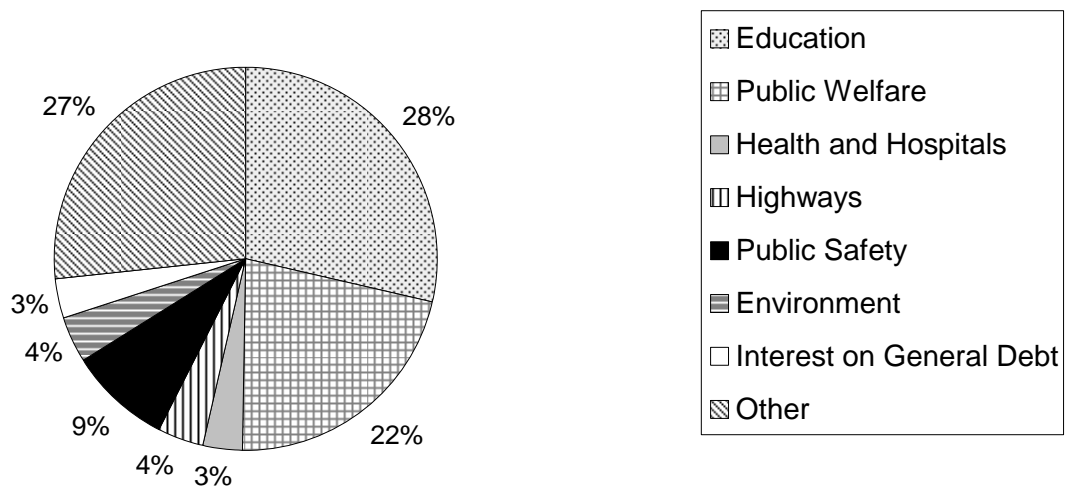
Rhode Island

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		RI	US	RI	US	RI	US
		State/Local Direct General Expenditures	\$9,380	\$8,737	\$6,794	25.5%	20.7%
To State/Local Government	\$9,353	\$8,712	\$6,778	25.4%	20.7%	6.8%	5.8%
Education*	\$2,670	\$2,487	\$2,325	7.3%	7.1%	6.2%	6.2%
Public Welfare	\$2,045	\$1,905	\$1,221	5.6%	3.7%	8.6%	6.5%
Health and Hospitals	\$300	\$279	\$574	0.8%	1.8%	-1.2%	4.9%
Highways	\$376	\$350	\$418	1.0%	1.3%	1.7%	4.9%
Public Safety*	\$800	\$745	\$599	2.2%	1.8%	6.7%	5.8%
Environment	\$350	\$326	\$383	1.0%	1.2%	0.8%	4.7%
Interest on General Debt	\$317	\$295	\$273	0.9%	0.8%	-0.9%	3.6%
Other	\$2,496	\$2,325	\$985	6.8%	3.0%	12.8%	6.1%
To Federal Government	\$27	\$25	\$16	0.1%	0.0%	3.9%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Rhode Island (State and Local)	\$8.7	\$8,103	\$236.29	\$8.6	99.1%	\$0.07	0.9%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

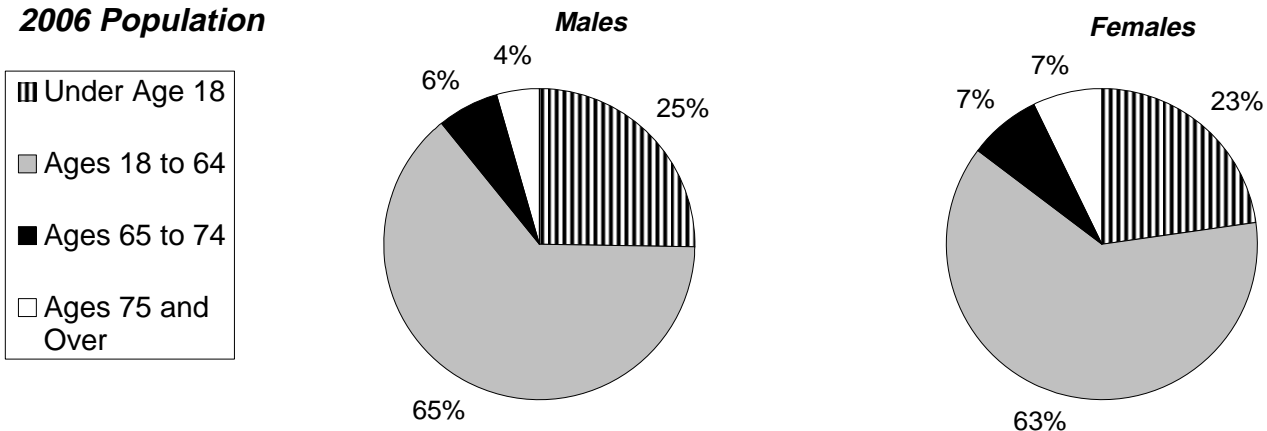
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South Carolina

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	SC	US	SC	US	SC	US
	Per Capita Income.....	\$20,058	\$24,175	\$29,688	\$36,629	4.0%
Median Household Income	\$34,665	\$35,492	\$39,617	\$48,201	1.3%	3.1%
Gross State Product (in millions).....	\$89,260	\$7,659,651	\$149,214	\$13,149,033	5.3%	5.6%
Full- and Part-Time Positions (in thousands).....	2,094	152,150	2,442	178,343	1.5%	1.6%
Employed Persons (in thousands)	1,786	126,708	1,988	144,427	1.1%	1.3%
Unemployment Rate.....	5.6%	5.4%	6.5%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	SC	SC	SC	US	SC	US
Total Population.....	3,738,974	4,321,249	15.6%	12.9%	15.7%	13.3%
Males.....	1,802,349	2,103,713	16.7%	13.9%	13.8%	11.9%
Under Age 18.....	483,947	532,135	10.0%	6.6%	22.1%	18.2%
Ages 18 to 64.....	1,137,030	1,341,620	18.0%	17.4%	11.3%	10.1%
Ages 65 to 74.....	115,582	135,627	17.3%	4.0%	8.2%	6.9%
Ages 75 and Over.....	65,790	94,331	43.4%	25.1%	8.7%	7.7%
Females.....	1,936,625	2,217,536	14.5%	11.9%	17.5%	14.7%
Under Age 18.....	465,685	507,518	9.0%	6.8%	22.2%	18.5%
Ages 18 to 64.....	1,199,954	1,386,580	15.6%	15.0%	16.4%	13.8%
Ages 65 to 74.....	148,926	163,632	9.9%	-1.0%	12.4%	10.2%
Ages 75 and Over.....	122,060	159,806	30.9%	17.3%	17.1%	13.5%

Source: U.S. Bureau of the Census

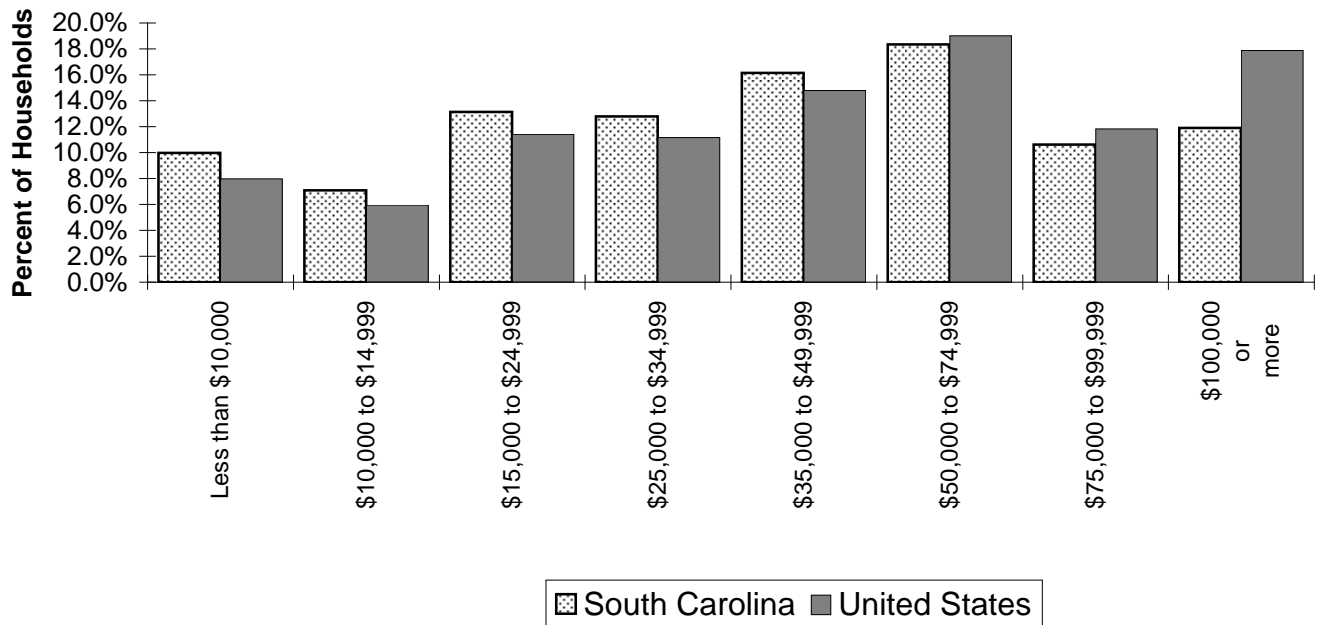
South Carolina

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	25.9%	10.1%	21.6%	14.3%	14.1%	9.2%	2.9%	1.8%	100.0%
25 to 44 years.....	7.5%	4.6%	10.8%	14.0%	18.0%	21.3%	12.5%	11.2%	100.0%
45 to 64 years.....	8.7%	5.4%	10.6%	10.8%	16.0%	19.3%	12.5%	16.7%	100.0%
65 years and over.....	12.7%	13.6%	19.7%	14.0%	13.9%	13.7%	5.7%	6.6%	100.0%
South Carolina (all ages).	10.0%	7.1%	13.1%	12.8%	16.2%	18.3%	10.6%	11.9%	100.0%
United States (all ages)...	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



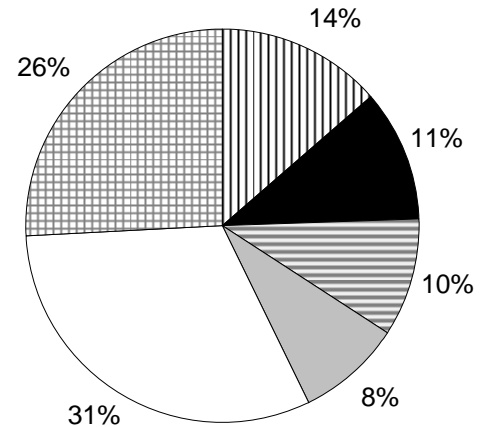
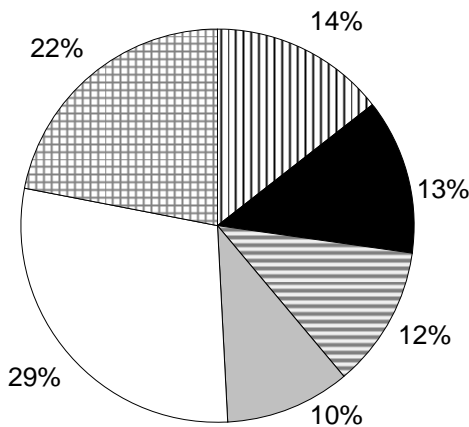
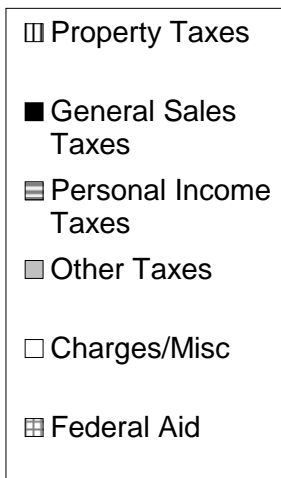
South Carolina

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		SC	US	SC	US	SC	US
		Total General Revenues.....	\$27,622	\$6,504	\$6,816	24.4%	20.8%
Own Sources.....	\$20,521	\$4,832	\$5,338	18.1%	16.3%	6.2%	5.3%
Taxes.....	\$11,801	\$2,779	\$3,698	10.4%	11.3%	5.3%	5.2%
Property Taxes.....	\$3,739	\$880	\$1,132	3.3%	3.5%	6.1%	5.1%
General Sales Taxes.....	\$3,031	\$714	\$887	2.7%	2.7%	5.1%	5.1%
Personal Income Taxes.....	\$2,691	\$634	\$813	2.4%	2.5%	5.0%	5.7%
Other Taxes.....	\$2,340	\$551	\$866	2.1%	2.6%	4.6%	4.9%
Charges/Miscellaneous.....	\$8,720	\$2,053	\$1,640	7.7%	5.0%	7.7%	5.7%
Federal Aid.....	\$7,101	\$1,672	\$1,478	6.3%	4.5%	8.5%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



South Carolina

I. Personal Income Tax (2006)

State Income Tax Base

South Carolina's income tax base is linked to federal taxable income.

Filing Requirements

Taxpayers under age 65 must file if they filed a federal tax return that includes income taxable by South Carolina. Taxpayers age 65 and older must file if their gross income is greater than the federal gross income filing requirement plus \$15,000 (single) or \$30,000 (married, filing jointly; both spouses are age 65 or older).

Rate Structure

All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>
First \$2,570	2.5%
\$2,571 – \$5,140	3.0%
\$5,141 – \$7,710	4.0%
\$7,711 – \$10,280	5.0%
\$10,281 – \$12,850	6.0%
Over \$12,850	7.0%

Retirement Deduction

\$3,000 deduction for persons claiming the deduction under age 65; \$10,000 deduction for persons claiming the deduction at age 65 and older.

Social Security Benefits Full exemption

Senior Citizen Deduction

Taxpayers age 65 and older may receive a deduction of \$15,000 (single) or \$15,000 per spouse (married, filing jointly) against any source of income. However, the deductions are reduced by any retirement deduction taken.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

South Carolina

Standard Deductions and Personal Exemptions Combined*

Under age 65*	\$8,450 (single); \$16,900 (married, filing jointly, both spouses are under age 65)
Age 65 and older*	\$9,700 (single); \$18,900 (married, filing jointly, both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Long-Term Care Expense Credit 20% tax credit for nursing home expenses or in-home or community care expenses up to \$300; no credit is allowed for expenses paid from public source funds, such as Medicaid

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.0%
Combined state/local tax rates..... 5.0% to 7.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 5.0% All taxable income
Gasoline (per gallon) \$0.16
Cigarette (per pack of 20) \$0.07
Beer (per gallon) \$0.768

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

South Carolina

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners.....	\$100,000 fair market value (school operating taxes only)
Age 65 and older, blind, or permanently disabled	\$50,000 fair market value
Paraplegics and disabled veterans	Full exemption for the homestead and the value of the land up to one acre
Circuit Breaker	None
Deferral Program	None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Local taxing districts cannot increase their property tax rates by more than the inflation rate (CPI rate) and the percentage increase in the population of the jurisdiction. This limitation does not apply to bonded indebtedness or to new construction/property or additions. This limit can be overridden by a two-thirds vote of the local governing body for the following purposes: (1) a prior year deficiency, (2) a catastrophic event, (3) compliance with a court order or decree, (4) closure of a facility that provided 10% or more of tax revenues for the jurisdiction or (5) compliance with regulations or statutes enacted after April 26, 2007. These levies must be separated on the tax bill with an explanation for each.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

South Carolina

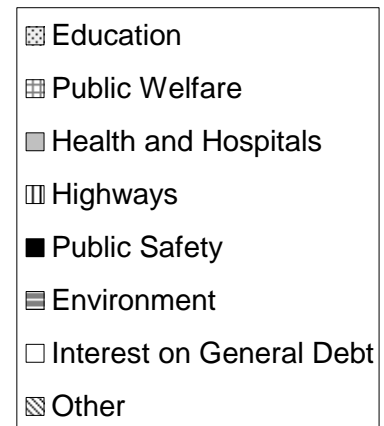
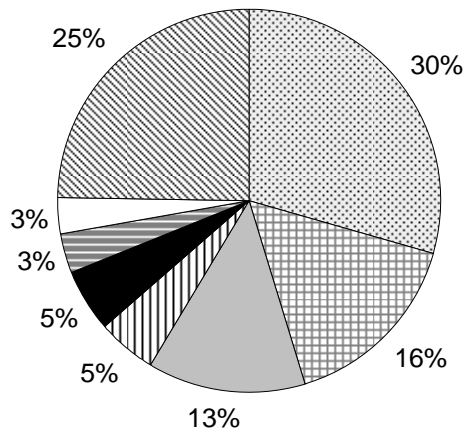
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		SC	US	SC	US	SC	US
		State/Local Direct General Expenditures	\$33,011	\$7,773	\$6,794	29.1%	20.7%
To State/Local Government	\$33,011	\$7,773	\$6,778	29.1%	20.7%	8.7%	5.8%
Education*	\$9,763	\$2,299	\$2,325	8.6%	7.1%	7.1%	6.2%
Public Welfare	\$5,203	\$1,225	\$1,221	4.6%	3.7%	7.9%	6.5%
Health and Hospitals	\$4,387	\$1,033	\$574	3.9%	1.8%	5.9%	4.9%
Highways	\$1,647	\$388	\$418	1.5%	1.3%	8.8%	4.9%
Public Safety*	\$1,759	\$414	\$599	1.6%	1.8%	5.4%	5.8%
Environment	\$1,088	\$256	\$383	1.0%	1.2%	5.1%	4.7%
Interest on General Debt	\$996	\$235	\$273	0.9%	0.8%	7.9%	3.6%
Other	\$8,167	\$1,923	\$985	7.2%	3.0%	17.7%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	0.0%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
South Carolina (State and Local)	\$29.9	\$7,044	\$263.94	\$29.7	99.2%	\$0.25	0.8%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

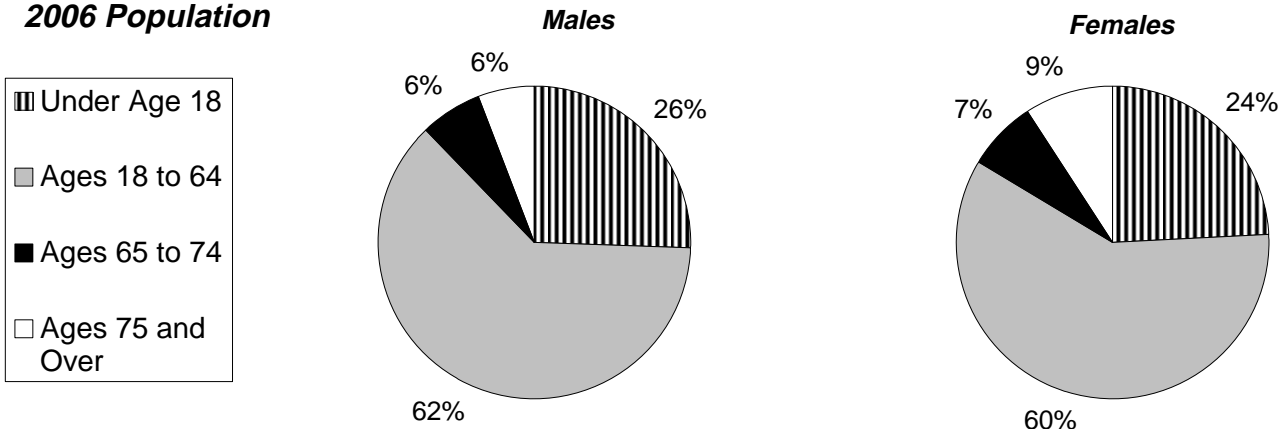
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South Dakota

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	SD	US	SD	US	SD	US
	Per Capita Income.....	\$21,488	\$24,175	\$32,405	\$36,629	4.2%
Median Household Income	\$29,526	\$35,492	\$45,427	\$48,201	4.4%	3.1%
Gross State Product (in millions).....	\$19,073	\$7,659,651	\$32,330	\$13,149,033	5.4%	5.6%
Full- and Part-Time Positions (in thousands).....	482	152,150	556	178,343	1.4%	1.6%
Employed Persons (in thousands)	379	126,708	417	144,427	1.0%	1.3%
Unemployment Rate.....	3.4%	5.4%	3.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	SD	SD	SD	US	SD	US
Total Population.....	730,699	781,919	7.0%	12.9%	13.6%	13.3%
Males.....	359,530	390,578	8.6%	13.9%	12.2%	11.9%
Under Age 18.....	103,478	99,992	-3.4%	6.6%	16.9%	18.2%
Ages 18 to 64.....	211,313	243,026	15.0%	17.4%	10.8%	10.1%
Ages 65 to 74.....	25,339	24,655	-2.7%	4.0%	7.4%	6.9%
Ages 75 and Over.....	19,400	22,905	18.1%	25.1%	12.2%	7.7%
Females.....	371,169	391,341	5.4%	11.9%	14.9%	14.7%
Under Age 18.....	98,977	94,689	-4.3%	6.8%	16.7%	18.5%
Ages 18 to 64.....	211,219	233,029	10.3%	15.0%	14.2%	13.8%
Ages 65 to 74.....	28,579	27,701	-3.1%	-1.0%	9.7%	10.2%
Ages 75 and Over.....	32,394	35,922	10.9%	17.3%	19.5%	13.5%

Source: U.S. Bureau of the Census

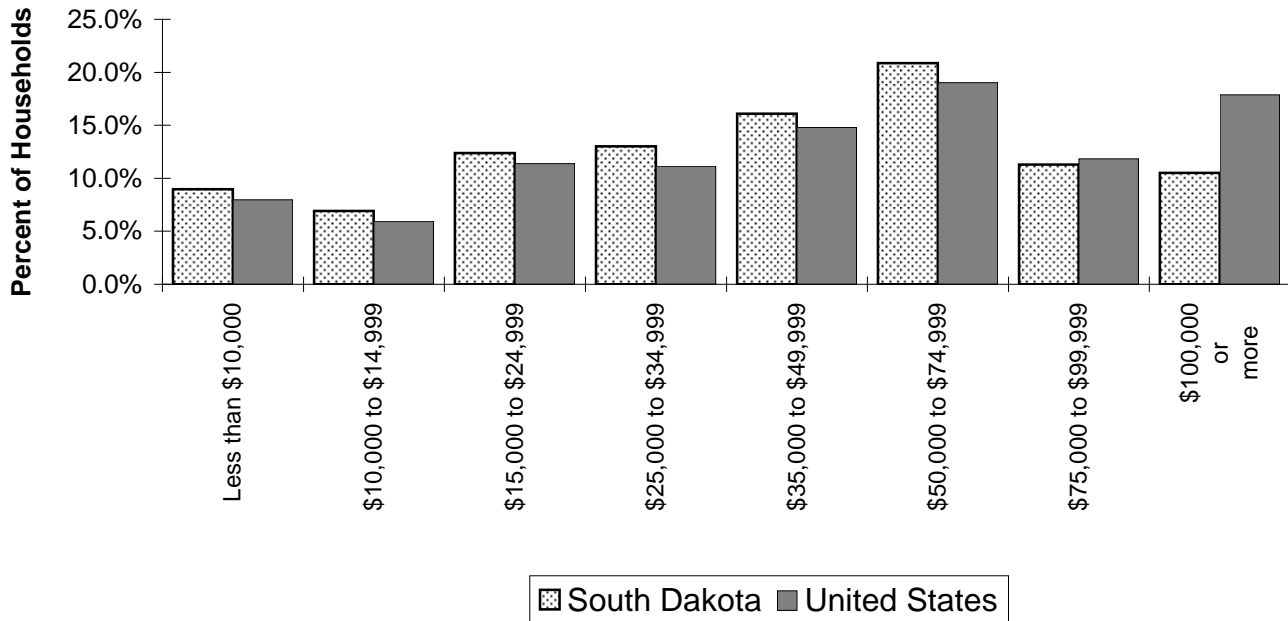
South Dakota

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	18.8%	15.2%	17.8%	15.2%	19.0%	11.0%	2.2%	0.8%	100.0%
25 to 44 years.....	6.2%	2.9%	10.3%	13.2%	16.9%	25.5%	14.7%	10.3%	100.0%
45 to 64 years.....	6.2%	4.8%	8.8%	11.4%	15.5%	23.4%	14.3%	15.6%	100.0%
65 years and over.....	14.1%	13.3%	19.4%	14.5%	14.9%	13.5%	4.4%	5.9%	100.0%
South Dakota (all ages)	9.0%	6.9%	12.4%	13.0%	16.1%	20.9%	11.3%	10.5%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



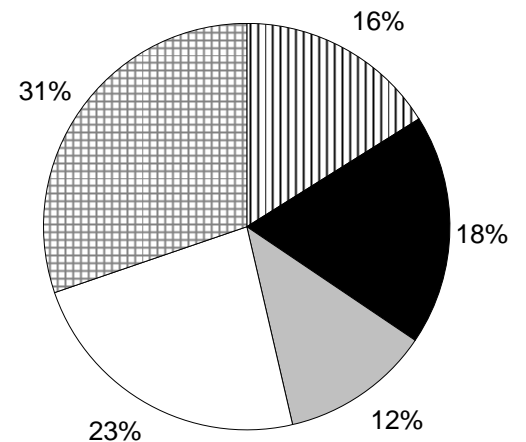
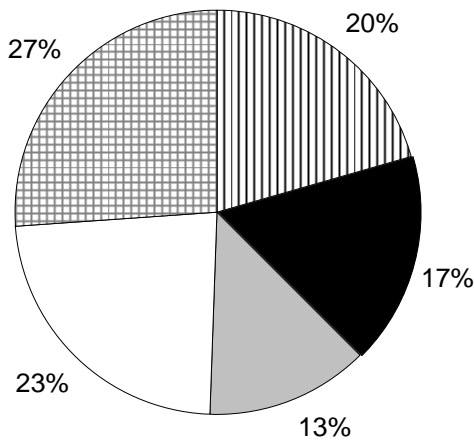
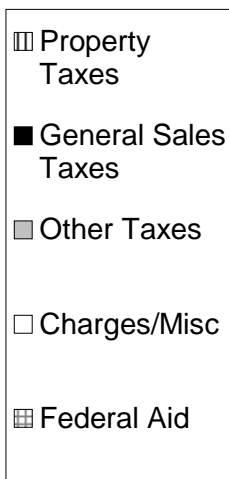
South Dakota

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		SD	US	SD	US	SD	US
		Total General Revenues.....	\$4,523	\$5,837	\$6,816	18.9%	20.8%
Own Sources.....	\$3,153	\$4,069	\$5,338	13.2%	16.3%	4.5%	5.3%
Taxes.....	\$2,104	\$2,715	\$3,698	8.8%	11.3%	4.2%	5.2%
Property Taxes.....	\$730	\$942	\$1,132	3.1%	3.5%	2.6%	5.1%
General Sales Taxes.....	\$834	\$1,076	\$887	3.5%	2.7%	5.9%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	n/a	5.7%
Other Taxes.....	\$540	\$697	\$866	2.3%	2.6%	4.1%	4.9%
Charges/Miscellaneous.....	\$1,049	\$1,354	\$1,640	4.4%	5.0%	5.0%	5.7%
Federal Aid.....	\$1,370	\$1,768	\$1,478	5.7%	4.5%	6.6%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



South Dakota

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 4.0%
Combined state/local tax rates..... 4.0% to 6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) No tax*
Gasoline (per gallon)..... \$0.22 Counties and cities operating public transportation systems may levy a \$0.01 tax.
Cigarette (per pack of 20) \$0.53
Beer (per gallon) \$0.274

*The only corporations taxed are financial institutions, savings and loan associations, and mining companies.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

Paraplegic veterans with specially adapted housing..... Full exemption

Nonveteran paraplegics Partial exemption if income is below \$8,000 (single) or \$12,000 (multiple-member household)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

South Dakota

Circuit Breaker

Requirements

Benefits

Homeowners age 66 and older or disabled whose income is \$10,000 or less (single) or \$13,000 or less (multiple-member household)* Up to 35% of taxes due (single); 55% of taxes due (multiple-member household)

*Homeowners must have owned the real property for which the refund is claimed for at least three years or have been state residents for five years. Renters age 65 and older or disabled whose income is less than \$10,000 (single) or \$13,000 (multiple-member household) may apply for a sales tax refund.

Circuit Breaker (local option program)

Requirements

Benefits

Homeowners age 65 and older or disabled whose income is \$5,758 or less (single) or \$7,765 or less (multiple-member household)** Up to 35% of municipal taxes due (single); 55% of municipal taxes due (multiple-member household)

**Homeowners must have owned and resided in their real property for which the reduction is claimed for at least five years.

Deferral Program

Homeowners age 70 and older whose income is less than \$16,000 (single) or \$20,000 (multiple-member household) may defer all property taxes due. In addition, in order to qualify, homeowners must have owned their own home for at least three years or lived in the state for at least five years, and resided for at least eight months of the previous year in the single-family dwelling in order to qualify.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

South Dakota

V. Real Property Tax Limits, Caps, or Freezes (2007)

Non-school local property taxes cannot annually exceed 3% or inflation (whichever is less) for the local taxing district. The 3% limit does not pertain to new construction and can be overridden through voter approval.

School property tax rates are set by the state legislature. School property tax rates for school operating budgets cannot exceed \$4.26 per \$1,000 value for owner-occupied dwellings.

Homeowners age 65 and older or disabled whose income is less than \$22,574 (single household) or \$23,217 (multiple-member household) are eligible to receive a freeze on their assessed property value. Other eligibility requirements include the following: (1) homeowners must have resided for at least 200 days of the previous year; (2) homeowners must have owned their residence for at least one year; and (3) the home's market value must be less than \$154,950, unless the homeowner already received the freeze in a preceding year.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

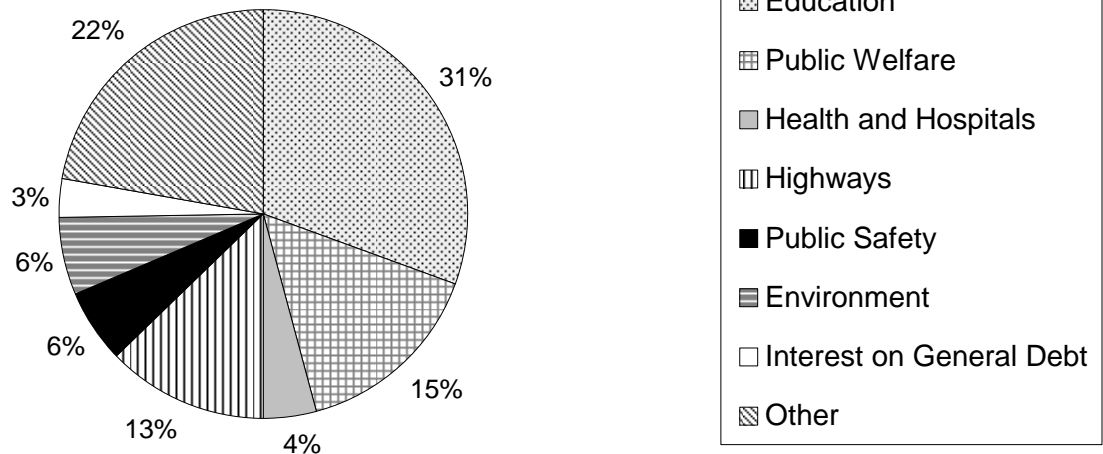
South Dakota

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		SD	US	SD	US	SD	US
		State/Local Direct General Expenditures	\$4,953	\$6,392	\$6,794	20.7%	20.7%
To State/Local Government	\$4,953	\$6,392	\$6,778	20.7%	20.7%	5.8%	5.8%
Education*	\$1,520	\$1,962	\$2,325	6.4%	7.1%	4.9%	6.2%
Public Welfare	\$745	\$961	\$1,221	3.1%	3.7%	6.7%	6.5%
Health and Hospitals	\$210	\$270	\$574	0.9%	1.8%	3.7%	4.9%
Highways	\$639	\$825	\$418	2.7%	1.3%	5.3%	4.9%
Public Safety*	\$281	\$363	\$599	1.2%	1.8%	5.6%	5.8%
Environment	\$309	\$399	\$383	1.3%	1.2%	1.1%	4.7%
Interest on General Debt	\$150	\$194	\$273	0.6%	0.8%	0.9%	3.6%
Other	\$1,099	\$1,419	\$985	4.6%	3.0%	11.1%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
South Dakota (State and Local)	\$3.8	\$4,956	\$160.79	\$3.8	100.0%	\$0.00	0.0%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

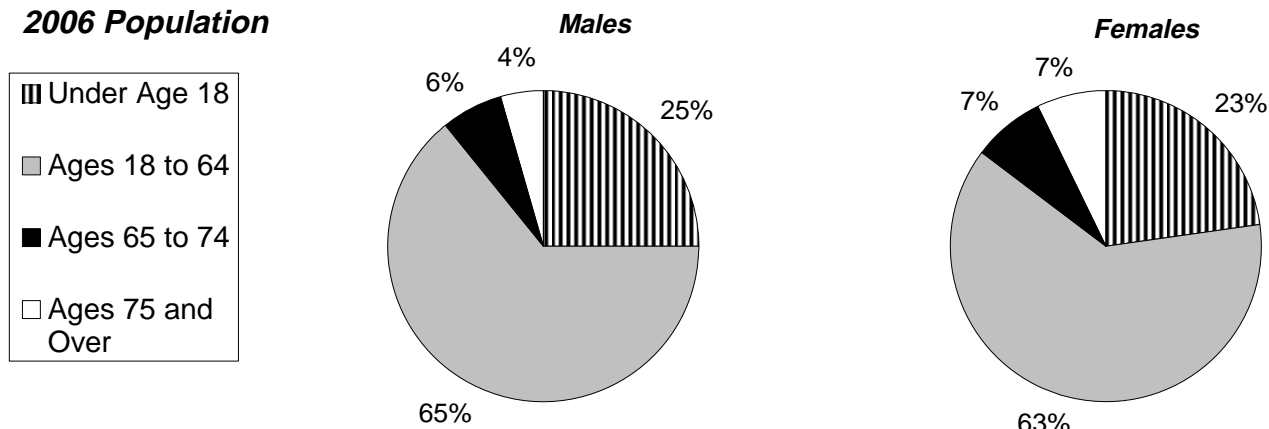
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Tennessee

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	TN	US	TN	US	TN	US
	Per Capita Income.....	\$21,854	\$24,175	\$32,305	\$36,629	4.0%
Median Household Income	\$30,790	\$35,492	\$40,693	\$48,201	2.8%	3.1%
Gross State Product (in millions).....	\$141,335	\$7,659,651	\$238,029	\$13,149,033	5.4%	5.6%
Full- and Part-Time Positions (in thousands).....	3,214	152,150	3,729	178,343	1.5%	1.6%
Employed Persons (in thousands)	2,611	126,708	2,836	144,427	0.8%	1.3%
Unemployment Rate.....	5.3%	5.4%	5.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population			Poverty Rate		
	1996	2006	Percentage Change 1996–2006		2006	
	TN	TN	TN	US	TN	US
Total Population.....	5,313,576	6,038,803	13.6%	12.9%	16.2%	13.3%
Males.....	2,563,822	2,950,890	15.1%	13.9%	14.2%	11.9%
Under Age 18.....	677,017	738,005	9.0%	6.6%	22.4%	18.2%
Ages 18 to 64.....	1,620,614	1,894,758	16.9%	17.4%	11.7%	10.1%
Ages 65 to 74.....	164,189	187,883	14.4%	4.0%	9.7%	6.9%
Ages 75 and Over.....	102,002	130,244	27.7%	25.1%	10.2%	7.7%
Females.....	2,749,754	3,087,913	12.3%	11.9%	18.1%	14.7%
Under Age 18.....	642,199	704,588	9.7%	6.8%	23.1%	18.5%
Ages 18 to 64.....	1,705,015	1,932,230	13.3%	15.0%	16.7%	13.8%
Ages 65 to 74.....	210,001	226,240	7.7%	-1.0%	14.1%	10.2%
Ages 75 and Over.....	192,539	224,855	16.8%	17.3%	18.0%	13.5%

Source: U.S. Bureau of the Census

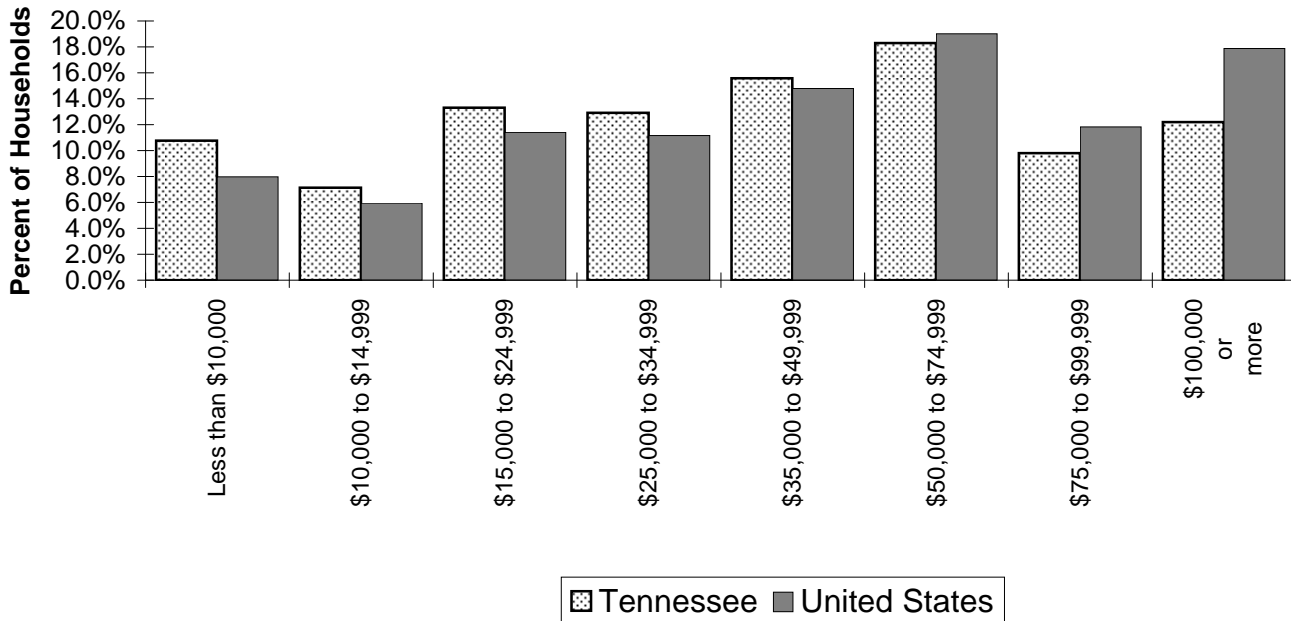
Tennessee

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	26.3%	10.2%	20.8%	14.5%	14.5%	9.8%	3.1%	0.9%	100.0%
25 to 44 years.....	8.4%	5.0%	11.7%	13.7%	16.9%	21.9%	11.3%	11.2%	100.0%
45 to 64 years.....	8.8%	5.4%	10.5%	11.1%	15.2%	19.4%	11.8%	17.9%	100.0%
65 years and over.....	15.0%	13.4%	19.6%	14.7%	14.3%	11.9%	5.1%	6.1%	100.0%
Tennessee (all ages).....	10.8%	7.1%	13.3%	12.9%	15.6%	18.3%	9.8%	12.2%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



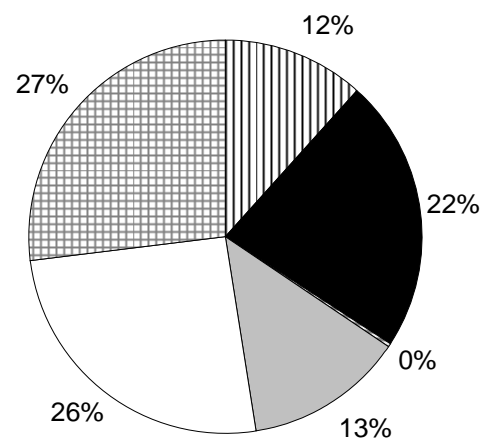
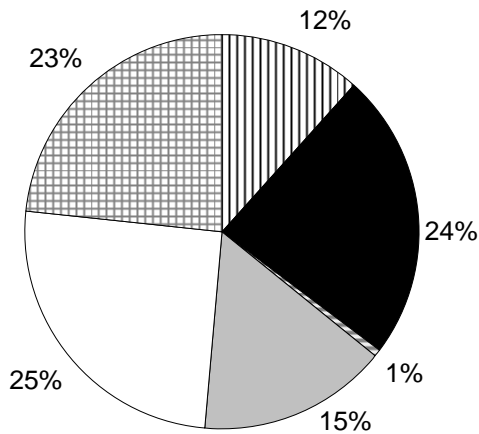
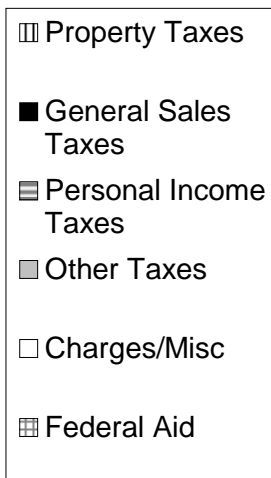
Tennessee

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		TN	US	TN	US	TN	US
		Total General Revenues.....	\$33,667	\$5,653	\$6,816	19.3%	20.8%
Own Sources.....	\$24,596	\$4,130	\$5,338	14.1%	16.3%	5.8%	5.3%
Taxes.....	\$15,993	\$2,685	\$3,698	9.2%	11.3%	5.4%	5.2%
Property Taxes.....	\$3,894	\$654	\$1,132	2.2%	3.5%	6.2%	5.1%
General Sales Taxes.....	\$7,569	\$1,271	\$887	4.3%	2.7%	5.7%	5.1%
Personal Income Taxes.....	\$155	\$26	\$813	0.1%	2.5%	4.3%	5.7%
Other Taxes.....	\$4,375	\$735	\$866	2.5%	2.6%	4.4%	4.9%
Charges/Miscellaneous.....	\$8,603	\$1,444	\$1,640	4.9%	5.0%	6.4%	5.7%
Federal Aid.....	\$9,071	\$1,523	\$1,478	5.2%	4.5%	7.8%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Tennessee

I. Personal Income Tax (2006)*

State Income Tax Base

Tennessee's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their taxable interest and dividend income exceeds \$1,250 (single) or \$2,500 (married, filing jointly).

*Taxpayers age 65 and older may not have to pay the personal income tax if their total income from all sources is \$16,200 or less (single) or \$27,000 or less (married, filing jointly; either spouse is age 65 or older).

Rate Structure

A tax is levied only on stock dividends and interest from bonds and other obligations at 6%. Exceptions apply to certain commercial instruments, for certain instruments of indebtedness issued by Tennessee banks and thrifts, federal obligations, and certain other income.

Personal Exemptions

All ages \$1,250 (single); \$2,500 (married, filing jointly)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 7.0%**
Combined state/local tax rates..... 7.0% to 9.75%

**Food from grocery stores is taxed at 6.0%.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Tennessee

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.5%	All taxable income
Gasoline (per gallon)	\$0.214	This includes a \$0.01 special petroleum tax.
Cigarette (per pack of 20)	\$0.20	Local tax may be imposed at \$0.01.
Beer (per gallon)	\$0.138	Local taxes are additional.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Benefits

Homeowners age 65 and older or disabled whose income is \$24,000 or less*	Tax credit is based on the first \$25,000 market value or on a maximum assessed value of \$6,250; actual tax reduction depends on the effective tax rate and other related factors.
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*Income level rises to \$24,000 in 2007 at the option of counties.

Disabled veteran homeowners.....	Tax credit is based on the first \$175,000 market value or on a maximum assessed value of \$43,750; actual tax reduction depends on the effective tax rate and other related factors.
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Circuit Breaker None

Deferral Program (local option programs)

Requirements

Benefits

Homeowners age 65 and older or disabled whose income is \$12,000 or less or an income of \$25,000 or less (if approved by a two-thirds majority vote of the governing body).....	Property taxes may be deferred up to \$60,000 of the property's market value.
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Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Tennessee

Deferral Program (local option programs)

Requirements

Benefits

Homeowners age 65 and older (who reached age 65 on or before March 27, 1980) whose income is \$12,000 or less or \$25,000 or less (if approved by a two-thirds majority vote of the governing body) and whose home's fair market value is less than \$50,000

Property taxes that exceed property taxes in 1979 may be deferred.

Homeowners age 65 and older (who reached age 65 after March 27, 1980) whose income is \$12,000 or less or \$25,000 or less (if approved by a two-thirds majority vote of the governing body) and whose home's fair market value is less than \$50,000.....

Property taxes that exceed property taxes at age 65 may be deferred.

V. Real Property Tax Limits, Caps, or Freezes (2007)

Effective July 1, 2007, counties and municipalities have the option of freezing property taxes for homeowners age 65 and older whose income does not exceed the county income limit for that tax year.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Tennessee

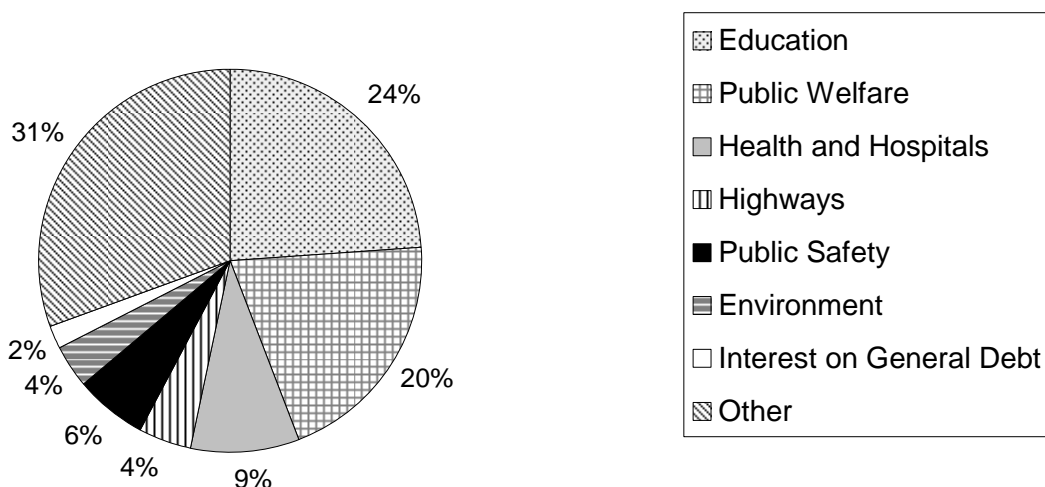
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		TN	US	TN	US	TN	US
		State/Local Direct General Expenditures	\$42,911	\$7,205	\$6,794	24.6%	20.7%
To State/Local Government	\$42,911	\$7,205	\$6,778	24.6%	20.7%	8.5%	5.8%
Education*	\$10,286	\$1,727	\$2,325	5.9%	7.1%	5.3%	6.2%
Public Welfare	\$8,657	\$1,454	\$1,221	5.0%	3.7%	9.1%	6.5%
Health and Hospitals	\$3,885	\$652	\$574	2.2%	1.8%	5.1%	4.9%
Highways	\$1,912	\$321	\$418	1.1%	1.3%	2.9%	4.9%
Public Safety*	\$2,655	\$446	\$599	1.5%	1.8%	6.2%	5.8%
Environment	\$1,513	\$254	\$383	0.9%	1.2%	2.5%	4.7%
Interest on General Debt	\$896	\$150	\$273	0.5%	0.8%	4.2%	3.6%
Other	\$13,107	\$2,201	\$985	7.5%	3.0%	19.1%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Tennessee (State and Local)	\$25.6	\$4,294	\$146.35	\$24.9	97.3%	\$0.69	2.7%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

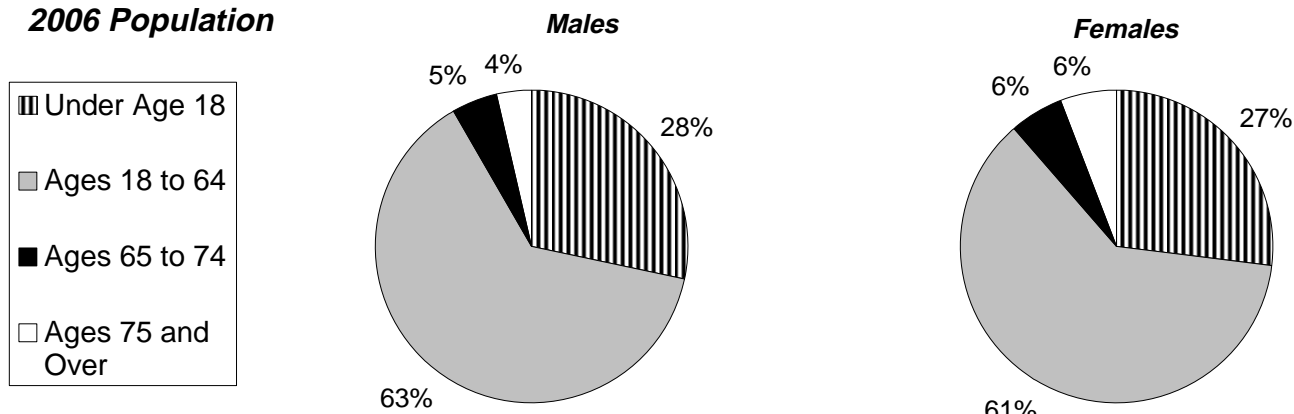
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Texas

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	TX	US	TX	US	TX	US
	Per Capita Income.....	\$22,120	\$24,175	\$35,058	\$36,629	4.7%
Median Household Income	\$33,072	\$35,492	\$43,307	\$48,201	2.7%	3.1%
Gross State Product (in millions).....	\$550,014	\$7,659,651	\$1,065,891	\$13,149,033	6.8%	5.6%
Full- and Part-Time Positions (in thousands).....	10,808	152,150	13,515	178,343	2.3%	1.6%
Employed Persons (in thousands)	9,176	126,708	10,922	144,427	1.8%	1.3%
Unemployment Rate.....	5.8%	5.4%	4.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	TX	TX	TX	US	TX	US
Total Population.....	19,006,240	23,507,783	23.7%	12.9%	16.9%	13.3%
Males.....	9,372,412	11,714,068	25.0%	13.9%	15.2%	11.9%
Under Age 18.....	2,804,073	3,318,089	18.3%	6.6%	23.6%	18.2%
Ages 18 to 64.....	5,769,128	7,406,852	28.4%	17.4%	12.1%	10.1%
Ages 65 to 74.....	494,885	570,353	15.2%	4.0%	8.6%	6.9%
Ages 75 and Over.....	304,326	418,774	37.6%	25.1%	10.5%	7.7%
Females.....	9,633,828	11,793,715	22.4%	11.9%	18.6%	14.7%
Under Age 18.....	2,674,630	3,175,876	18.7%	6.8%	24.1%	18.5%
Ages 18 to 64.....	5,821,928	7,272,507	24.9%	15.0%	16.9%	13.8%
Ages 65 to 74.....	607,248	671,647	10.6%	-1.0%	12.9%	10.2%
Ages 75 and Over.....	530,022	673,685	27.1%	17.3%	16.4%	13.5%

Source: U.S. Bureau of the Census

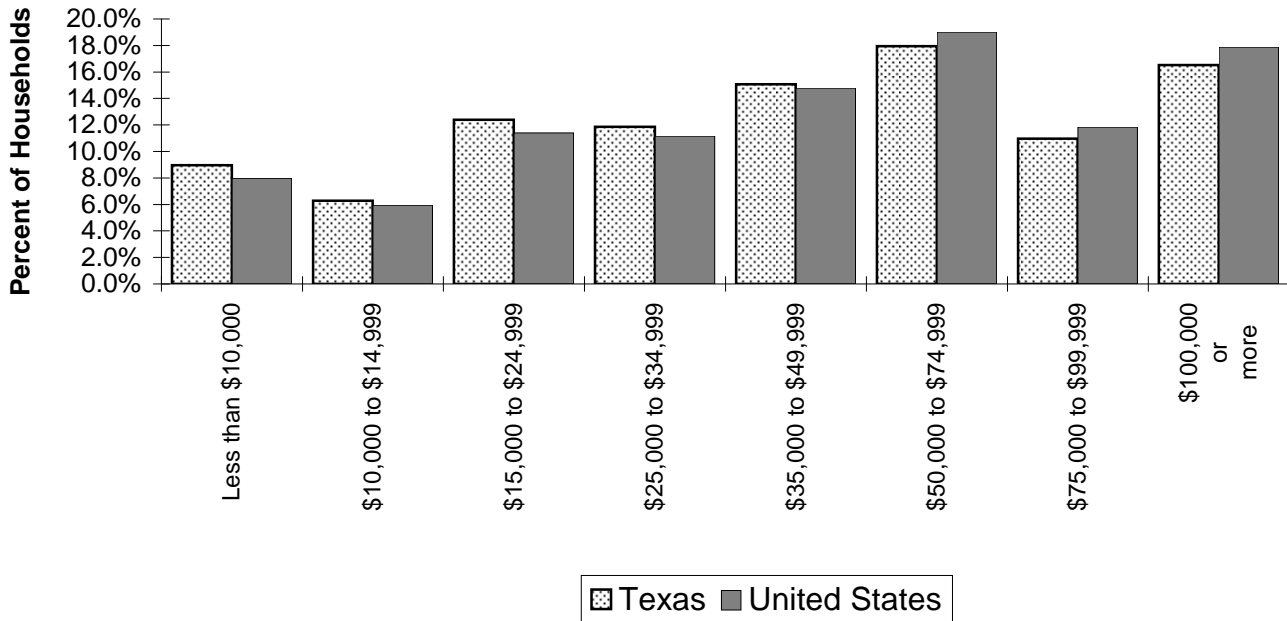
Texas

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	23.3%	10.8%	20.5%	15.4%	14.6%	10.4%	3.1%	1.8%	100.0%
25 to 44 years.....	7.0%	4.7%	11.7%	12.4%	16.4%	19.9%	12.2%	15.7%	100.0%
45 to 64 years.....	7.0%	4.8%	9.2%	10.0%	13.8%	18.8%	13.0%	23.5%	100.0%
65 years and over.....	13.0%	11.7%	18.1%	13.5%	14.9%	13.8%	6.4%	8.6%	100.0%
Texas (all ages).....	9.0%	6.3%	12.4%	11.9%	15.1%	17.9%	11.0%	16.5%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



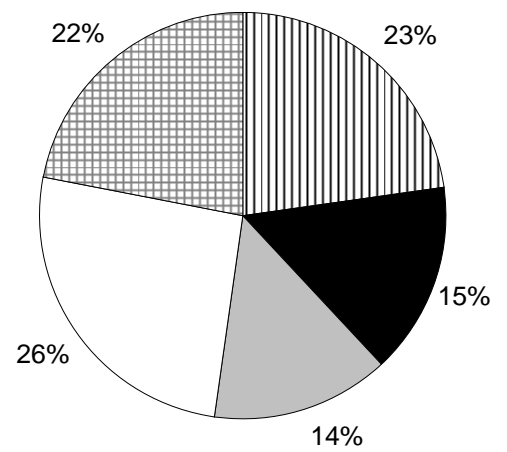
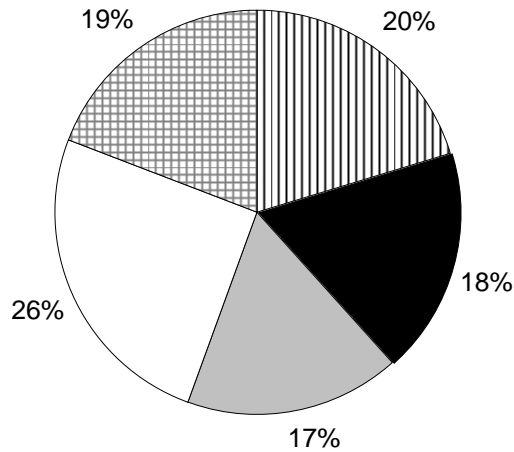
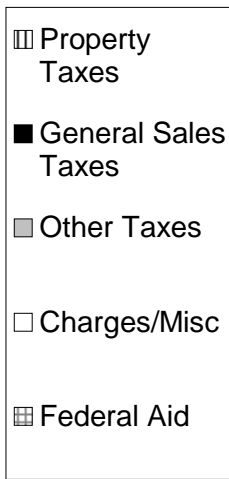
Texas

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		TX	US	TX	US	TX	US
Total General Revenues.....	\$132,296	\$5,770	\$6,816	19.0%	20.8%	6.6%	5.6%
Own Sources.....	\$103,335	\$4,507	\$5,338	14.9%	16.3%	6.3%	5.3%
Taxes.....	\$69,134	\$3,015	\$3,698	9.9%	11.3%	6.0%	5.2%
Property Taxes.....	\$30,276	\$1,320	\$1,132	4.4%	3.5%	7.9%	5.1%
General Sales Taxes.....	\$20,248	\$883	\$887	2.9%	2.7%	4.9%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$18,610	\$812	\$866	2.7%	2.6%	4.5%	4.9%
Charges/Miscellaneous.....	\$34,201	\$1,492	\$1,640	4.9%	5.0%	7.0%	5.7%
Federal Aid.....	\$28,961	\$1,263	\$1,478	4.2%	4.5%	8.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Texas

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 6.25%
Combined state/local tax rates..... 6.25% to 8.25%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) No tax
Gasoline (per gallon) \$0.20
Cigarette (per pack of 20) \$0.41 Increases to \$1.41 on January 1, 2007.
Beer (per gallon) \$0.194

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
All homeowners.....	\$3,000 assessed value for county taxes; additional local option of up to 20% of assessed value
Under age 65	\$15,000 assessed value for school taxes
Age 65 and older or disabled	\$25,000 assessed value for school taxes; additional local option of <i>at least</i> \$3,000 assessed value for other local taxes
Circuit Breaker	None

Deferral Program

Requirements	Benefits
Homeowners age 65 and older or disabled	Defer all property taxes due; interest rate on deferred taxes is 8% per year

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

V. Real Property Tax Limits, Caps, or Freezes (2007)

School property taxes do not increase once a homeowner reaches age 65. This also applies to surviving spouses who are at least age 55. This limit does not include additions or improvements to the property.

Residential homestead assessed values cannot increase by more than 10% per year since the last reappraisal.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

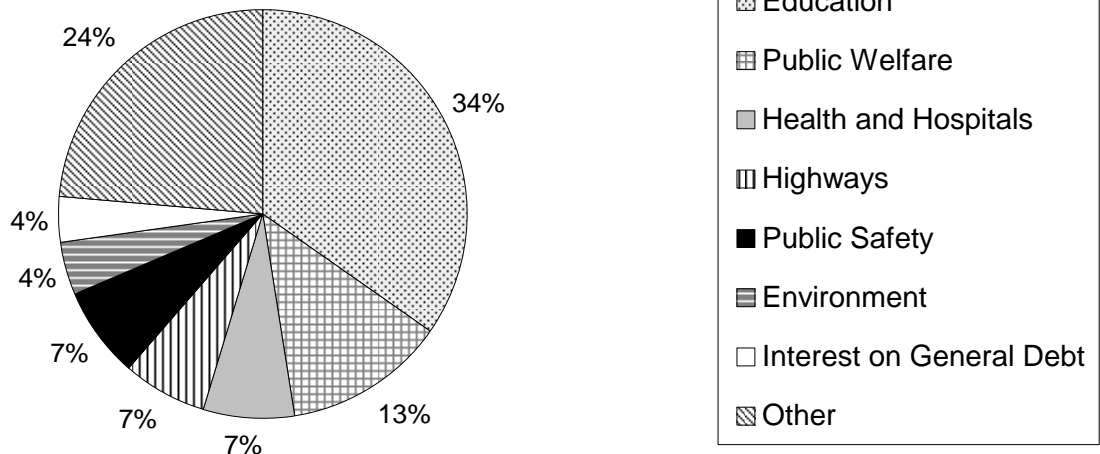
Texas

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		TX	US	TX	US	TX	US
		State/Local Direct General Expenditures	\$151,961	\$6,628	\$6,794	21.8%	20.7%
To State/Local Government	\$151,961	\$6,628	\$6,778	21.8%	20.7%	8.4%	5.8%
Education*	\$52,818	\$2,304	\$2,325	7.6%	7.1%	7.4%	6.2%
Public Welfare	\$19,387	\$846	\$1,221	2.8%	3.7%	6.5%	6.5%
Health and Hospitals	\$10,978	\$479	\$574	1.6%	1.8%	5.3%	4.9%
Highways	\$9,922	\$433	\$418	1.4%	1.3%	8.1%	4.9%
Public Safety*	\$11,182	\$488	\$599	1.6%	1.8%	5.0%	5.8%
Environment	\$6,165	\$269	\$383	0.9%	1.2%	5.8%	4.7%
Interest on General Debt	\$5,484	\$239	\$273	0.8%	0.8%	5.0%	3.6%
Other	\$36,024	\$1,571	\$985	5.2%	3.0%	17.8%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Texas (State and Local)	\$150.6	\$6,569	\$216.54	\$147.3	97.8%	\$3.35	2.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

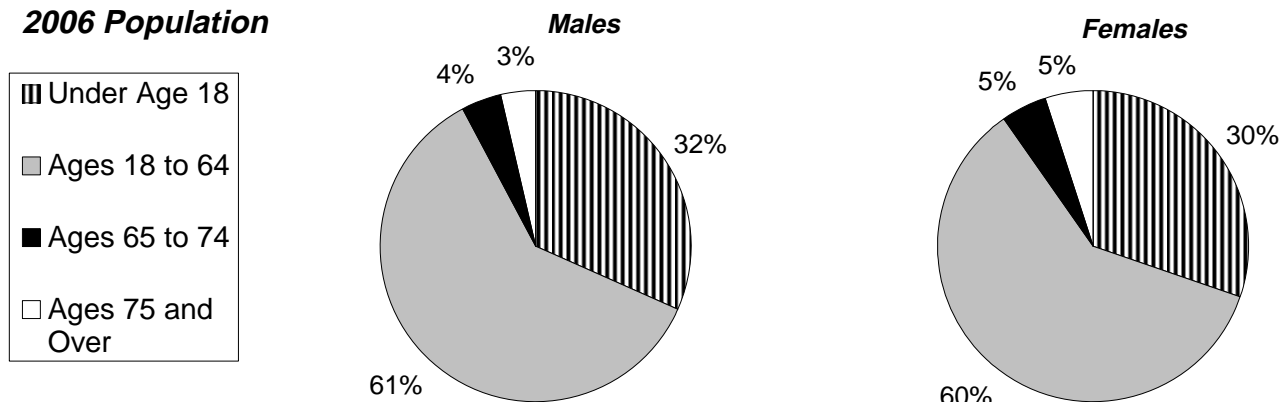
Source: U.S. Bureau of the Census

Utah

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	UT	US	UT	US	UT	US
	Per Capita Income.....	\$19,529	\$24,175	\$29,769	\$36,629	4.3%
Median Household Income	\$37,038	\$35,492	\$54,628	\$48,201	4.0%	3.1%
Gross State Product (in millions).....	\$51,442	\$7,659,651	\$97,749	\$13,149,033	6.6%	5.6%
Full- and Part-Time Positions (in thousands).....	1,225	152,150	1,592	178,343	2.7%	1.6%
Employed Persons (in thousands)	1,004	126,708	1,273	144,427	2.4%	1.3%
Unemployment Rate.....	3.5%	5.4%	2.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	UT	UT	UT	US	UT	US
Total Population.....	2,022,253	2,550,063	26.1%	12.9%	10.6%	13.3%
Males.....	1,004,920	1,282,401	27.6%	13.9%	9.7%	11.9%
Under Age 18.....	350,608	406,285	15.9%	6.6%	12.4%	18.2%
Ages 18 to 64.....	576,543	775,570	34.5%	17.4%	8.9%	10.1%
Ages 65 to 74.....	45,867	55,942	22.0%	4.0%	4.1%	6.9%
Ages 75 and Over.....	31,902	44,604	39.8%	25.1%	6.6%	7.7%
Females.....	1,017,333	1,267,662	24.6%	11.9%	11.4%	14.7%
Under Age 18.....	332,814	384,913	15.7%	6.8%	11.3%	18.5%
Ages 18 to 64.....	584,297	757,756	29.7%	15.0%	12.1%	13.8%
Ages 65 to 74.....	52,501	62,596	19.2%	-1.0%	6.3%	10.2%
Ages 75 and Over.....	47,721	62,397	30.8%	17.3%	9.8%	13.5%

Source: U.S. Bureau of the Census

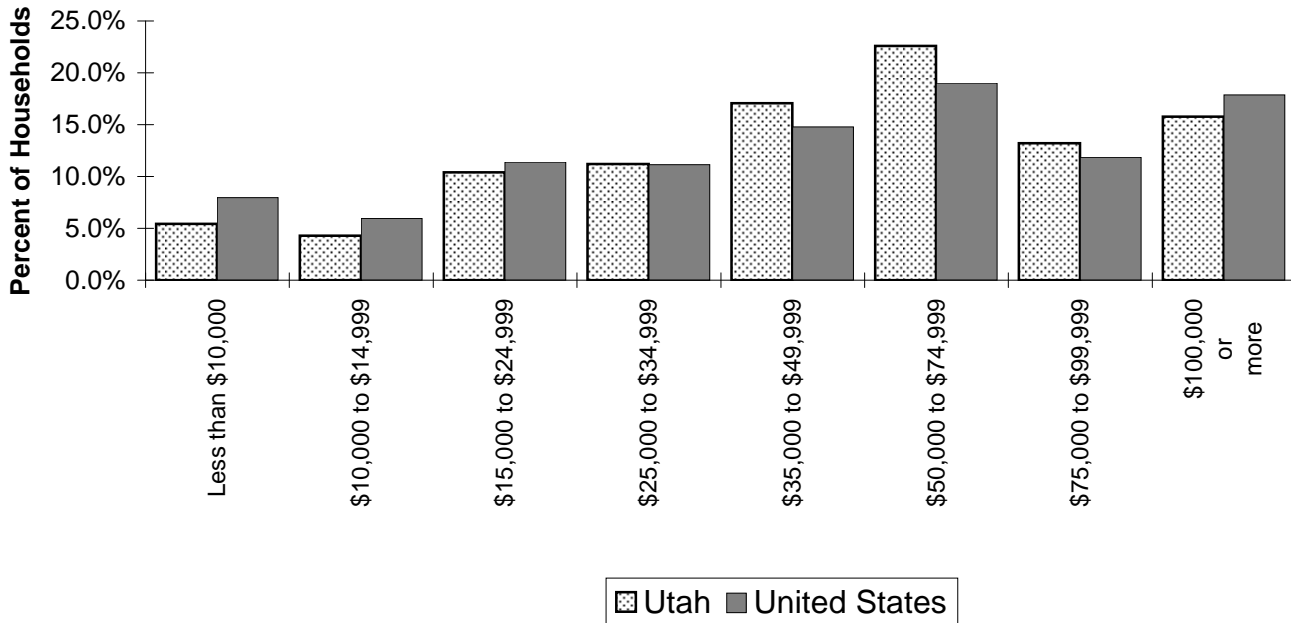
Utah

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	11.2%	7.1%	21.6%	21.0%	21.9%	12.1%	3.9%	1.3%	100.0%
25 to 44 years.....	4.3%	3.1%	8.3%	11.4%	18.5%	27.0%	14.4%	12.9%	100.0%
45 to 64 years.....	4.2%	2.9%	6.5%	7.9%	12.9%	22.4%	17.0%	26.2%	100.0%
65 years and over.....	7.8%	8.7%	18.2%	12.9%	19.6%	17.0%	7.0%	8.8%	100.0%
Utah (all ages).....	5.4%	4.3%	10.4%	11.2%	17.1%	22.6%	13.2%	15.8%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



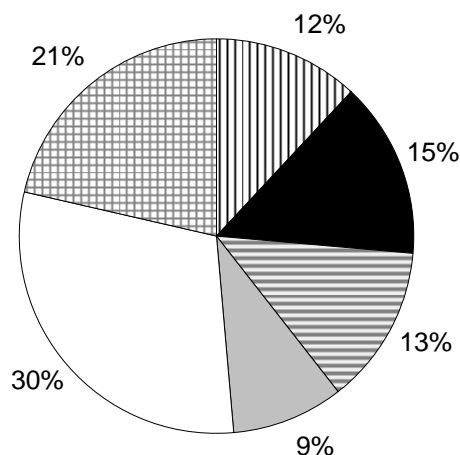
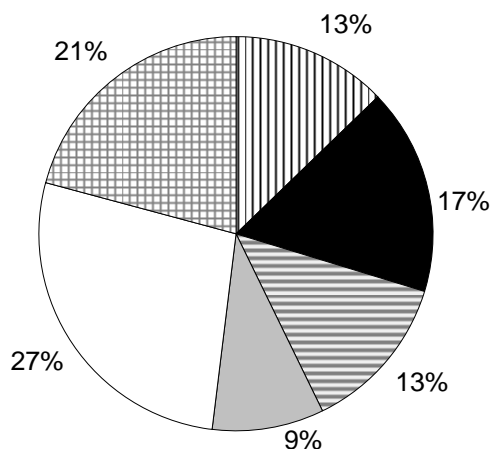
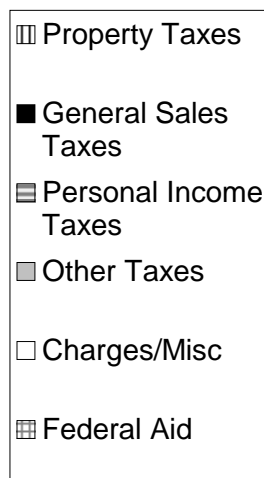
Utah

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		UT	US	UT	US	UT	US
Total General Revenues.....	\$15,014	\$6,029	\$6,816	23.6%	20.8%	6.8%	5.6%
Own Sources.....	\$11,794	\$4,736	\$5,338	18.5%	16.3%	6.8%	5.3%
Taxes.....	\$7,304	\$2,933	\$3,698	11.5%	11.3%	6.2%	5.2%
Property Taxes.....	\$1,792	\$720	\$1,132	2.8%	3.5%	6.0%	5.1%
General Sales Taxes.....	\$2,182	\$876	\$887	3.4%	2.7%	5.4%	5.1%
Personal Income Taxes.....	\$1,927	\$774	\$813	3.0%	2.5%	6.5%	5.7%
Other Taxes.....	\$1,403	\$563	\$866	2.2%	2.6%	7.2%	4.9%
Charges/Miscellaneous.....	\$4,490	\$1,803	\$1,640	7.1%	5.0%	7.9%	5.7%
Federal Aid.....	\$3,220	\$1,293	\$1,478	5.1%	4.5%	7.1%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Utah

I. Personal Income Tax (2006)

State Income Tax Base

Utah's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they are required to file a federal tax return. Moreover, taxpayers must file if their gross income equals or exceeds the following:

Filing Status	Gross Income
Single; under age 65	\$8,450
Single; age 65 and older	\$9,700
Married, filing jointly; both spouses under age 65	\$16,900
Married, filing jointly; one spouse age 65 or older	\$17,900
Married, filing jointly; both spouses age 65 or older	\$18,900

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$1,000	2.3%	First \$2,000	2.3%
\$1,001 – \$2,000	3.3%	\$2,001 – \$4,000	3.3%
\$2,001 – \$3,000	4.2%	\$4,001 – \$6,000	4.2%
\$3,001 – \$4,000	5.2%	\$6,001 – \$8,000	5.2%
\$4,001 – \$5,500	6.0%	\$8,001 – \$11,000	6.0%
Over \$5,500	6.98%	Over \$11,000	6.98%

Public and Private Pension Exemptions

Persons under age 65 may exempt up to \$4,800 on pension and annuity income and taxable Social Security benefits. Persons age 65 and older may exempt up to \$7,500 on all income sources. Exemptions are reduced by 50 cents for each \$1 of adjusted gross income (and certain interest income) that exceeds \$25,000 (single) and \$32,000 (married, filing jointly).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Standard Deductions and Personal Exemptions Combined

Under age 65** \$7,625 (single); \$15,250 (married, filing jointly)
Age 65 and older** \$8,875 (single); \$17,250 (married, filing jointly,
where both spouses are age 65 or older)

**Personal exemptions equal \$2,475 per exemption (75% of federal exemption). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Health Insurance Deduction

Taxpayers may deduct 100% of their health insurance premiums; however, they cannot deduct premiums that were itemized or deducted from federal taxable income. Further, they cannot deduct premiums if they or their spouses are eligible to participate in a health plan that is fully or partially funded by an employer or former employer.

Long-Term Care Insurance Premium Deduction

Taxpayers may deduct long-term care insurance premiums provided that they have not been deducted for federal income tax purposes.

Medical Savings Account (MSA) Deduction

Taxpayers may subtract contributions to an MSA as long as the contributions were not already deducted on their federal return.

Other Deductions One-half of federal taxes paid

Local Income Taxes None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Utah

II. General Sales Tax Rates (2006)

State	4.75%
Combined state/local tax rates.....	5.75% to 8.10%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	5.0%
Gasoline (per gallon).....	\$0.245
Cigarette (per pack of 20)	\$0.695
Beer (per gallon)	\$0.355 (3.2% alcohol)

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Disabled veterans
Blind persons
Indigent hardship.....

Benefits

Up to \$214,263 taxable value
Up to \$11,500 taxable value
Local option to abate 50% of tax, up to \$798, if income is less than \$26,941 for homeowners age 65 and older

Circuit Breaker

Requirements

Homeowners and renters age 65 and older or widowed whose income is \$26,941 or less

Benefits

Homeowners: Up to a \$798 tax credit plus an additional credit equal to the tax on 20% of the fair market value; renters: up to a \$798 tax credit

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Deferral Program (local option program)

Requirements

Benefits

Homeowners age 65 and older or disabled whose income is less than \$25,369..... Defer up to all property taxes

V. Real Property Tax Limits, Caps, or Freezes (2007)

Utah has a number of statutory maximum tax rates for various tax districts. Examples of these rates are shown below:

Schools (basic levy)	Set by the Utah State Tax Commission and the State Office of Education
Cities (general purposes)	\$7 per \$1,000 of taxable value
Counties (general purposes).....	\$3.20 per \$1,000 of taxable value*
County libraries	\$1 per \$1,000 of taxable value
Fire protection districts	\$0.80 per \$1,000 of taxable value
State assessing and collecting.....	\$0.20 per \$1,000 of taxable value

The above rates do not apply to bonded indebtedness.

*If total taxable value is more than \$100 million; otherwise, this limit does not apply.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

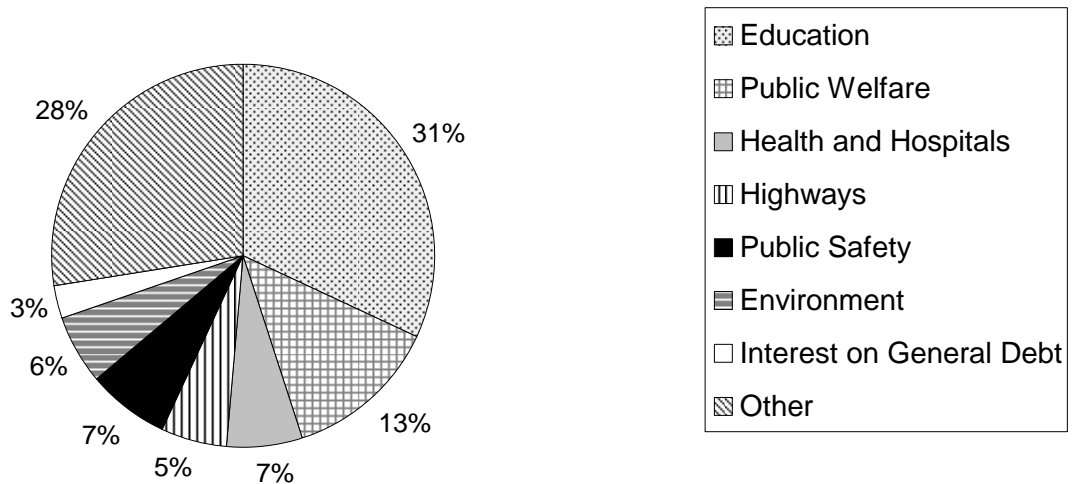
Utah

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		UT	US	UT	US	UT	US
		State/Local Direct General Expenditures	\$17,269	\$6,935	\$6,794	27.1%	20.7%
To State/Local Government	\$17,269	\$6,935	\$6,778	27.1%	20.7%	8.5%	5.8%
Education*	\$5,522	\$2,217	\$2,325	8.7%	7.1%	5.6%	6.2%
Public Welfare	\$2,226	\$894	\$1,221	3.5%	3.7%	9.2%	6.5%
Health and Hospitals	\$1,125	\$452	\$574	1.8%	1.8%	7.6%	4.9%
Highways	\$938	\$377	\$418	1.5%	1.3%	6.9%	4.9%
Public Safety*	\$1,226	\$492	\$599	1.9%	1.8%	8.6%	5.8%
Environment	\$1,000	\$402	\$383	1.6%	1.2%	6.9%	4.7%
Interest on General Debt	\$463	\$186	\$273	0.7%	0.8%	5.3%	3.6%
Other	\$4,769	\$1,915	\$985	7.5%	3.0%	15.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	3.3%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Utah (State and Local)	\$14.8	\$5,955	\$233.14	\$14.4	97.1%	\$0.43	2.9%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

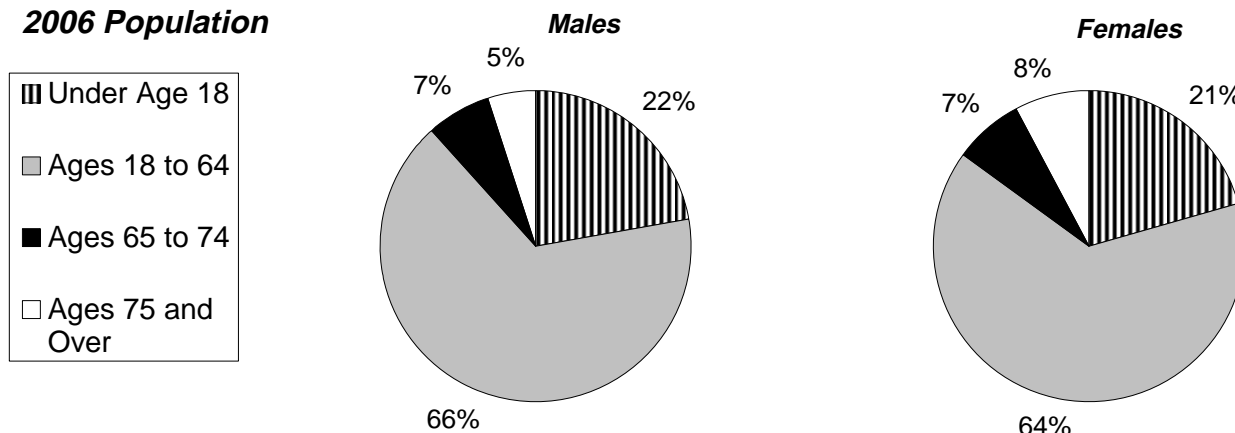
Source: U.S. Bureau of the Census

Vermont

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	VT	US	VT	US	VT	US
	Per Capita Income.....	\$21,964	\$24,175	\$34,623	\$36,629	4.7%
Median Household Income	\$32,358	\$35,492	\$51,981	\$48,201	4.9%	3.1%
Gross State Product (in millions).....	\$14,632	\$7,659,651	\$24,213	\$13,149,033	5.2%	5.6%
Full- and Part-Time Positions (in thousands).....	370	152,150	434	178,343	1.6%	1.6%
Employed Persons (in thousands)	310	126,708	348	144,427	1.2%	1.3%
Unemployment Rate.....	4.4%	5.4%	3.6%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	VT	VT	VT	US	VT	US
Total Population.....	586,352	623,908	6.4%	12.9%	10.3%	13.3%
Males.....	288,165	307,023	6.5%	13.9%	8.5%	11.9%
Under Age 18.....	74,839	68,396	-8.6%	6.6%	13.1%	18.2%
Ages 18 to 64.....	183,748	203,095	10.5%	17.4%	7.3%	10.1%
Ages 65 to 74.....	17,744	20,125	13.4%	4.0%	7.2%	6.9%
Ages 75 and Over.....	11,834	15,407	30.2%	25.1%	6.1%	7.7%
Females.....	298,187	316,885	6.3%	11.9%	12.0%	14.7%
Under Age 18.....	70,856	64,993	-8.3%	6.8%	13.4%	18.5%
Ages 18 to 64.....	185,224	204,458	10.4%	15.0%	11.7%	13.8%
Ages 65 to 74.....	21,154	22,441	6.1%	-1.0%	11.8%	10.2%
Ages 75 and Over.....	20,953	24,993	19.3%	17.3%	11.2%	13.5%

Source: U.S. Bureau of the Census

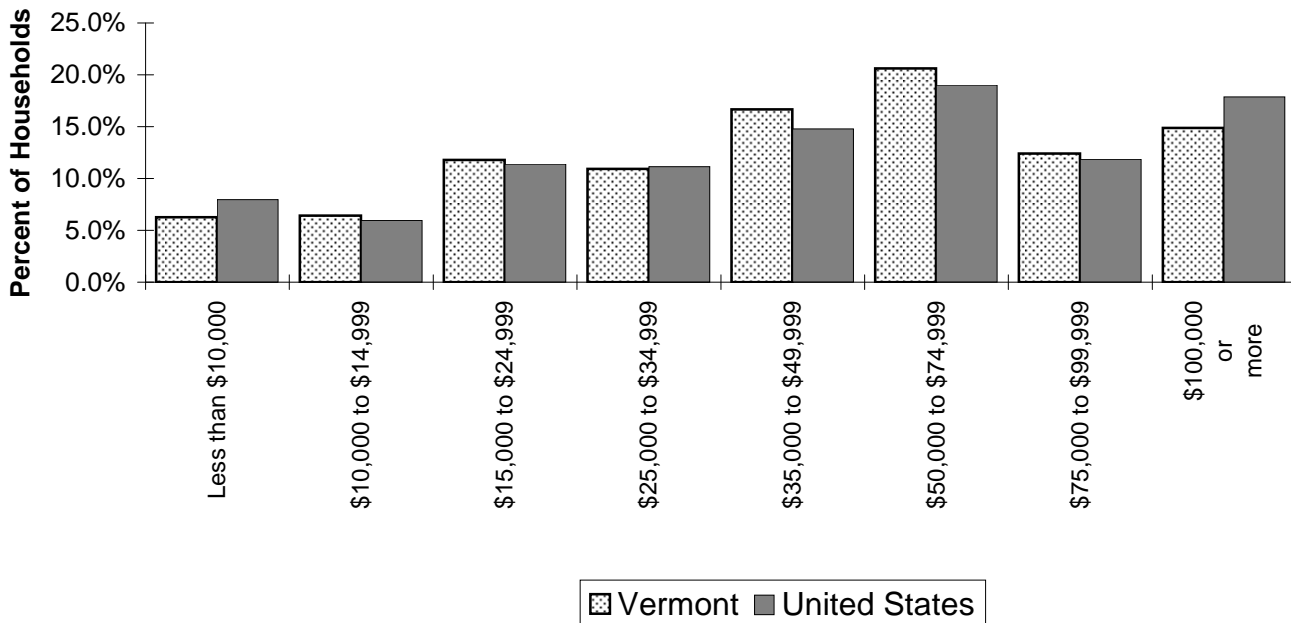
Vermont

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	13.7%	9.2%	16.3%	23.3%	24.1%	9.6%	1.6%	2.1%	100.0%
25 to 44 years.....	5.0%	4.7%	10.7%	10.8%	19.9%	22.8%	14.1%	12.0%	100.0%
45 to 64 years.....	4.2%	4.3%	8.4%	8.8%	14.5%	23.4%	14.9%	21.5%	100.0%
65 years and over.....	11.1%	13.1%	19.7%	13.2%	14.5%	13.5%	6.6%	8.3%	100.0%
Vermont (all ages).....	6.3%	6.4%	11.8%	10.9%	16.7%	20.6%	12.4%	14.9%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



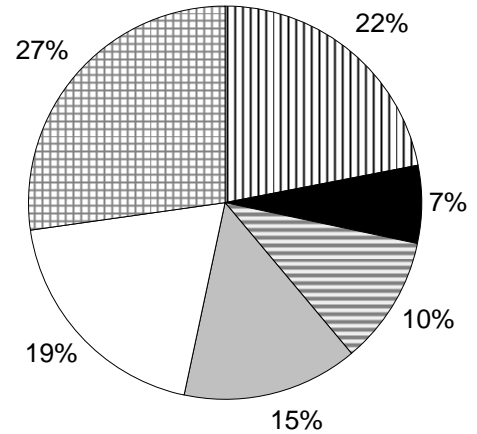
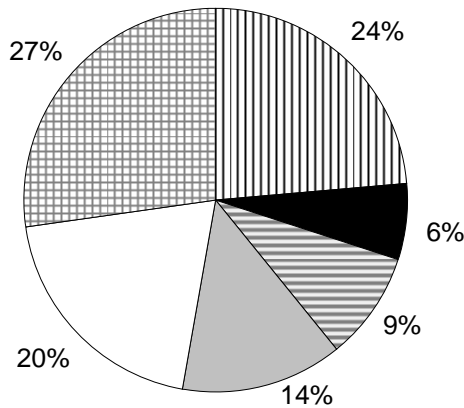
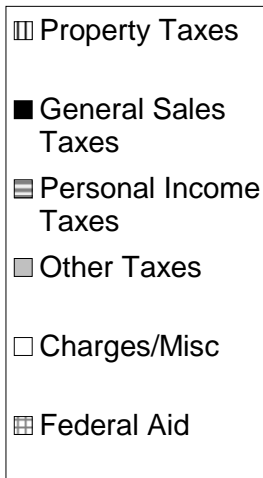
Vermont

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		VT	US	VT	US	VT	US
		Total General Revenues.....	\$4,825	\$7,752	\$6,816	24.4%	20.8%
Own Sources.....	\$3,511	\$5,641	\$5,338	17.8%	16.3%	5.8%	5.3%
Taxes.....	\$2,575	\$4,137	\$3,698	13.0%	11.3%	6.0%	5.2%
Property Taxes.....	\$1,056	\$1,697	\$1,132	5.3%	3.5%	5.1%	5.1%
General Sales Taxes.....	\$315	\$506	\$887	1.6%	2.7%	6.1%	5.1%
Personal Income Taxes.....	\$500	\$803	\$813	2.5%	2.5%	7.2%	5.7%
Other Taxes.....	\$704	\$1,131	\$866	3.6%	2.6%	6.5%	4.9%
Charges/Miscellaneous.....	\$937	\$1,505	\$1,640	4.7%	5.0%	5.4%	5.7%
Federal Aid.....	\$1,313	\$2,110	\$1,478	6.6%	4.5%	5.9%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Vermont

I. Personal Income Tax (2006)

State Income Tax Base

Vermont's income tax base is linked to federal taxable income.

Filing Requirements

Generally, taxpayers must file if they are required to file a federal tax return and received more than \$100 of Vermont income.

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$30,650	3.6%	First \$51,200	3.6%
\$30,651 – \$74,200	7.2%	\$51,201 – \$123,700	7.2%
\$74,201 – \$154,800	8.5%	\$123,701 – \$188,450	8.5%
\$154,801 – \$336,550	9.0%	\$188,451 – \$336,550	9.0%
\$336,551 and over	9.5%	\$336,551 and over	9.5%

Public and Private Pension Exemptions None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Vermont

Standard Deductions and Personal Exemptions Combined*

Under age 65*	\$8,450 (single); \$16,900 (married, filing jointly, both spouses are under age 65)
Age 65 or older*	\$9,700 (single); \$18,900 (married, filing jointly, both spouses are age 65 or older)

*Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	6.0%
Combined state/local tax rates.....	6.0% to 7.0%*

*The towns of Burlington, Manchester, Stratton, and Williston levy a 1% local sales tax.

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	8.9%	On Vermont net income over \$250,000**
Gasoline (per gallon).....	\$0.20	
Cigarette (per pack of 20)	\$1.79	
Beer (per gallon)	\$0.265	At the distributor level

**Corporate rate changes to 8.5% on income over \$25,000, effective January 1, 2007. In addition, all corporations must pay a minimum tax of \$250.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Disabled veterans	\$10,000 assessed value; local option to increase the exemption to \$20,000 assessed value

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Vermont

Circuit Breaker

Requirements

Benefits

Homeowners and renters whose income is \$47,000 or less.....	The benefit equals the difference between school and municipal property taxes and a percentage (3.5% to 5%) of household income or property taxes on the first \$15,000 of the home's value (whichever is less); renters receive a tax refund equal to the difference between school property taxes and a percentage (2% to 5%) of household income
Homeowner whose income is over \$47,000 and less than \$75,000.....	The benefit equals the difference between school property taxes and a percentage (2.0% to 4.5%) of household income.
Homeowners whose income is over \$75,000 and less than \$90,000.....	The benefit equals the difference between school property taxes (up to taxes assessed on the first \$160,000 of market value) and a percentage (2.0% to 4.5%) of household income.
Homeowners whose income is over \$90,000 and less than \$110,270.....	The benefit equals the difference between school property taxes (up to taxes assessed on the first \$160,000 of market value) and a percentage (2.0% to 4.5%) of household income.
Deferral Program	None

V. Real Property Tax Limits, Caps, or Freezes (2007)

No statewide limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Vermont

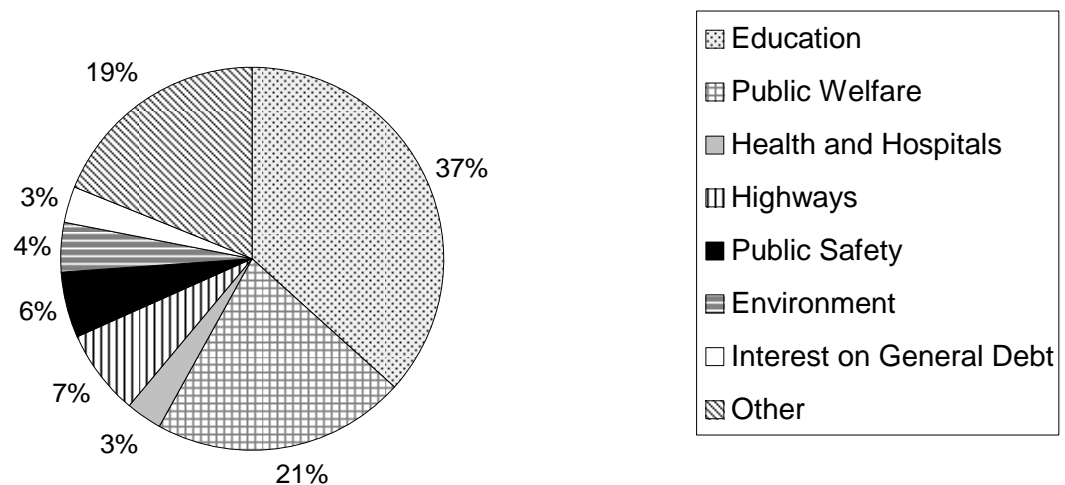
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		VT	US	VT	US	VT	US
		State/Local Direct General Expenditures	\$5,180	\$8,322	\$6,794	26.2%	20.7%
To State/Local Government	\$5,179	\$8,321	\$6,778	26.2%	20.7%	7.5%	5.8%
Education*	\$1,905	\$3,061	\$2,325	9.6%	7.1%	6.8%	6.2%
Public Welfare	\$1,101	\$1,769	\$1,221	5.6%	3.7%	8.2%	6.5%
Health and Hospitals	\$163	\$262	\$574	0.8%	1.8%	10.2%	4.9%
Highways	\$363	\$583	\$418	1.8%	1.3%	4.3%	4.9%
Public Safety*	\$290	\$465	\$599	1.5%	1.8%	7.4%	5.8%
Environment	\$225	\$362	\$383	1.1%	1.2%	6.5%	4.7%
Interest on General Debt	\$159	\$255	\$273	0.8%	0.8%	3.3%	3.6%
Other	\$973	\$1,563	\$985	4.9%	3.0%	11.1%	6.1%
To Federal Government	\$1	\$2	\$16	0.0%	0.0%	-21.5%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Vermont (State and Local)	\$3.6	\$5,848	\$184.30	\$3.6	97.8%	\$0.08	2.2%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

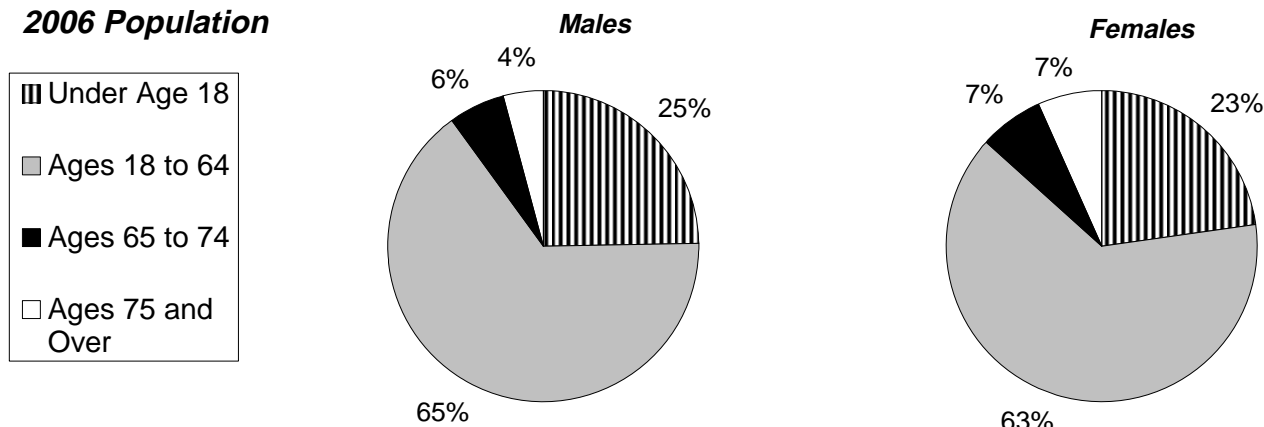
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Virginia

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	VA	US	VA	US	VA	US
	Per Capita Income.....	\$25,034	\$24,175	\$39,564	\$36,629	4.7%
Median Household Income	\$39,211	\$35,492	\$57,119	\$48,201	3.8%	3.1%
Gross State Product (in millions).....	\$196,638	\$7,659,651	\$369,260	\$13,149,033	6.5%	5.6%
Full- and Part-Time Positions (in thousands).....	4,012	152,150	4,860	178,343	1.9%	1.6%
Employed Persons (in thousands)	3,252	126,708	3,879	144,427	1.8%	1.3%
Unemployment Rate.....	4.3%	5.4%	3.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	VA	VA	VA	US	VA	US
Total Population.....	6,665,491	7,642,884	14.7%	12.9%	9.6%	13.3%
Males.....	3,259,356	3,756,771	15.3%	13.9%	8.4%	11.9%
Under Age 18.....	829,607	923,740	11.3%	6.6%	12.2%	18.2%
Ages 18 to 64.....	2,127,124	2,460,101	15.7%	17.4%	7.2%	10.1%
Ages 65 to 74.....	189,286	218,839	15.6%	4.0%	5.2%	6.9%
Ages 75 and Over.....	113,339	154,091	36.0%	25.1%	8.0%	7.7%
Females.....	3,406,135	3,886,113	14.1%	11.9%	10.7%	14.7%
Under Age 18.....	791,868	883,107	11.5%	6.8%	12.1%	18.5%
Ages 18 to 64.....	2,168,336	2,488,168	14.8%	15.0%	10.1%	13.8%
Ages 65 to 74.....	238,308	256,021	7.4%	-1.0%	9.9%	10.2%
Ages 75 and Over.....	207,623	258,817	24.7%	17.3%	12.7%	13.5%

Source: U.S. Bureau of the Census

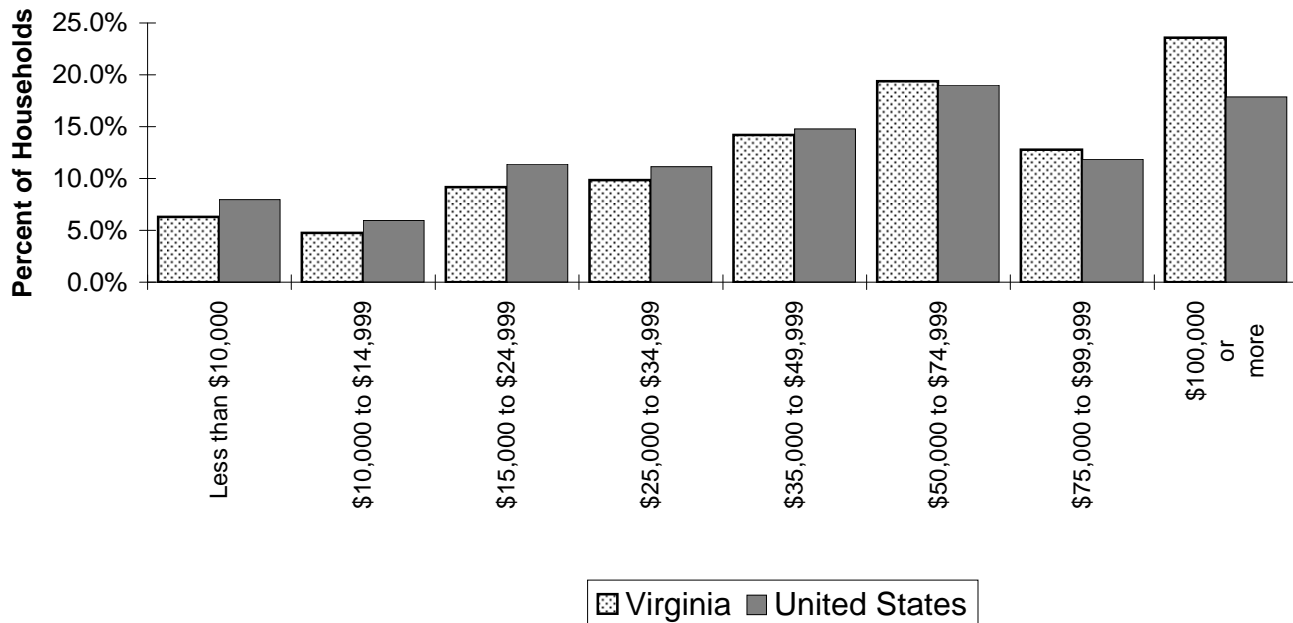
Virginia

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	18.1%	8.2%	17.4%	16.8%	15.8%	14.9%	5.2%	3.6%	100.0%
25 to 44 years.....	4.0%	2.8%	7.2%	9.6%	15.6%	22.7%	15.2%	22.9%	100.0%
45 to 64 years.....	5.1%	3.2%	6.6%	7.7%	12.7%	18.8%	13.7%	32.1%	100.0%
65 years and over.....	10.6%	10.9%	16.3%	13.0%	14.1%	14.9%	7.9%	12.3%	100.0%
Virginia (all ages).....	6.3%	4.7%	9.2%	9.8%	14.2%	19.4%	12.8%	23.6%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



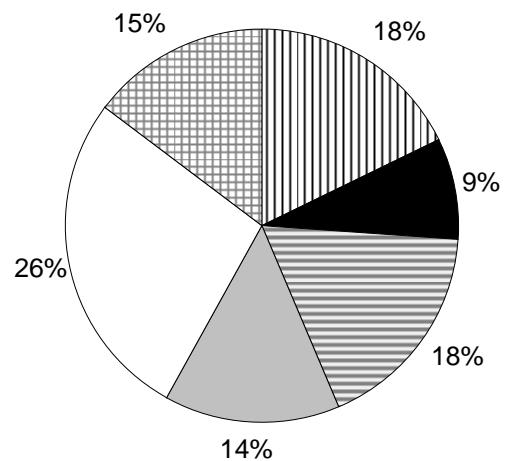
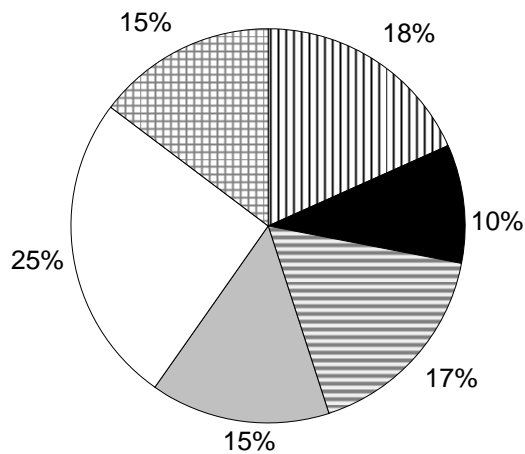
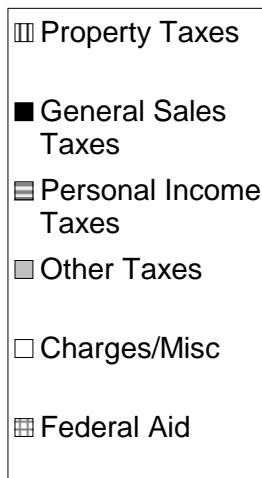
Virginia

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		VA	US	VA	US	VA	US
Total General Revenues.....	\$47,548	\$6,286	\$6,816	17.8%	20.8%	6.4%	5.6%
Own Sources.....	\$40,614	\$5,369	\$5,338	15.2%	16.3%	6.4%	5.3%
Taxes.....	\$27,659	\$3,657	\$3,698	10.3%	11.3%	6.1%	5.2%
Property Taxes.....	\$8,390	\$1,109	\$1,132	3.1%	3.5%	6.0%	5.1%
General Sales Taxes.....	\$4,047	\$535	\$887	1.5%	2.7%	4.9%	5.1%
Personal Income Taxes.....	\$8,352	\$1,104	\$813	3.1%	2.5%	6.8%	5.7%
Other Taxes.....	\$6,870	\$908	\$866	2.6%	2.6%	6.1%	4.9%
Charges/Miscellaneous.....	\$12,955	\$1,713	\$1,640	4.8%	5.0%	7.1%	5.7%
Federal Aid.....	\$6,935	\$917	\$1,478	2.6%	4.5%	6.4%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Virginia

I. Personal Income Tax (2006)

State Income Tax Base

Virginia's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their Virginia gross income equals or exceeds \$7,000 (single) or \$14,000 (married, filing jointly)

Rate Structure

All Taxpayers	
<u>Taxable Income</u>	<u>Rate</u>
First \$3,000	2.00%
\$3,001 – \$5,000	3.00%
\$5,001 – \$17,000	5.00%
Over \$17,000	5.75%

Retirement Income (age deduction)

Age 65 and older \$12,000 deduction from any income source for each spouse age 65 or older*

*Taxpayers born on or before January 1, 1939, are eligible for the *entire* \$12,000 deduction; those born on or between January 2, 1939, and January 1, 1942, receive up to a \$12,000 deduction (the \$12,000 deduction phases out for those whose federal adjusted gross income exceeds \$50,000 [single] or \$75,000 [married]).

Military Retirement Income

Veterans who have been awarded the Congressional Medal of Honor can deduct military retirement income.

Social Security Benefits Full exemption

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Virginia

Standard Deductions and Personal Exemptions Combined

Under age 65	\$3,900 (single); \$7,800 (married, filing jointly; both spouses are under age 65)
Age 65 and older	\$4,800 (single); \$9,600 (married, filing jointly; both spouses are age 65 or older)

Long-Term Care Insurance Premium Deduction

Taxpayers may deduct long-term care insurance premiums provided that they have not been deducted for federal income tax purposes.

Disability Income Deduction

Taxpayers may deduct up to \$20,000 of disability income reported as wages (or payments in lieu of wages) on their federal return as defined under Internal Revenue Code Section 22. The subtraction applies to income received for permanent and total disability. Taxpayers may not claim both the retirement income deduction and this deduction.

Low-Income Tax Credit*

Eligibility	Taxpayers whose Virginia adjusted gross income is below federal poverty guidelines
Benefits	\$300 per exemption

*The low-income tax credit is nonrefundable and may not be claimed if a taxpayer or his/her spouse or any of his/her dependents claimed any of the following state tax breaks: (1) retirement deduction (otherwise known as the age deduction), (2) Virginia National Guard deduction, (3) military pay subtraction, (4) subtraction for state and federal employees whose salary is \$15,000 or less, or (5) an additional exemption for taxpayers who are age 65 and older or blind. In addition, someone who is claimed as a dependent on another taxpayer's return cannot claim this credit.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State	4.0%
Combined state/local tax rates.....	5.0%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Virginia

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	6.0%	On all taxable income
Gasoline (per gallon)	\$0.175	An additional 2% sales tax applies in the Northern Virginia Transportation District.
Cigarette (per pack of 20)	\$0.30	Local taxes, where levied, are additional.
Beer (per gallon)	\$0.02	Small bottles
	\$0.0265	Large bottles

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit (local option program)

Requirements

Homeowners age 65 and older or disabled whose income is at or below \$50,000 and whose net worth is below \$200,000 (excluding dwelling plus 10 acres surrounding dwelling) can receive a tax refund up to all of their property taxes. Some Northern Virginian jurisdictions allow the same tax refund for persons with incomes below \$72,000 and whose net worth is below \$340,000 (excluding dwelling plus one acre surrounding dwelling).

Circuit Breaker None

Deferral Programs (local option programs)

Requirements

Homeowners age 65 and older or disabled with incomes at or below \$30,000 and whose net worth is below \$100,000 (excluding dwelling) can defer up to all of their property taxes. Some Northern Virginia jurisdictions provide tax deferrals for homeowners with incomes below \$72,000 and whose net worth is below \$340,000 (excluding dwelling plus one acre surrounding dwelling).

Homeowners can defer property taxes that exceed 105% (or more) of prior year's tax.

V. Real Property Tax Limits, Caps, or Freezes (2007)

No statewide limits, caps, or freezes are provided.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

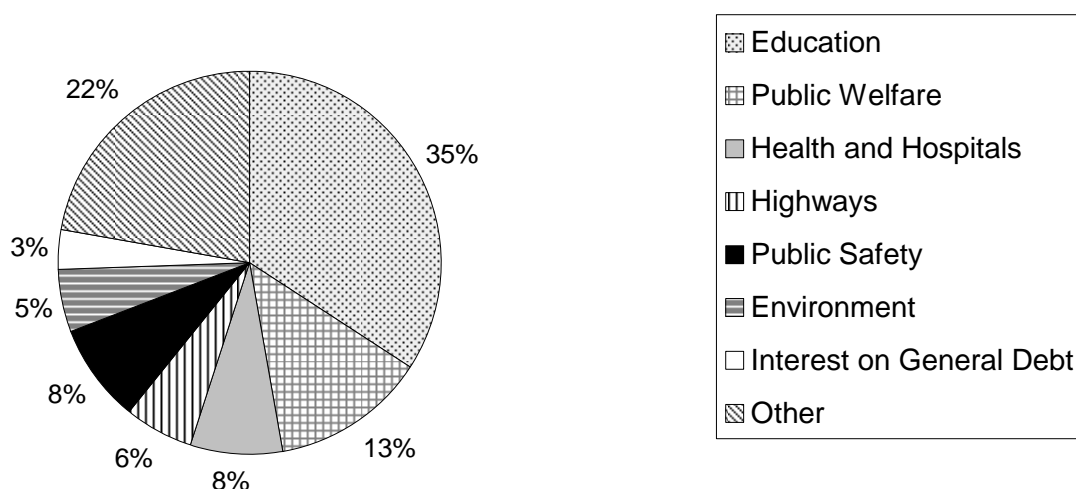
Virginia

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		VA	US	VA	US	VA	US
State/Local Direct General Expenditures	\$51,596	\$6,821	\$6,794	19.3%	20.7%	7.5%	5.8%
To State/Local Government	\$51,594	\$6,821	\$6,778	19.3%	20.7%	7.5%	5.8%
Education*	\$17,585	\$2,325	\$2,325	6.6%	7.1%	6.6%	6.2%
Public Welfare	\$6,732	\$890	\$1,221	2.5%	3.7%	7.9%	6.5%
Health and Hospitals	\$4,085	\$540	\$574	1.5%	1.8%	7.6%	4.9%
Highways	\$2,957	\$391	\$418	1.1%	1.3%	3.0%	4.9%
Public Safety*	\$4,321	\$571	\$599	1.6%	1.8%	6.5%	5.8%
Environment	\$2,700	\$357	\$383	1.0%	1.2%	5.1%	4.7%
Interest on General Debt	\$1,711	\$226	\$273	0.6%	0.8%	3.1%	3.6%
Other	\$11,503	\$1,521	\$985	4.3%	3.0%	13.4%	6.1%
To Federal Government	\$2	\$0	\$16	0.0%	0.0%	17.1%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Virginia (State and Local)	\$44.5	\$5,888	\$166.31	\$44.2	99.3%	\$0.33	0.7%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

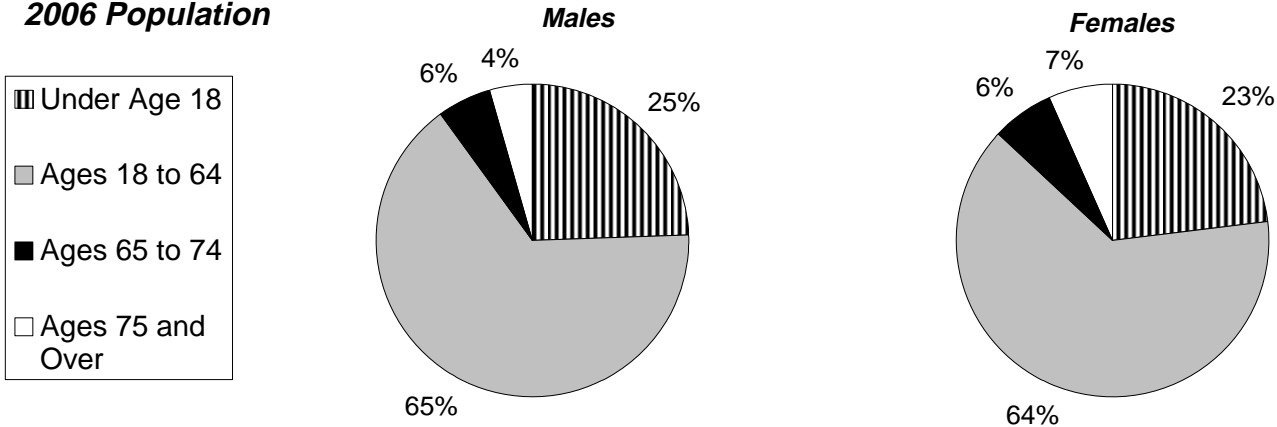
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Washington

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	WA	US	WA	US	WA	US
	Per Capita Income.....	\$25,073	\$24,175	\$38,067	\$36,629	4.3%
Median Household Income	\$36,676	\$35,492	\$54,723	\$48,201	4.1%	3.1%
Gross State Product (in millions).....	\$161,760	\$7,659,651	\$293,531	\$13,149,033	6.1%	5.6%
Full- and Part-Time Positions (in thousands).....	3,215	152,150	3,869	178,343	1.9%	1.6%
Employed Persons (in thousands)	2,712	126,708	3,160	144,427	1.5%	1.3%
Unemployment Rate.....	5.9%	5.4%	5.0%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	WA	WA	WA	US	WA	US
Total Population.....	5,509,963	6,395,798	16.1%	12.9%	11.8%	13.3%
Males.....	2,738,858	3,189,630	16.5%	13.9%	10.7%	11.9%
Under Age 18.....	736,625	783,021	6.3%	6.6%	15.1%	18.2%
Ages 18 to 64.....	1,728,562	2,083,984	20.6%	17.4%	9.6%	10.1%
Ages 65 to 74.....	158,525	180,690	14.0%	4.0%	5.7%	6.9%
Ages 75 and Over.....	115,146	141,935	23.3%	25.1%	7.8%	7.7%
Females.....	2,771,105	3,206,168	15.7%	11.9%	12.8%	14.7%
Under Age 18.....	698,242	743,246	6.4%	6.8%	15.7%	18.5%
Ages 18 to 64.....	1,705,497	2,047,178	20.0%	15.0%	12.2%	13.8%
Ages 65 to 74.....	187,005	198,466	6.1%	-1.0%	9.4%	10.2%
Ages 75 and Over.....	180,361	217,278	20.5%	17.3%	11.7%	13.5%

Source: U.S. Bureau of the Census

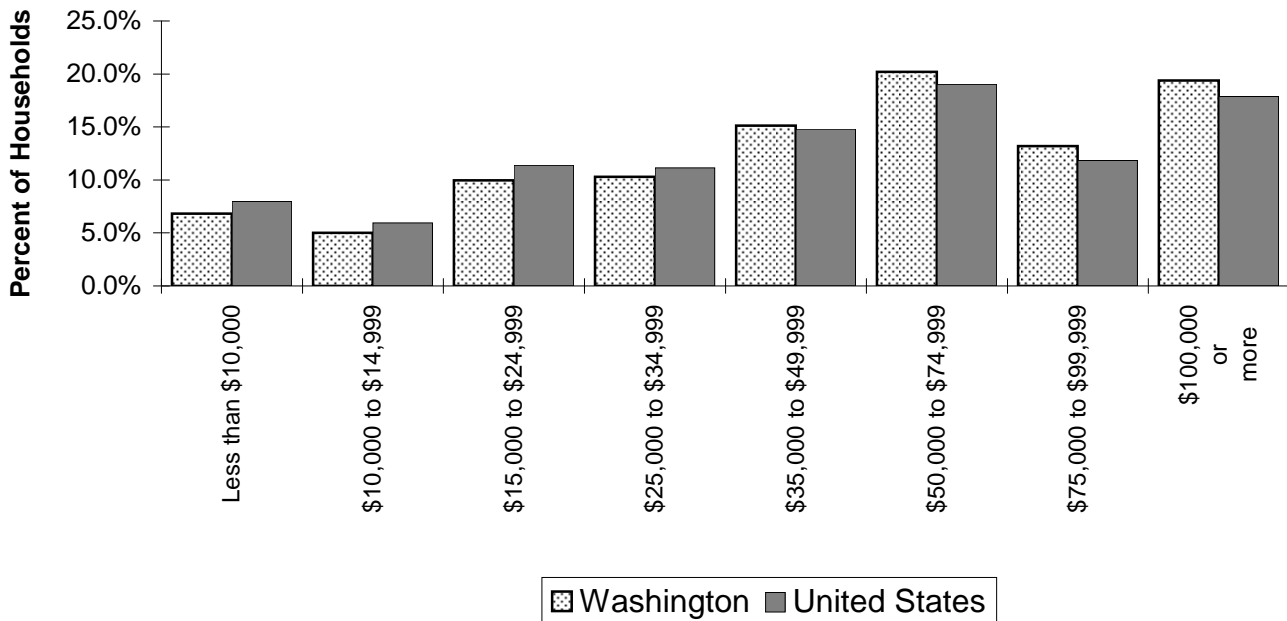
Washington

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.0%	9.0%	15.5%	15.7%	18.6%	15.6%	5.2%	3.4%	100.0%
25 to 44 years.....	5.0%	3.4%	8.6%	10.0%	16.3%	22.1%	15.1%	19.4%	100.0%
45 to 64 years.....	6.2%	3.4%	7.3%	7.7%	13.0%	20.8%	15.3%	26.4%	100.0%
65 years and over.....	9.0%	10.7%	16.9%	14.9%	16.2%	16.4%	6.9%	8.9%	100.0%
Washington (all ages)...	6.8%	5.0%	10.0%	10.3%	15.1%	20.2%	13.2%	19.4%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



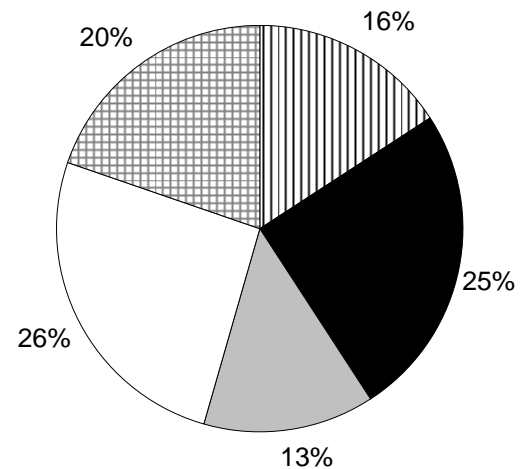
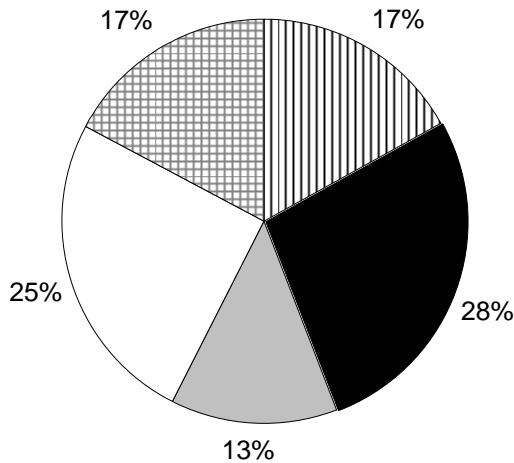
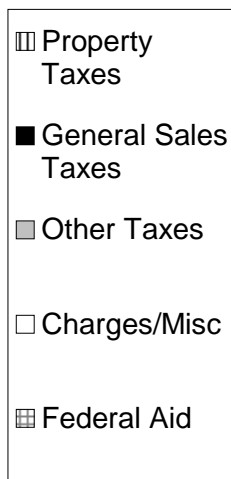
Washington

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		WA	US	WA	US	WA	US
Total General Revenues.....	\$42,271	\$6,718	\$6,816	19.4%	20.8%	5.1%	5.6%
Own Sources.....	\$33,935	\$5,393	\$5,338	15.5%	16.3%	4.7%	5.3%
Taxes.....	\$22,974	\$3,651	\$3,698	10.5%	11.3%	4.5%	5.2%
Property Taxes.....	\$6,637	\$1,055	\$1,132	3.0%	3.5%	4.3%	5.1%
General Sales Taxes.....	\$10,645	\$1,692	\$887	4.9%	2.7%	4.2%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$5,692	\$905	\$866	2.6%	2.6%	5.3%	4.9%
Charges/Miscellaneous.....	\$10,961	\$1,742	\$1,640	5.0%	5.0%	5.3%	5.7%
Federal Aid.....	\$8,337	\$1,325	\$1,478	3.8%	4.5%	6.5%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Washington

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 6.5%
Combined state/local tax rates..... 7.0% to 8.9%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) No tax
Gasoline (per gallon)..... \$0.34 Rate increases to \$0.36 effective
July 1, 2007.
Cigarette (per pack of 20) \$2.025 Local taxes, where levied, are additional.
Beer (per gallon) \$0.154 Small breweries
\$0.26 Large breweries

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Homeowners age 61 and older or disabled whose
income is \$35,000 or less Exemption from all voter-approved
levies, such as for school construction
projects

Circuit Breaker

Requirements

Homeowners age 61 and older or disabled whose
income is \$35,000 or less

Benefits

Up to 60% of total assessed value or
\$50,000 assessed value (whichever is
greater)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Washington

Deferral Program

Requirements

Benefits

Homeowners age 60 and older with an income of \$40,000 or less Defer up to 80% of the equity value*

Starting in 2008, homeowners who have owned their house for at least five years and have an income of \$57,000 or less..... Defer up to 50% of the property taxes each year and up to a total accumulated deferral of 40% of the equity value*

*Homeowners cannot participate in both deferral programs.

V. Real Property Tax Limits, Caps, or Freezes (2007)

- **Non-School District Limits**

The aggregate or combined property tax rate for all local taxing districts cannot exceed \$10 per \$1,000 of market value.

Property taxes cannot increase annually by more than 1% or inflation (whichever is less). However, for districts with a population of less than 10,000, property taxes collected cannot increase annually by more than 1%. These limitations do not pertain to new construction or bonded indebtedness and can be removed with voter approval.

- **School District Limits**

Local school districts cannot impose property taxes without voter approval.

- **Freeze on Assessed Property Values**

Homeowners age 61 and older or disabled with income of less than \$35,000 qualify for having their assessed property values frozen.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

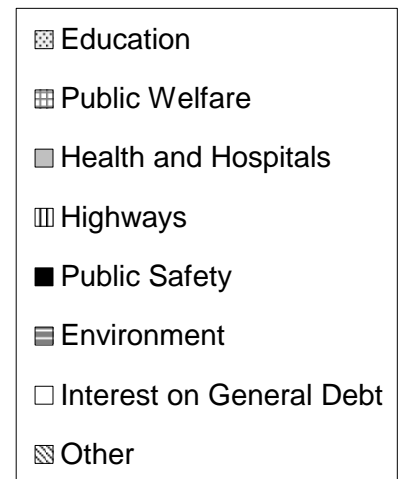
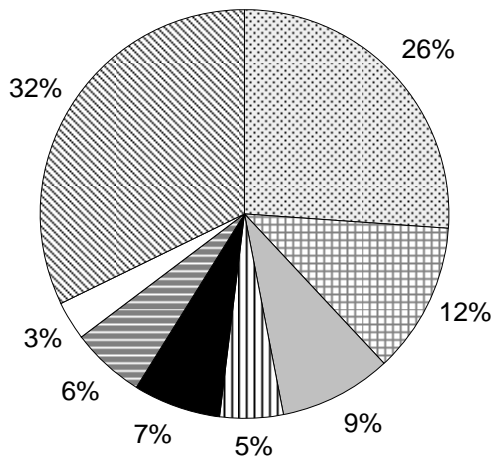
Washington

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		WA	US	WA	US	WA	US
		State/Local Direct General Expenditures	\$56,214	\$8,934	\$6,794	25.7%	20.7%
To State/Local Government	\$56,210	\$8,934	\$6,778	25.7%	20.7%	7.8%	5.8%
Education*	\$14,711	\$2,338	\$2,325	6.7%	7.1%	5.0%	6.2%
Public Welfare	\$6,758	\$1,074	\$1,221	3.1%	3.7%	6.1%	6.5%
Health and Hospitals	\$4,939	\$785	\$574	2.3%	1.8%	7.6%	4.9%
Highways	\$2,765	\$439	\$418	1.3%	1.3%	2.7%	4.9%
Public Safety*	\$3,975	\$632	\$599	1.8%	1.8%	6.1%	5.8%
Environment	\$3,180	\$505	\$383	1.5%	1.2%	3.2%	4.7%
Interest on General Debt	\$1,844	\$293	\$273	0.8%	0.8%	5.0%	3.6%
Other	\$18,038	\$2,867	\$985	8.3%	3.0%	17.8%	6.1%
To Federal Government	\$4	\$1	\$16	0.0%	0.0%	-18.3%	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2002 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Washington (State and Local)	\$53.0	\$8,431	\$242.94	\$52.7	99.3%	\$0.37	0.7%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

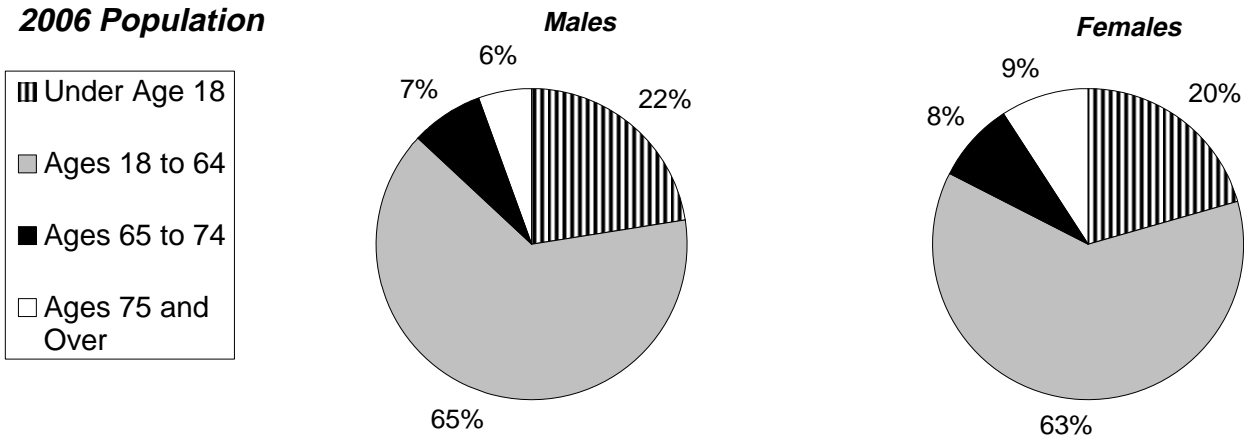
Source: U.S. Bureau of the Census

West Virginia

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	WV	US	WV	US	WV	US
	Per Capita Income.....	\$18,445	\$24,175	\$28,067	\$36,629	4.3%
Median Household Income	\$25,247	\$35,492	\$38,419	\$48,201	4.3%	3.1%
Gross State Product (in millions).....	\$37,346	\$7,659,651	\$55,658	\$13,149,033	4.1%	5.6%
Full- and Part-Time Positions (in thousands).....	853	152,150	927	178,343	0.8%	1.6%
Employed Persons (in thousands)	736	126,708	767	144,427	0.4%	1.3%
Unemployment Rate.....	7.4%	5.4%	4.9%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	WV	WV	WV	US	WV	US
Total Population.....	1,818,983	1,818,470	0.0%	12.9%	17.3%	13.3%
Males.....	876,108	890,588	1.7%	13.9%	15.1%	11.9%
Under Age 18.....	216,664	199,354	-8.0%	6.6%	24.3%	18.2%
Ages 18 to 64.....	547,800	574,307	4.8%	17.4%	13.6%	10.1%
Ages 65 to 74.....	68,259	66,319	-2.8%	4.0%	7.2%	6.9%
Ages 75 and Over.....	43,385	50,608	16.6%	25.1%	5.9%	7.7%
Females.....	942,875	927,882	-1.6%	11.9%	19.5%	14.7%
Under Age 18.....	204,178	189,717	-7.1%	6.8%	26.2%	18.5%
Ages 18 to 64.....	573,248	576,400	0.5%	15.0%	18.9%	13.8%
Ages 65 to 74.....	86,763	77,714	-10.4%	-1.0%	11.2%	10.2%
Ages 75 and Over.....	78,686	84,051	6.8%	17.3%	15.6%	13.5%

Source: U.S. Bureau of the Census

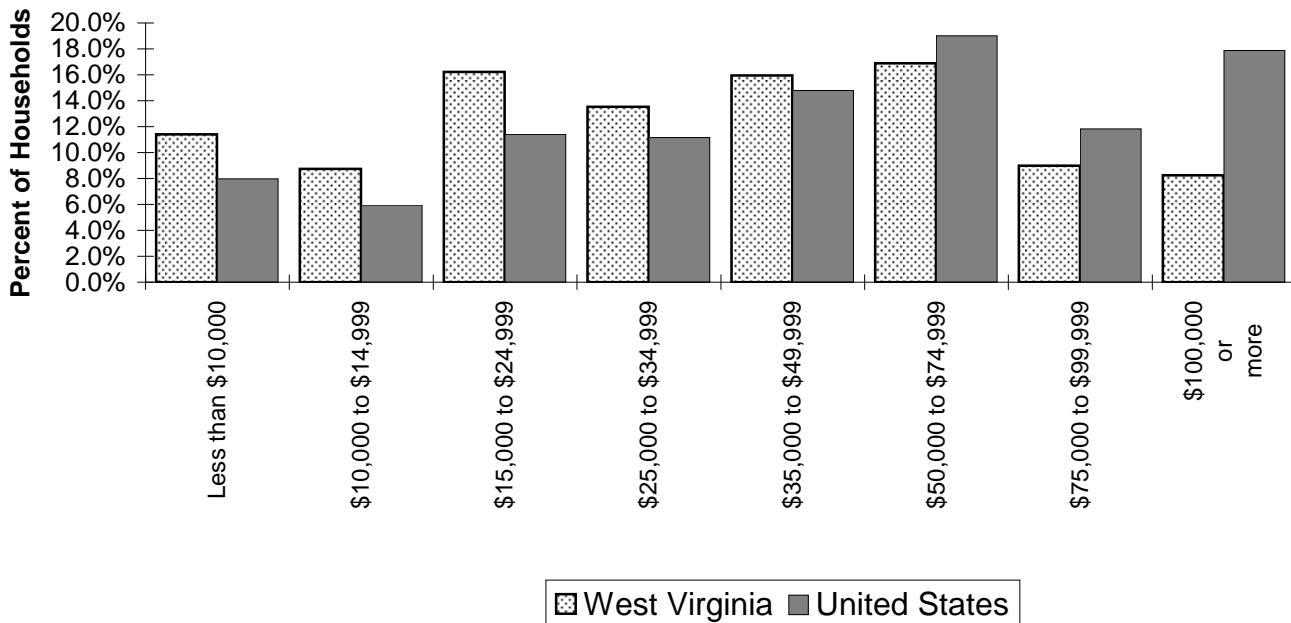
West Virginia

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	29.6%	14.0%	20.5%	13.5%	11.8%	6.9%	2.4%	1.2%	100.0%
25 to 44 years.....	11.3%	6.0%	12.5%	13.2%	17.4%	20.6%	10.5%	8.5%	100.0%
45 to 64 years.....	9.2%	5.9%	13.4%	11.8%	16.2%	19.7%	12.0%	11.8%	100.0%
65 years and over.....	11.6%	15.7%	24.8%	16.7%	14.4%	9.7%	3.4%	3.7%	100.0%
West Virginia (all ages).	11.4%	8.8%	16.2%	13.5%	15.9%	16.9%	9.0%	8.2%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



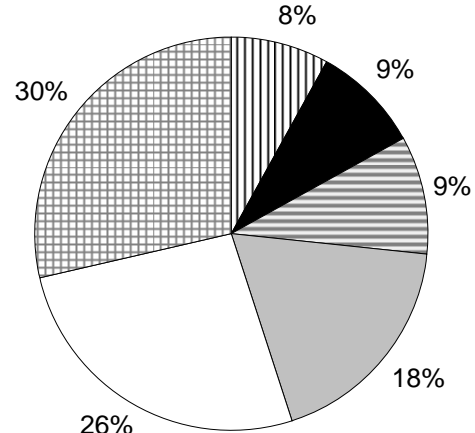
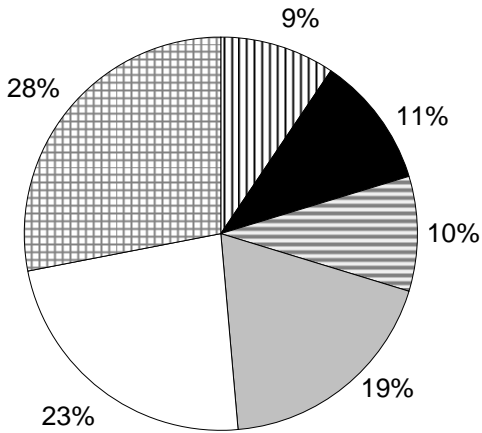
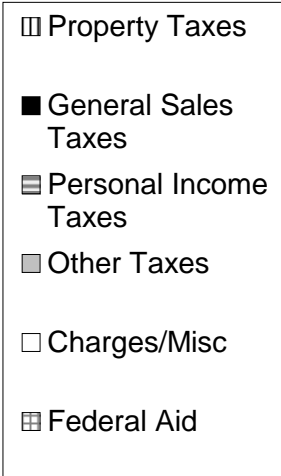
West Virginia

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		WV	US	WV	US	WV	US
Total General Revenues.....	\$12,345	\$6,805	\$6,816	27.0%	20.8%	5.3%	5.6%
Own Sources.....	\$8,805	\$4,854	\$5,338	19.3%	16.3%	5.2%	5.3%
Taxes.....	\$5,551	\$3,060	\$3,698	12.1%	11.3%	4.5%	5.2%
Property Taxes.....	\$1,008	\$556	\$1,132	2.2%	3.5%	3.8%	5.1%
General Sales Taxes.....	\$1,095	\$604	\$887	2.4%	2.7%	3.3%	5.1%
Personal Income Taxes.....	\$1,172	\$646	\$813	2.6%	2.5%	5.1%	5.7%
Other Taxes.....	\$2,276	\$1,254	\$866	5.0%	2.6%	5.1%	4.9%
Charges/Miscellaneous.....	\$3,254	\$1,794	\$1,640	7.1%	5.0%	6.6%	5.7%
Federal Aid.....	\$3,540	\$1,951	\$1,478	7.7%	4.5%	5.5%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



West Virginia

I. Personal Income Tax (2006)

State Income Tax Base

West Virginia's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if they filed a federal return or if their West Virginia adjusted gross income is greater than their personal exemptions (\$2,000 per exemption) or \$500 if they claimed zero exemptions.

Rate Structure			
Single or Married, Filing Jointly		Married, Filing Separately	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$10,000	3.0%	First \$5,000	3.0%
\$10,001 – \$25,000	4.0%	\$5,001 – \$12,500	4.0%
\$25,001 – \$40,000	4.5%	\$12,501 – \$20,000	4.5%
\$40,001 – \$60,000	6.0%	\$20,001 – \$30,000	6.0%
Over \$60,000	6.5%	Over \$30,000	6.5%

Public Pension Exemption

\$2,000 pension exemption; some West Virginia public safety officials receive a full pension exemption.

Military Pension Exemption

In addition to the \$2,000 pension exemption, military retirees can receive up to a \$20,000 exemption for military pension income.

Private Pension Exemption..... None

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

West Virginia

Income Exemption

Persons age 65 and older or disabled can exclude up to \$8,000 from any income source (including taxable Social Security benefits), but the public and military pension exemptions count toward the \$8,000 exemption.

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Long-Term Care Insurance Deduction

Taxpayers can deduct premiums as long as they were not already claimed as deductions on the federal return for calculating federal adjusted gross income.

Medical Savings Account Deduction

Taxpayers can deduct up to \$2,000 in contributions to a West Virginia medical savings account as long as those contributions were not already claimed as deductions for calculating federal adjusted gross income. Interest earned on the account is also tax deductible.

Personal Exemptions

All ages \$2,000 (single); \$4,000 (married, filing jointly)

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 6.0%

Combined state/local tax rates 6.0%

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

West Virginia

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate)	9.0%**	On all taxable income
Gasoline (per gallon)	\$0.270	
Cigarette (per pack of 20)	\$0.55	Local taxes, where levied, are additional.
Beer (per gallon)	\$0.177	The tax affects beer not exceeding 3.2% alcohol by weight.

**Corporate income tax reduced to 8.75%, effective January 1, 2007.

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption

Requirements

Benefits

Age 65 and older or disabled \$20,000 assessed value

Senior Citizens Homestead Tax Credit

Age 65 and older or disabled that benefit from the homestead exemption program and whose federal adjusted gross income is equal to or less than 150% of the federal poverty guidelines (e.g., \$14,700 for a household size of one and \$19,800 for a household size of two) Refundable income tax credit equal to the amount of property taxes paid on the first \$20,000 of taxable assessed value over the \$20,000 homestead exemption

Circuit Breaker*

Requirements

Benefits

Homeowners and renters age 65 and older whose income is \$5,000 or less \$125 tax credit

*A new refundable personal income tax credit will be offered to homeowners in 2008. The credit will equal the amount of property taxes that exceed 4% of household income up to a maximum credit of \$1,000. Homeowners who also qualify for the senior citizens homestead tax credit will have to choose either the new refundable personal income tax credit or the senior citizens homestead tax credit; they cannot benefit from both income tax credits.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

West Virginia

Deferral Program..... None

V. Real Property Tax Limits, Caps, or Freezes (2007)

Residential property tax rates cannot exceed \$1.00 per \$100 of assessed value (current levy limit). Residents can vote to increase property tax rates up to 100% (schools) or 50% (counties and municipalities) over the current levy limit (known as the excess levy). Residents can also vote to approve higher property tax rates to finance bonded indebtedness. The current levy limit does not include bonded indebtedness.

Property tax revenues for each county generally cannot increase annually by more than 3%, depending on the county, because of higher assessed property values (levy rollback). This limit does not apply to bonded indebtedness, new construction, additions to existing property, or excess levies. Moreover, counties and municipalities can hold a public hearing to raise property tax collections generally up to a 12% annual increase as long as it conforms to the current levy limit. The state legislature can increase property taxes for school purposes beyond the levy rollback through a public hearing as long as it conforms to the current levy limit.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

West Virginia

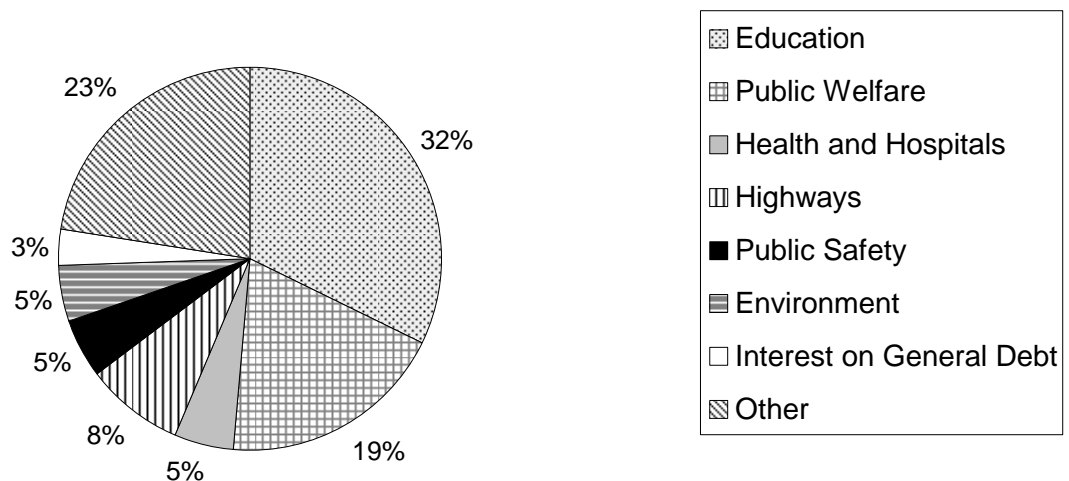
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		WV	US	WV	US	WV	US
State/Local Direct General Expenditures	\$12,267	\$6,762	\$6,794	26.8%	20.7%	5.6%	5.8%
To State/Local Government	\$12,256	\$6,756	\$6,778	26.8%	20.7%	5.6%	5.8%
Education*	\$3,965	\$2,186	\$2,325	8.7%	7.1%	4.3%	6.2%
Public Welfare	\$2,340	\$1,290	\$1,221	5.1%	3.7%	4.0%	6.5%
Health and Hospitals	\$596	\$329	\$574	1.3%	1.8%	2.9%	4.9%
Highways	\$1,041	\$574	\$418	2.3%	1.3%	4.0%	4.9%
Public Safety*	\$596	\$328	\$599	1.3%	1.8%	7.5%	5.8%
Environment	\$591	\$326	\$383	1.3%	1.2%	5.4%	4.7%
Interest on General Debt	\$357	\$197	\$273	0.8%	0.8%	-0.8%	3.6%
Other	\$2,770	\$1,527	\$985	6.1%	3.0%	13.4%	6.1%
To Federal Government	\$11	\$6	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
West Virginia (State and Local)	\$8.4	\$4,649	\$184.40	\$8.4	99.9%	\$0.01	0.1%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

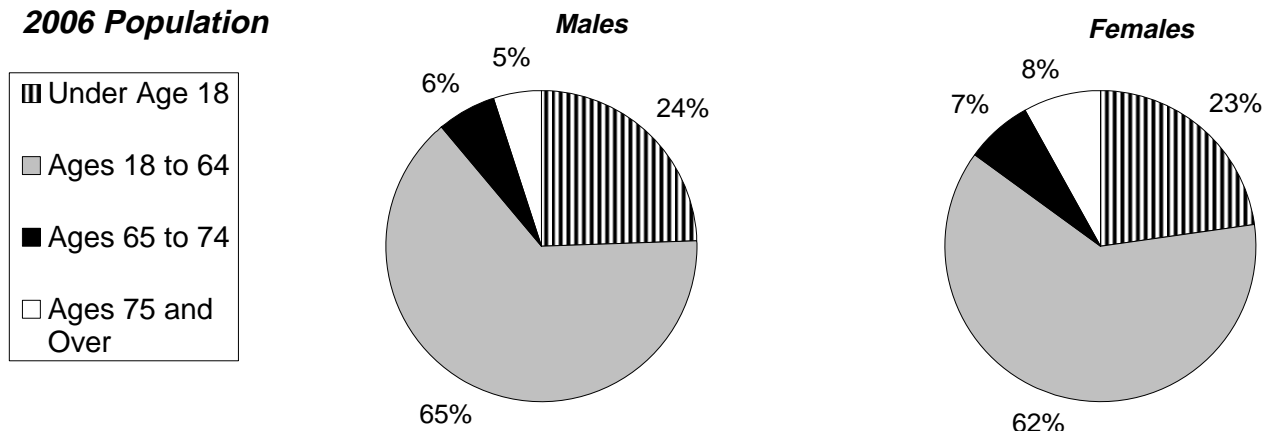
Source: U.S. Bureau of the Census

Wisconsin

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	WI	US	WI	US	WI	US
	Per Capita Income.....	\$23,273	\$24,175	\$34,476	\$36,629	4.0%
Median Household Income	\$40,001	\$35,492	\$51,692	\$48,201	2.6%	3.1%
Gross State Product (in millions).....	\$141,755	\$7,659,651	\$227,230	\$13,149,033	4.8%	5.6%
Full- and Part-Time Positions (in thousands).....	3,191	152,150	3,610	178,343	1.2%	1.6%
Employed Persons (in thousands)	2,816	126,708	2,918	144,427	0.4%	1.3%
Unemployment Rate.....	3.6%	5.4%	4.7%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	WI	WI	WI	US	WI	US
Total Population.....	5,173,828	5,556,506	7.4%	12.9%	11.0%	13.3%
Males.....	2,540,065	2,760,942	8.7%	13.9%	9.8%	11.9%
Under Age 18.....	690,165	671,960	-2.6%	6.6%	14.8%	18.2%
Ages 18 to 64.....	1,565,414	1,782,176	13.8%	17.4%	8.6%	10.1%
Ages 65 to 74.....	165,431	167,165	1.0%	4.0%	5.1%	6.9%
Ages 75 and Over.....	119,055	139,641	17.3%	25.1%	6.5%	7.7%
Females.....	2,633,763	2,795,564	6.1%	11.9%	12.1%	14.7%
Under Age 18.....	654,223	640,570	-2.1%	6.8%	15.0%	18.5%
Ages 18 to 64.....	1,575,718	1,737,766	10.3%	15.0%	11.5%	13.8%
Ages 65 to 74.....	195,941	189,235	-3.4%	-1.0%	6.9%	10.2%
Ages 75 and Over.....	207,881	227,993	9.7%	17.3%	13.3%	13.5%

Source: U.S. Bureau of the Census

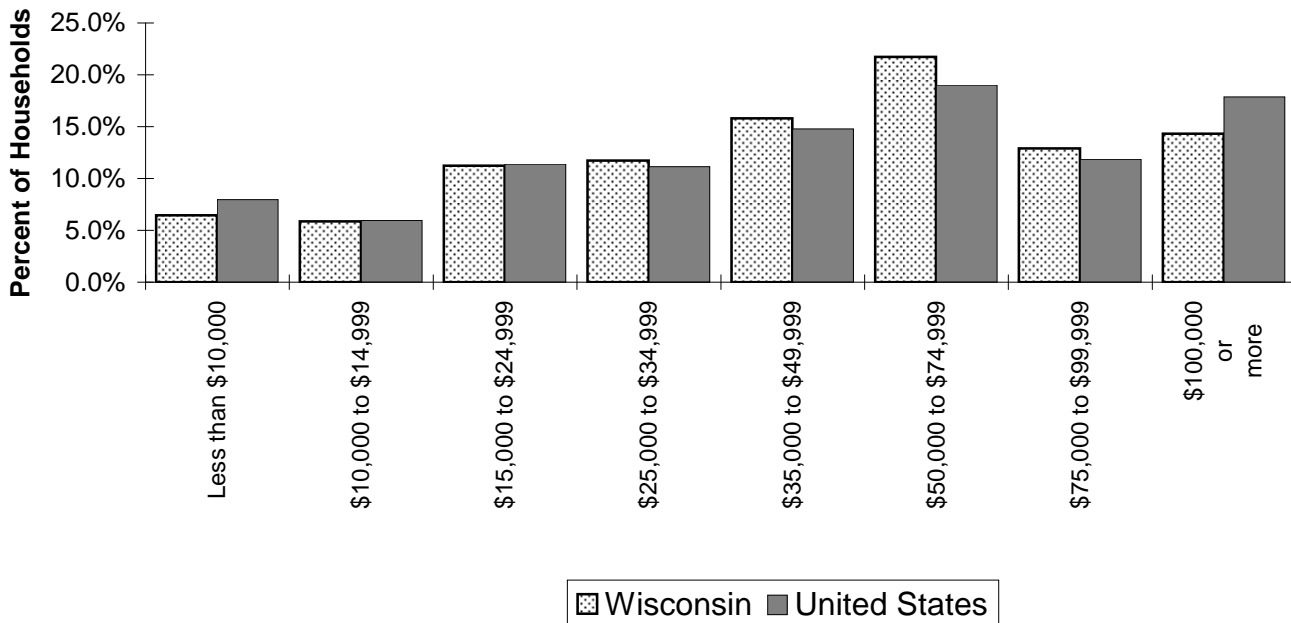
Wisconsin

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	16.5%	10.7%	19.9%	16.1%	19.5%	12.8%	2.8%	1.6%	100.0%
25 to 44 years.....	4.8%	3.8%	8.2%	11.7%	16.2%	26.2%	15.5%	13.7%	100.0%
45 to 64 years.....	5.2%	3.5%	7.4%	8.7%	14.6%	23.2%	16.1%	21.4%	100.0%
65 years and over.....	8.8%	12.7%	21.4%	16.1%	16.4%	13.7%	5.2%	5.8%	100.0%
Wisconsin (all ages).....	6.5%	5.9%	11.2%	11.7%	15.8%	21.7%	12.9%	14.3%	100.0%
United States (all ages).	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



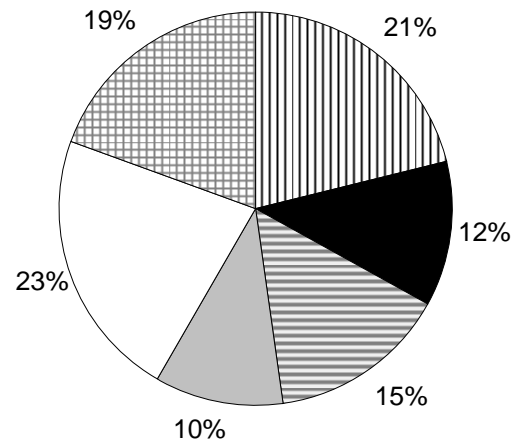
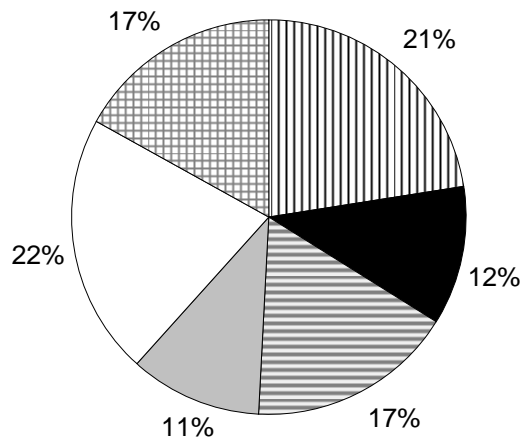
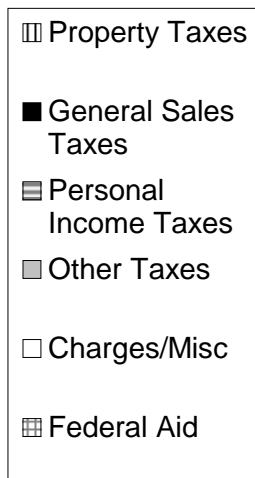
Wisconsin

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		WI	US	WI	US	WI	US
Total General Revenues.....	\$36,721	\$6,643	\$6,816	21.0%	20.8%	4.6%	5.6%
Own Sources.....	\$29,620	\$5,359	\$5,338	17.0%	16.3%	4.2%	5.3%
Taxes.....	\$21,404	\$3,872	\$3,698	12.2%	11.3%	4.0%	5.2%
Property Taxes.....	\$7,796	\$1,410	\$1,132	4.5%	3.5%	4.0%	5.1%
General Sales Taxes.....	\$4,300	\$778	\$887	2.5%	2.7%	4.7%	5.1%
Personal Income Taxes.....	\$5,465	\$989	\$813	3.1%	2.5%	3.3%	5.7%
Other Taxes.....	\$3,843	\$695	\$866	2.2%	2.6%	4.1%	4.9%
Charges/Miscellaneous.....	\$8,217	\$1,487	\$1,640	4.7%	5.0%	5.0%	5.7%
Federal Aid.....	\$7,101	\$1,285	\$1,478	4.1%	4.5%	6.0%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Wisconsin

I. Personal Income Tax (2006)

State Income Tax Base

Wisconsin's income tax base is linked to federal adjusted gross income.

Filing Requirements

Taxpayers must file if their Wisconsin gross income equals or exceeds \$9,160 (single); \$18,000 (married, filing jointly)

Rate Structure

Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$9,160	4.60%	First \$12,210	4.60%
\$9,161 – \$18,320	6.15%	\$12,211 – \$24,430	6.15%
\$18,321 – \$137,410	6.50%	\$24,431 – \$183,210	6.50%
\$137,411 and over	6.75%	\$183,211 and over	6.75%

Public Pension Exemption

Pension income from some federal agencies, such as the Coast Guard, is tax exempt. Federal and certain state and municipal pensioners who retired prior to January 1, 1964, or became members of the retirement system as of December 31, 1963, and then retired at a later date, qualify for a tax exemption on their pension income. For state and local retirees, only certain Milwaukee city, Milwaukee County, and the Wisconsin teachers' retirement systems qualify for exemptions subject to the aforementioned conditions. All military pension income, including surviving spousal benefits, is exempt.

Private Pension Exemption..... None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of up to 50% of their Social Security benefits. Effective tax year 2008 Social Security benefits will no longer be taxable in Wisconsin.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Wisconsin

Standard Deductions (all ages) \$0 to \$8,460 (single);*
\$0 to \$15,240 (married, filing jointly)*

*Standard deductions for singles range from \$8,460 (adjusted gross income of \$12,000) to \$0 (adjusted gross income of \$82,500 or more); for married, filing jointly, standard deductions range from \$15,240 (adjusted gross income of less than \$17,000) to \$0 (adjusted gross income of \$94,175 or more).

Personal Exemptions \$700 (under age 65)
\$950 (age 65 and older)

Health Insurance Premium Deduction

Health insurance premiums, except for long-term care insurance premiums, may be deducted if taxpayers' employers did not contribute toward the cost of their insurance costs.

Long-Term Care Insurance Premium Deduction

Insurance premiums may be deducted if they were not already deducted on the federal return.

Itemized Deduction Credit

Taxpayers can claim a credit equal to 5% of the amount that certain federal itemized deductions, such as medical and dental expenses, exceed Wisconsin's standard deduction. However, the deductions for health and long-term care insurance premiums may not be counted toward this credit.

Local Income Taxes None

II. General Sales Tax Rates (2006)

State 5.0%
Combined state/local tax rates..... 5.0% to 5.6%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) 7.9% On all taxable income**
Gasoline (per gallon) \$0.329
Cigarette (per pack of 20) \$0.77
Beer (per gallon) \$0.065

**Additionally, the greater of \$25 or 3.0% of gross tax liability is imposed. The additional tax may not exceed \$9,800.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Wisconsin

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements	Benefits
Homeowners and renters	\$300 tax credit subtracted from personal income taxes
Disabled veterans and surviving spouses age 65 and older	Credit equal to property tax paid

Circuit Breaker

Requirements	Benefits
Homeowners and renters whose income is \$24,500 or less.....	Up to a \$1,160 tax credit

Deferral Program

Requirements	Benefits
Homeowners age 65 and older or disabled, with incomes at or below \$20,000	Defer up to \$2,500 in property taxes on their dwelling

V. Real Property Tax Limits, Caps or Freezes (2007)

District boards in the Wisconsin Technical College System (WTCS) cannot levy a property tax rate exceeding \$1.50 per \$1,000 of their equalized property valuation for any purposes except debt service.

Property tax rates for county governments cannot exceed the rates established for 1992 unless they are approved by a voter referendum. This limitation does not apply to debt service.

Annual increases in school property taxes are limited by the allowable annual increase in a school district's per-pupil revenue. Under this limit, the maximum amount of school property taxes that can be levied equals the school district's revenue limit minus general state school aid and state computer aid. The allowable increase in revenue per pupil cannot exceed \$257 in 2006–2007. The limit does not pertain to community service functions, such as adult education, and to debt service (depending on when and how a school district's borrowing decisions were made). A school district can exceed its revenue limit by a voter referendum.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

VI. Local Expenditure Limits (2007)

Municipalities have the option of limiting annual increases in their expenditures in exchange for state aid. Annual increases are limited by the Consumer Price Index (CPI) and the growth in a municipality's property value (equal to 60% of the percentage change in a municipality's growth because of new construction). The maximum allowable growth rate of a municipality's property value for calculating the expenditure limit is 2%. To qualify for state aid, municipalities must levy a property tax rate in excess of \$5 per \$1,000 of assessed value. The expenditure limit does not pertain to debt service.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Wisconsin

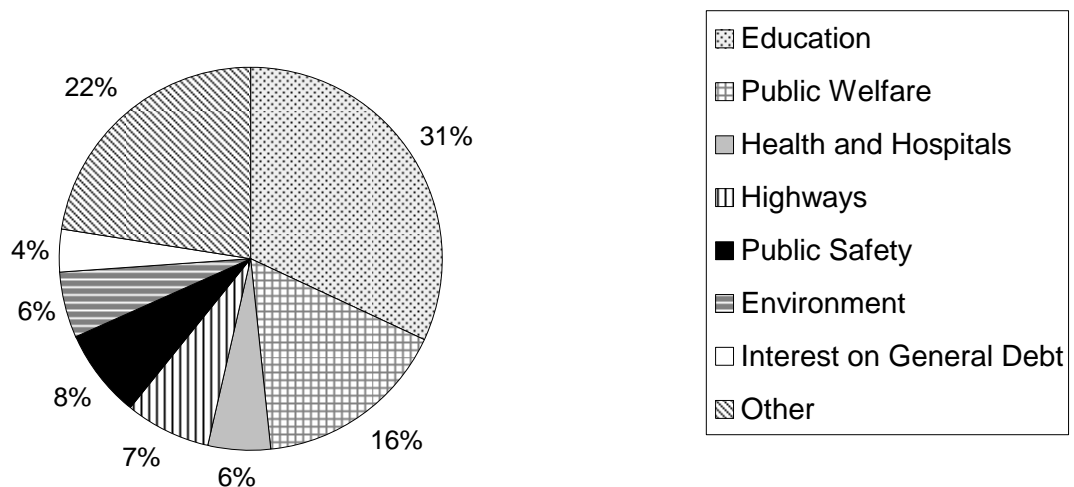
State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		WI	US	WI	US	WI	US
State/Local Direct General Expenditures	\$43,147	\$7,806	\$6,794	24.7%	20.7%	6.4%	5.8%
To State/Local Government	\$43,147	\$7,806	\$6,778	24.7%	20.7%	6.5%	5.8%
Education*	\$13,801	\$2,497	\$2,325	7.9%	7.1%	4.8%	6.2%
Public Welfare	\$7,002	\$1,267	\$1,221	4.0%	3.7%	6.4%	6.5%
Health and Hospitals	\$2,380	\$431	\$574	1.4%	1.8%	5.2%	4.9%
Highways	\$3,024	\$547	\$418	1.7%	1.3%	4.8%	4.9%
Public Safety*	\$3,237	\$586	\$599	1.9%	1.8%	5.2%	5.8%
Environment	\$2,469	\$447	\$383	1.4%	1.2%	3.9%	4.7%
Interest on General Debt	\$1,556	\$281	\$273	0.9%	0.8%	4.4%	3.6%
Other	\$9,678	\$1,751	\$985	5.5%	3.0%	13.6%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005

(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Wisconsin (State and Local)	\$36.9	\$6,680	\$211.31	\$35.9	97.2%	\$1.03	2.8%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

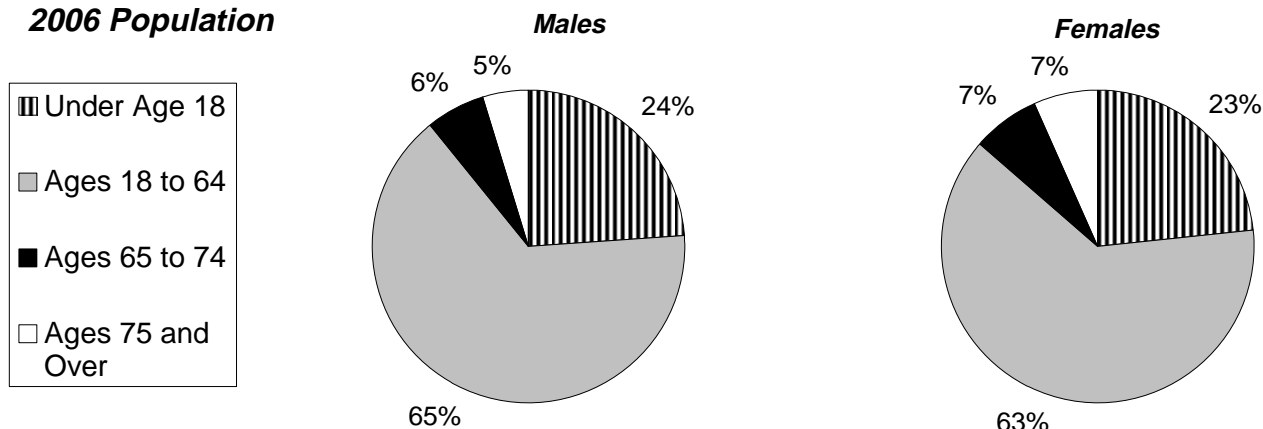
Source: U.S. Bureau of the Census

Wyoming

Economic Indicators	1996		2006		Average Annual Change 1996–2006	
	WY	US	WY	US	WY	US
	Per Capita Income.....	\$21,875	\$24,175	\$40,569	\$36,629	6.4%
Median Household Income	\$30,953	\$35,492	\$47,041	\$48,201	4.3%	3.1%
Gross State Product (in millions).....	\$15,732	\$7,659,651	\$29,561	\$13,149,033	6.5%	5.6%
Full- and Part-Time Positions (in thousands).....	306	152,150	376	178,343	2.1%	1.6%
Employed Persons (in thousands)	242	126,708	276	144,427	1.3%	1.3%
Unemployment Rate.....	5.2%	5.4%	3.2%	4.6%	—	—

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics

2006 Population



Population and Poverty	Population				Poverty Rate	
	1996	2006	Percentage Change 1996–2006		2006	
	WY	WY	WY	US	WY	US
Total Population.....	480,085	515,004	7.3%	12.9%	9.4%	13.3%
Males.....	241,254	261,002	8.2%	13.9%	8.3%	11.9%
Under Age 18.....	68,521	62,559	-8.7%	6.6%	13.1%	18.2%
Ages 18 to 64.....	149,010	169,970	14.1%	17.4%	7.4%	10.1%
Ages 65 to 74.....	14,714	16,195	10.1%	4.0%	2.6%	6.9%
Ages 75 and Over.....	9,009	12,278	36.3%	25.1%	3.6%	7.7%
Females.....	238,831	254,002	6.4%	11.9%	10.5%	14.7%
Under Age 18.....	64,865	59,235	-8.7%	6.8%	10.8%	18.5%
Ages 18 to 64.....	143,792	160,490	11.6%	15.0%	10.7%	13.8%
Ages 65 to 74.....	15,854	17,009	7.3%	-1.0%	4.6%	10.2%
Ages 75 and Over.....	14,320	17,268	20.6%	17.3%	13.1%	13.5%

Source: U.S. Bureau of the Census

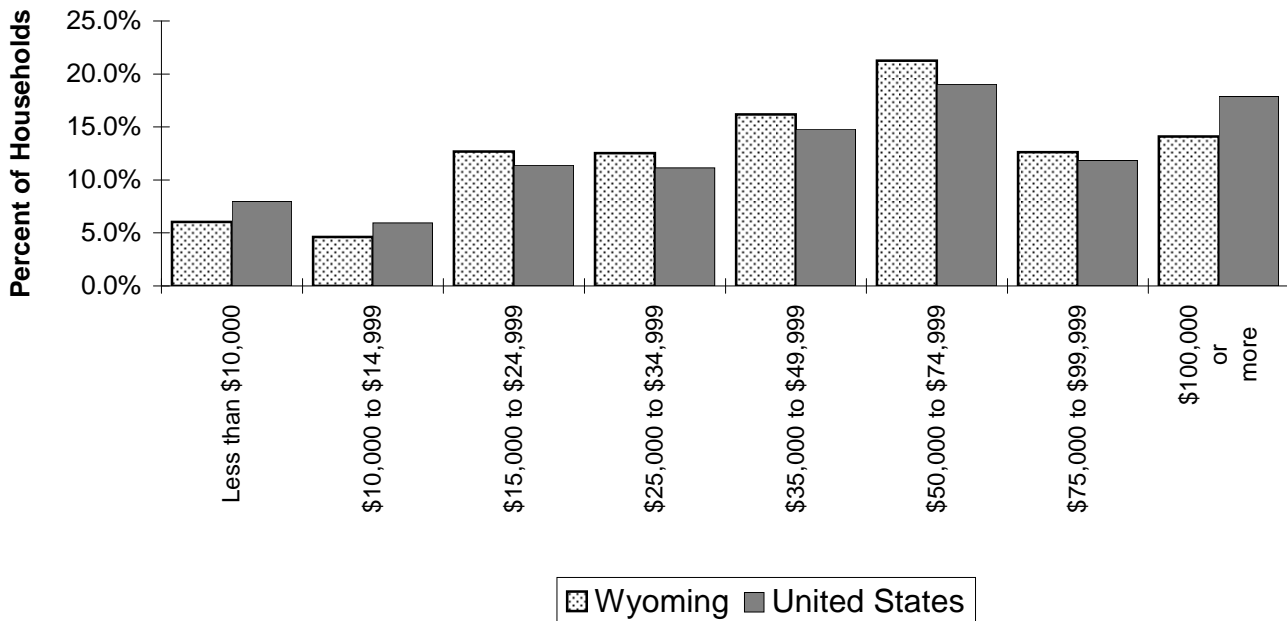
Wyoming

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	17.7%	7.4%	21.1%	18.7%	14.3%	11.5%	6.3%	3.0%	100.0%
25 to 44 years.....	3.6%	2.5%	11.2%	12.1%	18.7%	26.3%	11.7%	14.0%	100.0%
45 to 64 years.....	4.9%	3.1%	8.6%	9.9%	14.7%	22.5%	17.1%	19.3%	100.0%
65 years and over.....	7.7%	10.6%	20.4%	16.2%	15.9%	14.0%	7.3%	7.9%	100.0%
Wyoming (all ages).....	6.0%	4.6%	12.7%	12.5%	16.2%	21.2%	12.6%	14.1%	100.0%
United States (all ages)	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



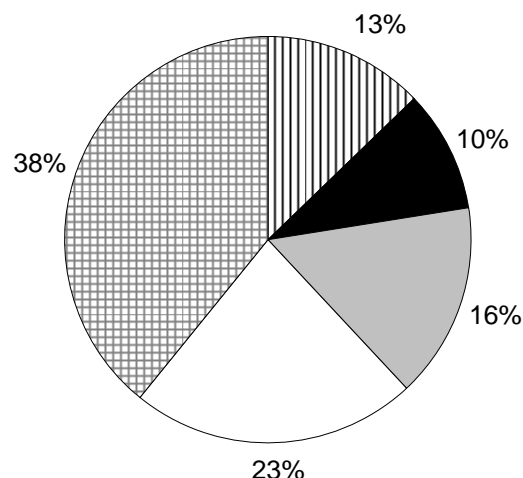
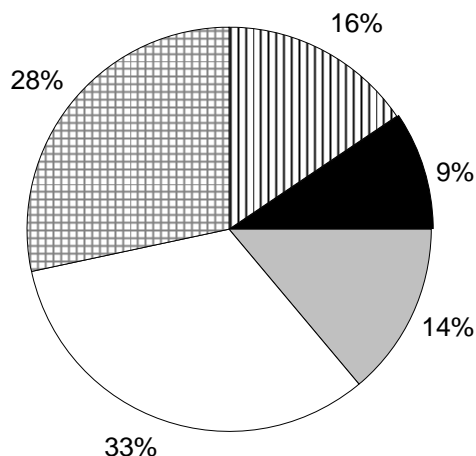
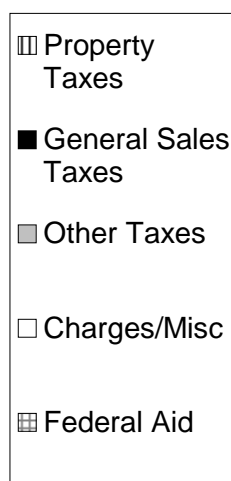
Wyoming

State and Local General Revenues, FY 2005	General Revenues (millions)	Per Capita		Percent of Personal Income		Average Annual Revenue Change 1995–2005	
		WY	US	WY	US	WY	US
Total General Revenues.....	\$7,003	\$13,764	\$6,816	39.4%	20.8%	9.2%	5.6%
Own Sources.....	\$4,269	\$8,390	\$5,338	24.0%	16.3%	7.4%	5.3%
Taxes.....	\$2,672	\$5,252	\$3,698	15.0%	11.3%	9.0%	5.2%
Property Taxes.....	\$891	\$1,751	\$1,132	5.0%	3.5%	6.9%	5.1%
General Sales Taxes.....	\$682	\$1,340	\$887	3.8%	2.7%	9.5%	5.1%
Personal Income Taxes.....	\$0	\$0	\$813	0.0%	2.5%	0.0%	5.7%
Other Taxes.....	\$1,099	\$2,161	\$866	6.2%	2.6%	10.6%	4.9%
Charges/Miscellaneous.....	\$1,597	\$3,139	\$1,640	9.0%	5.0%	5.3%	5.7%
Federal Aid.....	\$2,734	\$5,373	\$1,478	15.4%	4.5%	12.7%	6.7%

Source: U.S. Bureau of the Census (2005 data are the most current available.)

1995 General Revenue

2005 General Revenue



Wyoming

I. Personal Income Tax (2006)

No state or local personal income tax is levied.

II. General Sales Tax Rates (2006)

State 4.0%
Combined state/local tax rates..... 4.0% to 6.0%

III. Miscellaneous Tax Rates (2006)

Corporate income (highest marginal rate) No tax
Gasoline (per gallon) \$0.14
Cigarette (per pack of 20) \$0.60
Beer (per gallon) \$0.02

IV. Real Property Tax Relief Programs (2007)

Homestead Exemption or Credit

Requirements

Certain honorably discharged veterans and surviving spouses.....

Benefits

Generally \$210 tax benefit or less per year; disabled veterans may receive an additional exemption equal to \$2,000 assessed value times their certified percentage of disability

Homeowners who have resided in Wyoming for at least five years, whose eligible income does not exceed one-half of the median household income of the county of residence, and whose household assets are \$21,120 or less per adult (excluding the residence itself and certain other assets)

50% of the previous year's property taxes or 50% of the median residential property tax in the county (whichever is less)

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Wyoming

Circuit Breaker

Requirements

Homeowners and renters age 65 and older or disabled whose income is less than \$13,500 (single) or \$22,000 (married, filing jointly) and who have lived in Wyoming for at least 12 consecutive months

Benefits

Up to an \$800 (single) or \$900 (married) refund for property taxes, sales use taxes, and utility taxes

Deferral Program (local option program)

Requirements

Homeowners age 62 and older or disabled or persons who purchased their property prior to December 31, 1987

Benefits

Defer up to 50% of taxes due if their income is 150% of the poverty level or less

V. Real Property Tax Limits, Caps, or Freezes (2007)

Property Tax Rate Limits

Wyoming has a number of property tax rate limits applied to various local taxing units. For example, schools cannot levy a rate greater than \$2.50 per \$100 of taxable value. However, in general, voters can override these limits, and these limits do not apply to certain bonded indebtedness. Per the School Foundation Program, certain bond issues are prohibited.

The School Foundation Program provides an equalization process with more state control of school districts, including decisions about funding, building, and course design.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

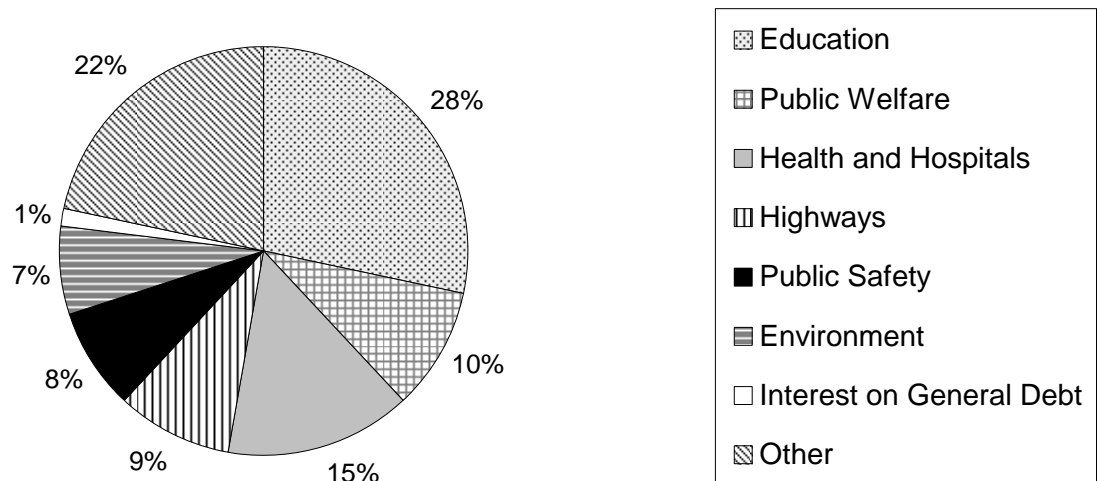
Wyoming

State and Local General Expenditures, FY 2005	General Expenditures (millions)	Per Capita		Percent of Personal Income		Average Annual Expenditure Change 1995–2005	
		WY	US	WY	US	WY	US
State/Local Direct General Expenditures	\$5,642	\$11,089	\$6,794	31.8%	20.7%	8.0%	5.8%
To State/Local Government	\$5,642	\$11,089	\$6,778	31.8%	20.7%	8.0%	5.8%
Education*	\$1,596	\$3,137	\$2,325	9.0%	7.1%	5.4%	6.2%
Public Welfare	\$550	\$1,081	\$1,221	3.1%	3.7%	8.0%	6.5%
Health and Hospitals	\$832	\$1,634	\$574	4.7%	1.8%	9.6%	4.9%
Highways	\$522	\$1,026	\$418	2.9%	1.3%	5.0%	4.9%
Public Safety*	\$445	\$875	\$599	2.5%	1.8%	11.6%	5.8%
Environment	\$398	\$782	\$383	2.2%	1.2%	7.1%	4.7%
Interest on General Debt	\$77	\$151	\$273	0.4%	0.8%	-4.2%	3.6%
Other	\$1,223	\$2,404	\$985	6.9%	3.0%	15.0%	6.1%
To Federal Government	\$0	\$0	\$16	0.0%	0.0%	—	2.5%

*Education includes higher and lower education; public safety includes police, fire, corrections, and protection and inspection.

Source: U.S. Bureau of the Census (2005 data are the most current available.)

State and Local General Expenditures, FY 2005
(excluding payments to federal government)



2005 Debt Ratio Measures	Total Debt Outstanding			Long-term Debt		Short-term Debt	
	Debt (billions)	Per Capita	Per \$1,000 of Personal Income	Debt (billions)	Percent of Total	Debt (billions)	Percent of Total
Wyoming (State and Local)	\$1.9	\$3,732	\$106.93	\$1.9	100.0%	\$0.00	0.0%
United States	\$2,067.0	\$6,970	\$212.82	\$2,036.0	98.5%	\$31.00	1.5%

Source: U.S. Bureau of the Census

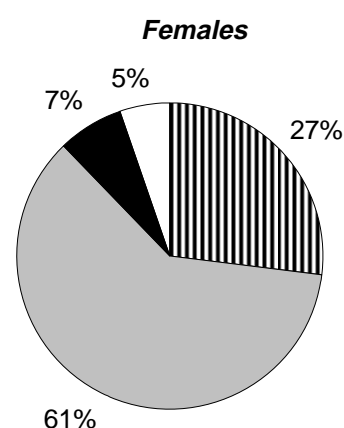
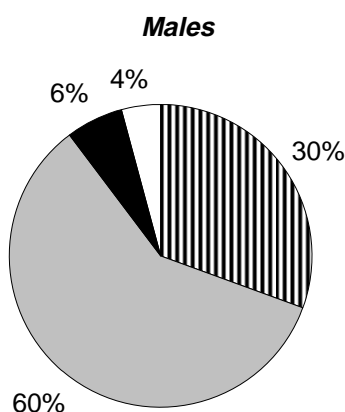
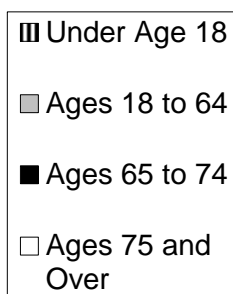
Puerto Rico

Economic Indicators	1980s and 1990s		1990s and 2000s		Average Annual Change*	
	PR	US	PR	US	PR	US
	Per Capita Income (1995 and 2005).....	\$7,394	\$23,076	\$12,365	\$34,685	5.3%
Median Household Income (1989 and 1999).....	\$8,895	\$30,056	\$14,412	\$41,994	4.9%	3.4%
Per Capita Gross Product (1995 and 2005).....	\$7,683	\$28,149	\$13,702	\$41,935	6.0%	4.1%
Employed Persons, in thousands (1996 and 2006).....	1,112	126,708	1,261	144,427	1.3%	1.3%
Unemployment Rate (1996 and 2006).....	13.4%	5.4%	10.4%	4.6%	—	—

*Average annual change is based on the years identified under the economic indicators header.

Sources: U.S. Bureau of the Census, Puerto Rico Planning Board, and the U.S. Bureau of Labor Statistics

2000 Population



Population and Poverty	Population				Poverty Rate	
	1990	2000	Percentage Change		2006	
	PR	PR	PR	US	PR	US
Total Population.....	3,522,037	3,808,610	8.1%	13.2%	45.4%	13.3%
Males.....	1,705,642	1,833,577	7.5%	13.9%	43.9%	11.9%
Under Age 18.....	587,604	558,579	-4.9%	13.7%	56.5%	18.2%
Ages 18 to 64.....	961,812	1,088,795	13.2%	13.8%	38.8%	10.1%
Ages 65 to 74.....	92,676	108,443	17.0%	4.6%	38.1%	6.9%
Ages 75 and Over.....	63,550	77,760	22.4%	32.1%	43.9%	7.7%
Females.....	1,816,395	1,975,033	8.7%	12.5%	46.7%	14.7%
Under Age 18.....	566,923	533,522	-5.9%	13.6%	56.0%	18.5%
Ages 18 to 64.....	1,064,814	1,202,577	12.9%	12.6%	43.3%	13.8%
Ages 65 to 74.....	106,721	132,508	24.2%	-0.8%	44.7%	10.2%
Ages 75 and Over.....	77,937	106,426	36.6%	23.3%	47.6%	13.5%

Source: U.S. Bureau of the Census

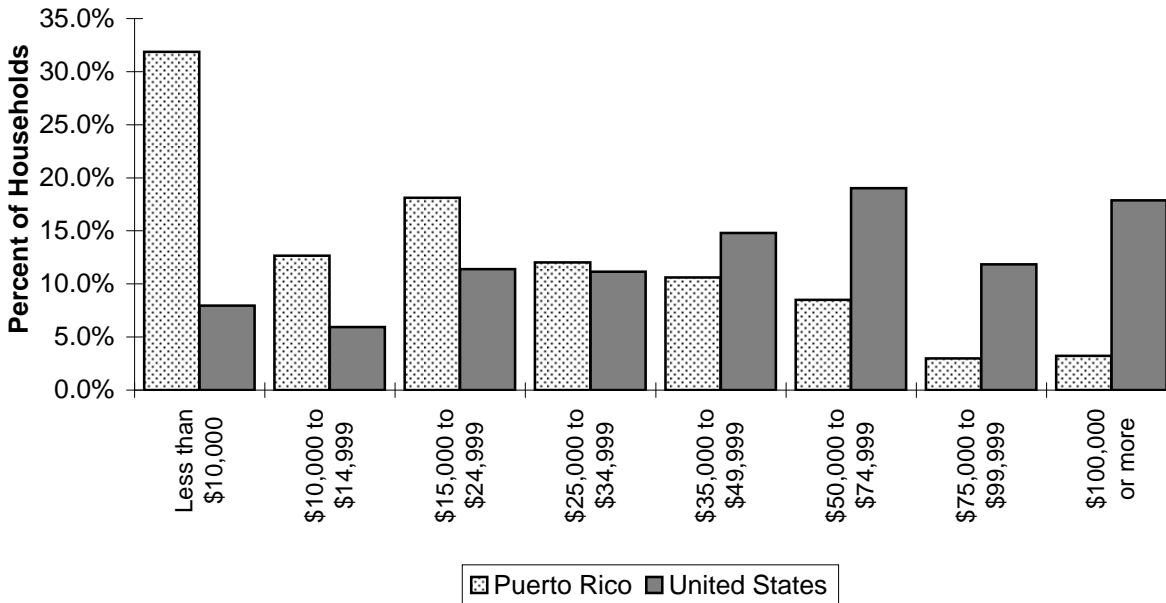
Puerto Rico

Percent Distribution of Households by Age of Householder and Income, 2006

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	60.0%	12.3%	15.6%	5.8%	3.8%	2.3%	0.2%	0.1%	100.0%
25 to 44 years.....	27.7%	10.4%	18.0%	13.8%	12.5%	10.4%	3.6%	3.6%	100.0%
45 to 64 years.....	28.1%	11.8%	18.0%	12.3%	11.7%	10.2%	3.7%	4.2%	100.0%
65 years and over.....	40.2%	17.1%	18.8%	10.0%	7.1%	3.9%	1.3%	1.5%	100.0%
Puerto Rico (all ages).....	31.9%	12.7%	18.1%	12.0%	10.6%	8.5%	3.0%	3.2%	100.0%
United States (all ages).....	8.0%	5.9%	11.4%	11.2%	14.8%	19.0%	11.8%	17.9%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 2006



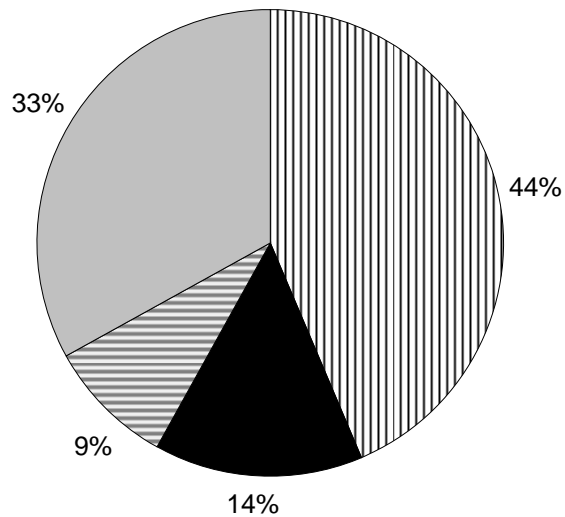
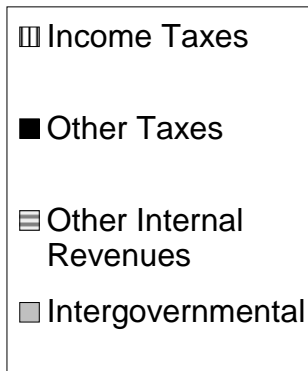
Puerto Rico

All Government Funds, FY 2006	Government Funds (millions)	Per Capita	Percent of Personal Income	Average Annual Revenue Change
		PR	PR	1996-2006 PR
Total Government Funds	\$14,155	\$3,604	29.3%	4.8%
Total Internal Revenues.....	\$9,492	\$2,416	19.6%	4.1%
Taxes.....	\$8,211	\$2,090	17.0%	3.8%
Income Taxes*.....	\$6,182	\$1,574	12.8%	6.2%
Other Taxes.....	\$2,029	\$517	4.2%	-1.0%
Other Internal Revenues.....	\$1,281	\$326	2.6%	6.1%
Intergovernmental.....	\$4,663	\$1,187	9.6%	6.2%

*Includes corporate and individual income taxes.

Source: Puerto Rico Department of the Treasury

2006 Government Fund Revenue



Puerto Rico

I. Personal Income Tax (2006)

Income Tax Base

Puerto Rico's income tax base is not directly linked to the federal income tax base.

Filing Requirements

Taxpayers must file if their total gross income exceeds \$3,300 (single) and \$6,000 (married, living with spouse, and filing jointly).

Rate Structure

Single and Married Couples Filing Jointly			
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$2,000	7%	\$30,001 – \$50,000	28%
\$2,001 – \$17,000	10%	Over \$50,000	33%
\$17,001 – \$30,000	15%		

Annuity and Pension Exemption

Taxpayers may receive an annuity and pension exemption of up to \$8,000 (under age 60) or \$12,000 (age 60 and older).

Social Security Benefits Full exemption

Tax Deduction

Taxpayers who are married, living with their spouse, and are filing jointly are eligible to receive a \$3,000 deduction if both spouses receive earned income.

Military Deduction

Puerto Rican residents who are veterans of the United States Armed Forces are eligible for a \$500 deduction.

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Puerto Rico

Standard Deductions and Personal Exemptions Combined

All ages	\$3,400 (single); \$6,150 (married, filing jointly and living with spouse)
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Tax Credit

Taxpayers (single, head of household, or married, filing jointly) whose adjusted gross income is \$10,000 or less and whose only source of income comes from salaries do not have to pay income taxes.

Tax Credit

Taxpayers (single, head of household, or married, filing jointly) must meet various eligibility requirements to receive a tax credit. These include the following: (1) adjusted gross income is over \$10,000 but not over \$50,000; (2) their only source of income consists of wages and salaries (subject to withholding in Puerto Rico), pensions, and tips; and (3) they cannot claim any other tax credit (except the credit for contributions to the Educational Foundation for Free Selection of Schools). The credit amount ranges from \$50 to \$150 (singles) and from \$50 to \$250 (married living with spouse and filing jointly), depending on adjusted gross income (higher adjusted gross incomes means higher credit amounts).

II. General Sales Tax Rates (2006)*

State	5.5%
Combined state/local tax rates.....	6.5% to 7.0%

*The sales tax replaced the general excise tax on July 1, 2006.

III. Miscellaneous Tax Rates (2006)

Cigarette (per pack of 20)	\$1.23	
Beer (per gallon)	\$0.70	0.5% to 1.5% alcohol content
	\$4.05	1.5% alcohol content
	\$4.12	Greater than 1.5% alcohol content for five or more gallon measures

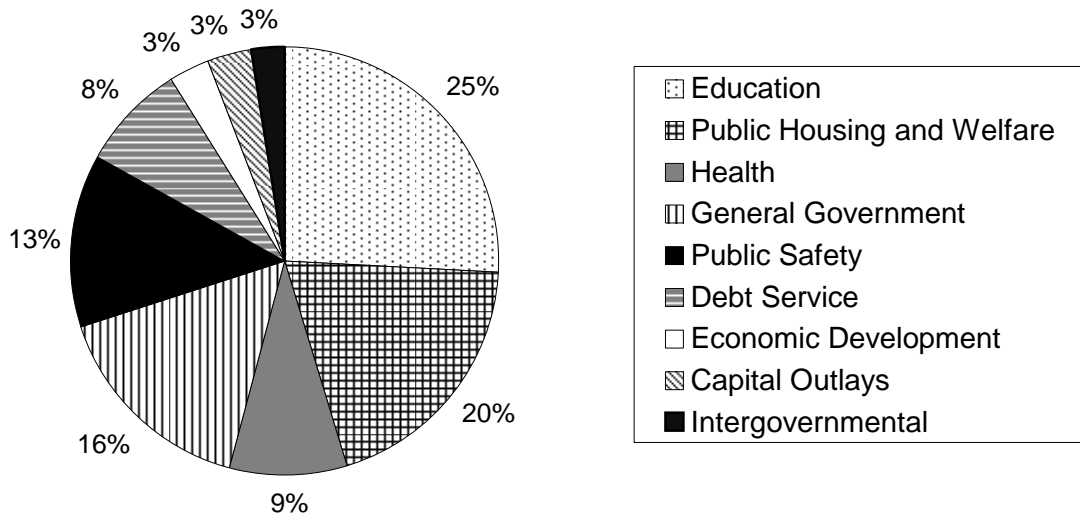
Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Puerto Rico

General Expenditures, FY 2006	General Expenditures (millions)	Per Capita	Percent of Personal Income	Average Annual Expend. Change 1996–2006
	PR	PR	PR	PR
Total Expenditures	\$15,957	\$4,062	33.0%	8.3%
Education.....	\$4,102	\$1,044	8.5%	8.4%
Public Housing and Welfare.....	\$3,130	\$797	6.5%	6.3%
Health.....	\$1,430	\$364	3.0%	19.3%
General Government.....	\$2,489	\$634	5.1%	14.2%
Public Safety.....	\$2,108	\$537	4.4%	8.6%
Debt Service.....	\$1,269	\$323	2.6%	3.8%
Economic Development.....	\$516	\$131	1.1%	8.2%
Capital Outlays.....	\$502	\$128	1.0%	-0.9%
Intergovernmental.....	\$410	\$104	0.8%	8.3%

Source: Puerto Rico Department of the Treasury

2006 General Expenditures



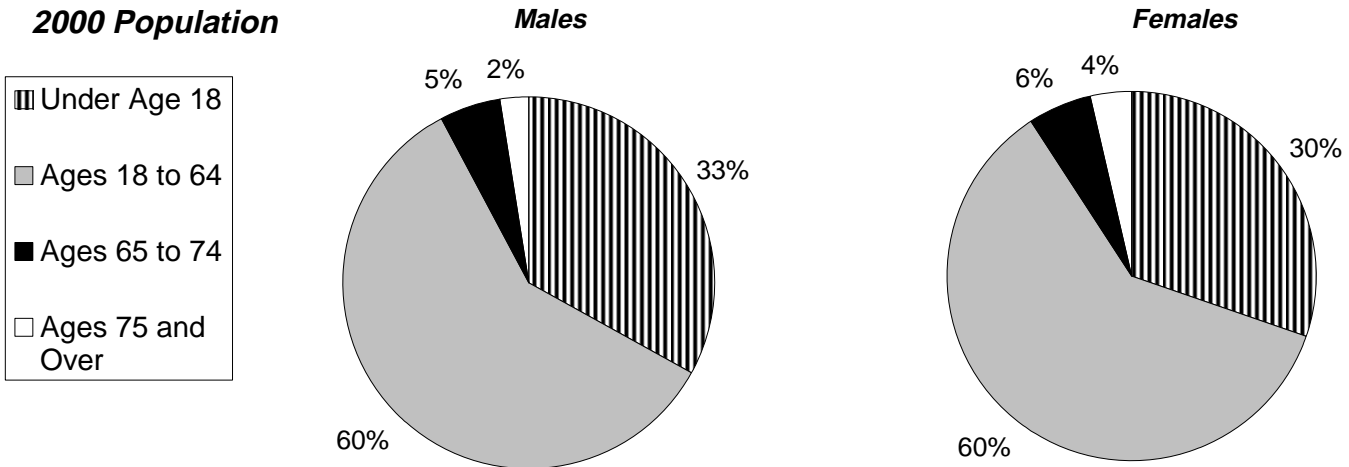
Virgin Islands

Economic Indicators	1980s and 1990s		1990s and 2000s		Average Annual Change*	
	VI	US	VI	US	VI	US
	Per Capita Income (1989 and 1999).....	\$9,440	\$19,584	\$13,139	\$28,542	3.4%
Median Household Income (1989 and 1999).....	\$22,050	\$30,056	\$24,704	\$41,994	1.1%	3.4%
Per Capita Gross Product (1990 and 2000).....	\$15,599	\$23,333	\$21,518	\$34,911	3.3%	4.1%
Poverty Rate (1989 and 1999).....	27.1%	13.1%	32.5%	12.4%	—	—
Employed Persons, in thousands (1995 and 2005)	45	124,900	47	141,730	0.5%	1.3%
Unemployment Rate (1995 and 2005).....	5.7%	5.6%	7.1%	5.1%	—	—

*Average annual change is based on the years identified under the economic indicators header.

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and the Virgin Islands Government Development Bank

2000 Population



Population and Poverty	Population				Poverty Rate	
	1990	2000	Percentage Change 1990-2000		1989	
	VI	VI	VI	US	VI	US
Total Population.....	101,809	108,612	6.7%	13.2%	27.1%	13.1%
Males.....	49,210	51,864	5.4%	13.9%	24.8%	11.5%
Under Age 18.....	17,825	17,129	-3.9%	13.7%	37.1%	18.0%
Ages 18 to 64.....	28,544	30,764	7.8%	13.8%	17.0%	9.2%
Ages 65 to 74.....	1,970	2,696	36.9%	4.6%	24.0%	7.1%
Ages 75 and Over.....	871	1,275	46.4%	32.1%	29.7%	10.8%
Females.....	52,599	56,748	7.9%	12.5%	29.3%	14.6%
Under Age 18.....	17,602	17,160	-2.5%	13.6%	36.5%	18.5%
Ages 18 to 64.....	31,359	34,442	9.8%	12.6%	24.7%	12.8%
Ages 65 to 74.....	2,313	3,149	36.1%	-0.8%	33.5%	12.9%
Ages 75 and Over.....	1,325	1,997	50.7%	23.3%	37.4%	19.8%

Source: U.S. Bureau of the Census

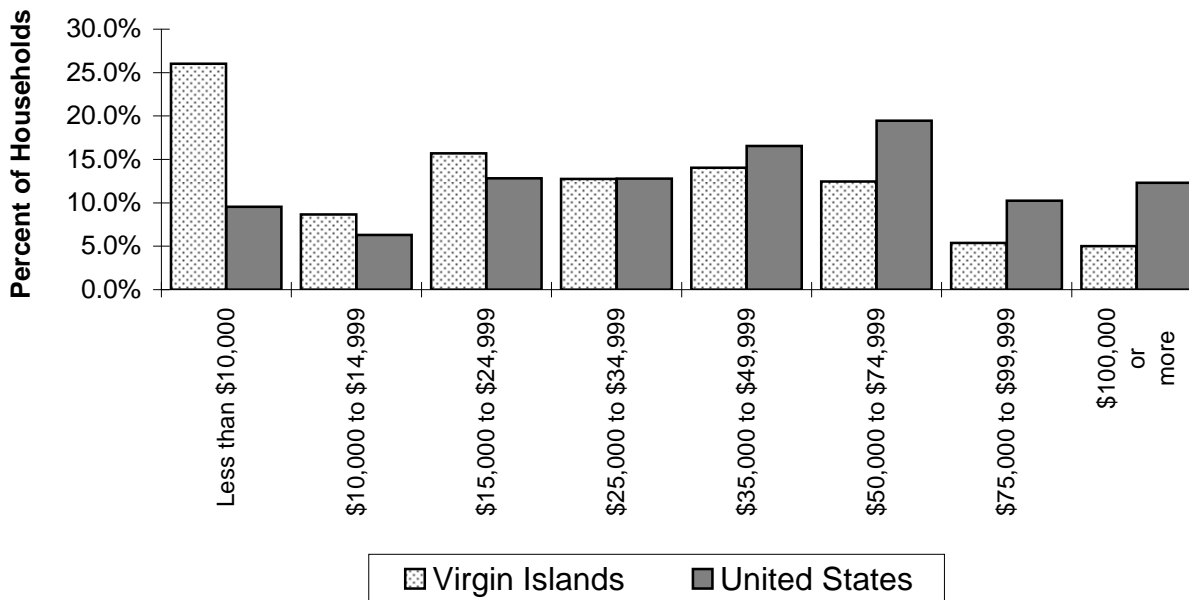
Virgin Islands

Percent Distribution of Households by Age of Householder and Income, 1999

Age of Householder	Less than \$10,000	\$10,000 to \$14,999	\$15,000 to \$24,999	\$25,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	All Households
Under 25 years.....	45.5%	12.7%	17.7%	10.7%	7.7%	3.5%	1.3%	1.0%	100.0%
25 to 44 years.....	25.1%	8.9%	17.3%	14.2%	14.7%	12.0%	4.5%	3.2%	100.0%
45 to 64 years.....	22.2%	7.5%	14.4%	12.3%	15.2%	14.6%	6.9%	6.9%	100.0%
65 years and over.....	34.9%	10.6%	15.1%	10.9%	10.5%	9.3%	3.9%	4.8%	100.0%
Virgin Islands (all ages)	26.0%	8.6%	15.7%	12.8%	14.1%	12.4%	5.4%	5.0%	100.0%
United States (all ages)	9.5%	6.3%	12.8%	12.8%	16.5%	19.5%	10.2%	12.3%	100.0%

Source: U.S. Bureau of the Census

Percent of Households by Household Income Bracket, 1999



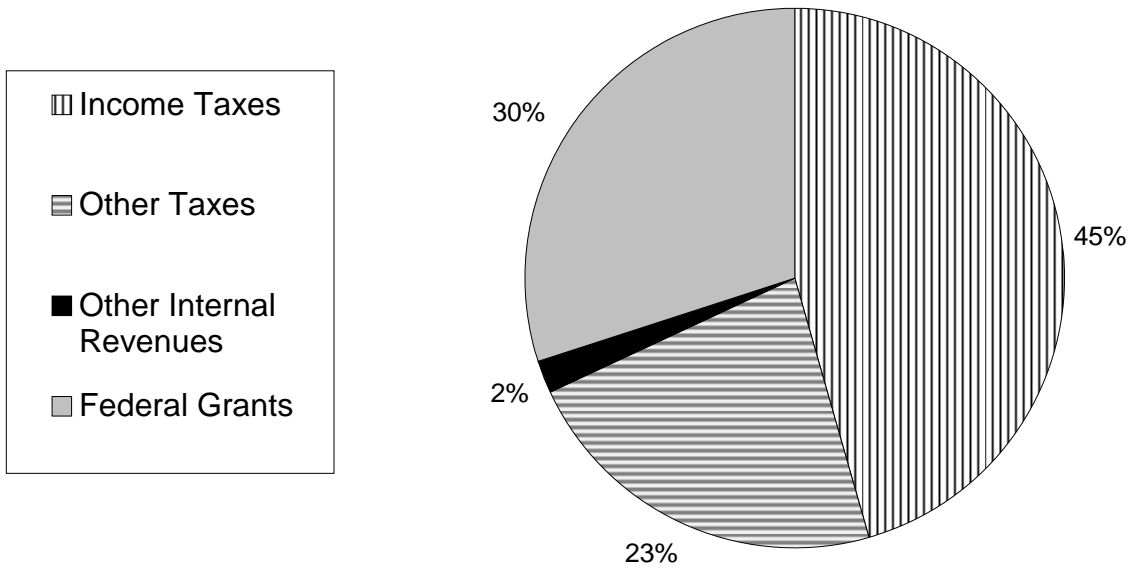
Virgin Islands

General Revenues and Federal Grants, FY 2005	General Revenues (millions)	Per Capita	Percent of Personal Income	Average Annual Revenue Change 1999–2005
		VI	VI	VI
Genl. Revenues and Federal Grants..	\$903	\$8,098	42.3%	6.5%
General Revenues.....	\$632	\$5,665	29.6%	7.7%
Taxes.....	\$615	\$5,520	28.8%	7.7%
Income Taxes*.....	\$410	\$3,679	19.2%	10.4%
Other Taxes.....	\$205	\$1,841	9.6%	3.4%
Other Internal Revenues.....	\$16	\$145	0.8%	9.0%
Federal Grants.....	\$271	\$2,432	12.7%	3.9%

*Includes corporate and individual income taxes and is reduced by tax refunds.

Sources: United States Virgin Islands, Office of the Governor, Office of Management and Budget and Bureau of Economic Research; and U.S. Bureau of the Census

2005 General Revenue and Federal Grants



Virgin Islands

I. Personal Income Tax (2006)*

Income Tax Base

The Virgin Islands' income tax base is linked to federal taxable income.

Rate Structure			
Single		Married, Filing Jointly	
<u>Taxable Income</u>	<u>Rate</u>	<u>Taxable Income</u>	<u>Rate</u>
First \$7,550	10%	First \$15,100	10%
\$7,551 – \$30,650	15%	\$15,101 – \$61,300	15%
\$30,651 – \$74,200	25%	\$61,301 – \$123,700	25%
\$74,201 – \$154,800	28%	\$123,701 – \$188,450	28%
\$154,801 – \$336,550	33%	\$188,451 – \$336,550	33%
\$336,551 and over	35%	\$336,551 and over	35%

*The above marginal tax rates and income brackets are the same as the federal ones. Virgin Islands taxpayers pay the same income taxes as U.S. taxpayers pay the federal government; however, the monies go to the Virgin Islands. Virgin Islands residents do not have to pay federal income taxes unless they receive federal income.

Public and Private Pension Exemptions None

Social Security Benefits

Taxpayers whose provisional income* is \$25,000 or higher (single) or \$32,000 or higher (married, filing jointly) are subject to taxation of their Social Security benefits.

*Provisional income consists of federal adjusted gross income, tax-exempt interest, certain foreign-source income, and one-half of the taxpayer's Social Security or Railroad Retirement Tier 1 benefit (U.S. House Committee on the Budget, Omnibus Budget Reconciliation Act of 1993, 103rd Congress, 1st Session, 1993, Conference Report 103-213, p. 594).

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Virgin Islands

Standard Deductions and Personal Exemptions Combined**

Under age 65**	\$8,450 (single); \$16,900 (married, filing jointly; both spouses are under age 65)
Age 65 or older**	\$9,700 (single); \$18,900 (married, filing jointly; both spouses are age 65 and older)

**Personal exemptions equal \$3,300 per exemption (single have one exemption and married couples have two). Taxpayers with federal adjusted gross income greater than \$150,500 (single) or \$225,750 (married, filing jointly) receive lower personal exemption amounts.

II. General Sales Tax Rates (2006)

The Virgin Islands levies a gross receipts tax of 4.0% instead of a general sales tax.

III. Miscellaneous Tax Rates (2006)

Cigarette	25% of the sales price
U.S. beer (per case).....	\$1.55
Foreign beer (per case).....	\$2.08
Gasoline (per gallon).....	\$0.07

Sources: AARP 2007 telephone survey of state legislative staff, state departments of revenue, state controllers' offices, state assessors' offices, and state treasury offices.

Table 1

Per Capita Income, 2006

Rank	State	Per Capita Income	Rank	State	Average Annual Change, 1996–2006
1	District of Columbia	\$57,358	1	Wyoming	6.4%
2	Connecticut	\$50,787	2	District of Columbia	5.8%
3	New Jersey	\$46,328	3	Oklahoma	5.1%
4	Massachusetts	\$46,255	4	Montana	5.0%
5	New York	\$43,962	5	Massachusetts	4.8%
6	Maryland	\$43,774	6	Maryland	4.8%
7	Wyoming	\$40,569	7	Louisiana	4.7%
8	New Hampshire	\$39,655	8	Texas	4.7%
9	Colorado	\$39,587	9	Virginia	4.7%
10	Virginia	\$39,564	10	Vermont	4.7%
11	California	\$39,358	11	North Dakota	4.6%
12	Nevada	\$39,015	12	Connecticut	4.6%
13	Delaware	\$38,984	13	New Mexico	4.6%
14	Minnesota	\$38,751	14	California	4.5%
15	Alaska	\$38,622	15	Florida	4.5%
16	Illinois	\$38,297	16	Colorado	4.5%
17	Washington	\$38,067	17	New York	4.5%
18	Rhode Island	\$37,261	18	Rhode Island	4.5%
19	Hawaii	\$36,826	19	Alabama	4.4%
20	Pennsylvania	\$36,689	20	Arizona	4.4%
21	Florida	\$36,665	21	Utah	4.3%
22	Texas	\$35,058	22	West Virginia	4.3%
23	Kansas	\$34,744	23	Kansas	4.3%
24	Vermont	\$34,623	24	New Jersey	4.3%
25	Wisconsin	\$34,476	25	Mississippi	4.3%
26	Nebraska	\$34,383	26	Washington	4.3%
27	Michigan	\$33,784	27	Delaware	4.2%
28	Oregon	\$33,252	28	South Dakota	4.2%
29	Ohio	\$33,217	29	Pennsylvania	4.2%
30	North Dakota	\$33,034	30	Minnesota	4.2%
31	Iowa	\$33,017	31	Maine	4.2%
32	Missouri	\$32,793	32	Arkansas	4.2%
33	South Dakota	\$32,405	33	New Hampshire	4.1%
34	Oklahoma	\$32,398	34	Kentucky	4.1%
35	North Carolina	\$32,338	35	Alaska	4.1%
36	Tennessee	\$32,305	36	Nevada	4.1%
37	Indiana	\$32,226	37	Wisconsin	4.0%
38	Georgia	\$32,025	38	South Carolina	4.0%
39	Arizona	\$31,949	39	Idaho	4.0%
40	Maine	\$31,931	40	Tennessee	4.0%
41	Louisiana	\$31,369	41	Hawaii	3.9%
42	Montana	\$30,886	42	Iowa	3.9%
43	Alabama	\$30,841	43	Nebraska	3.9%
44	Idaho	\$29,948	44	Missouri	3.8%
45	Utah	\$29,769	45	North Carolina	3.8%
46	New Mexico	\$29,725	46	Illinois	3.8%
47	Kentucky	\$29,719	47	Indiana	3.7%
48	South Carolina	\$29,688	48	Ohio	3.6%
49	Arkansas	\$28,444	49	Oregon	3.6%
50	West Virginia	\$28,067	50	Georgia	3.4%
51	Mississippi	\$26,908	51	Michigan	3.3%
	National Average	\$36,629		National Average	4.2%

Map 1
Per Capita Income, 2006

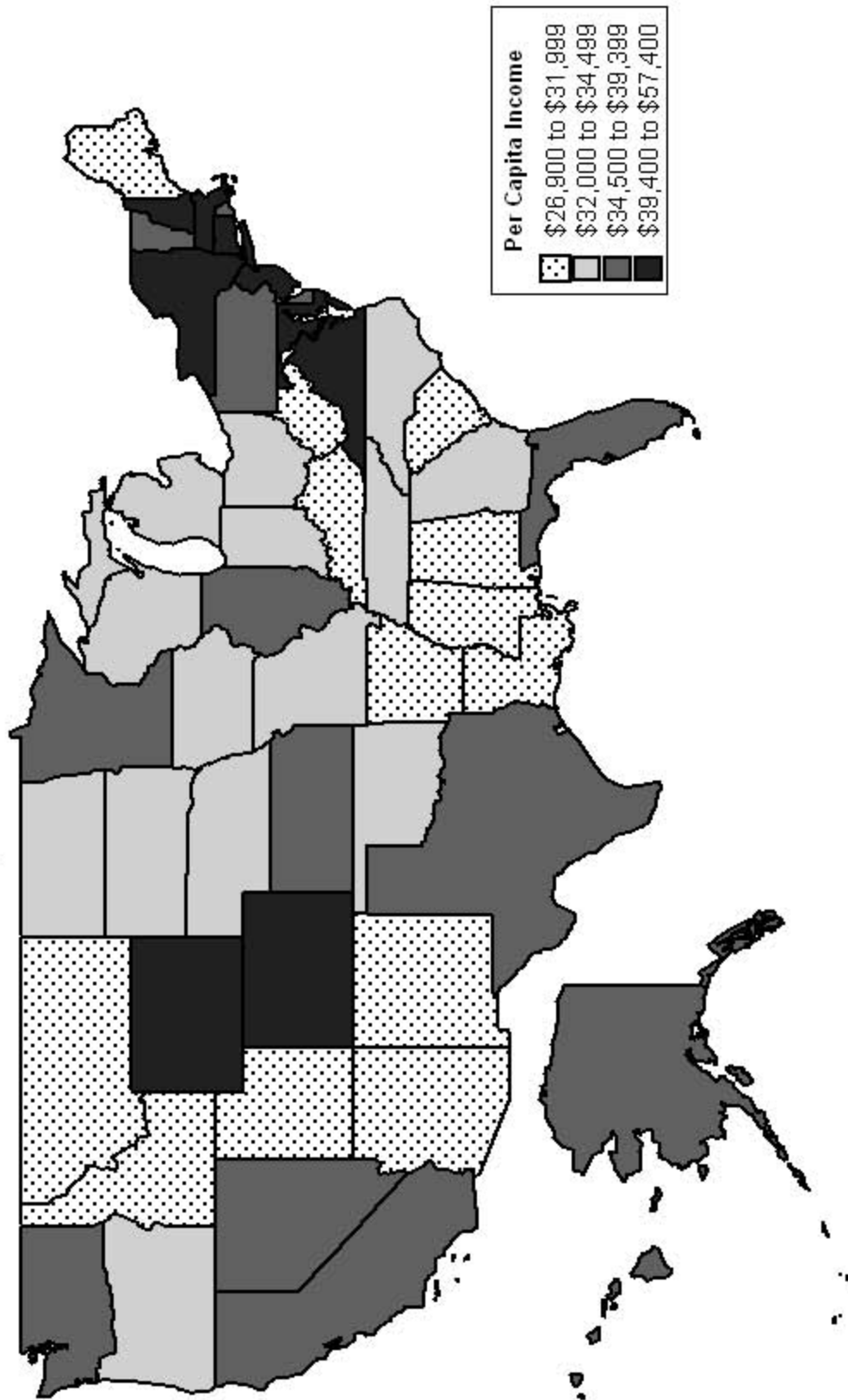


Table 2

Median Household Income, 2006

Rank	State	Median Household Income	Rank	State	Average Annual Change, 1996–2006
1	New Jersey	\$68,059	1	Vermont	4.9%
2	Maryland	\$63,668	2	New Mexico	4.8%
3	Connecticut	\$62,404	3	New Hampshire	4.6%
4	New Hampshire	\$61,970	4	South Dakota	4.4%
5	Hawaii	\$60,470	5	West Virginia	4.3%
6	Virginia	\$57,119	6	Wyoming	4.3%
7	Alaska	\$56,418	7	Georgia	4.3%
8	Minnesota	\$56,211	8	District of Columbia	4.3%
9	Colorado	\$55,697	9	Washington	4.1%
10	Massachusetts	\$55,330	10	Florida	4.1%
11	California	\$55,319	11	Connecticut	4.0%
12	Washington	\$54,723	12	Utah	4.0%
13	Utah	\$54,628	13	Arizona	4.0%
14	Rhode Island	\$53,736	14	Virginia	3.8%
15	Delaware	\$52,438	15	Rhode Island	3.8%
16	Nevada	\$52,282	16	Iowa	3.8%
17	Vermont	\$51,981	17	Hawaii	3.8%
18	Wisconsin	\$51,692	18	Maryland	3.8%
19	Georgia	\$49,344	19	New Jersey	3.7%
20	Illinois	\$48,671	20	Montana	3.7%
21	Michigan	\$48,647	21	California	3.6%
22	District of Columbia	\$48,477	22	Oklahoma	3.5%
23	Pennsylvania	\$48,477	23	Nebraska	3.5%
24	New York	\$48,222	24	Massachusetts	3.4%
25	Nebraska	\$48,145	25	Kansas	3.4%
26	Iowa	\$48,126	26	Pennsylvania	3.3%
27	Oregon	\$47,091	27	Minnesota	3.2%
28	Wyoming	\$47,041	28	Arkansas	3.2%
29	Arizona	\$46,657	29	New York	3.1%
30	Idaho	\$46,213	30	Colorado	3.1%
31	Ohio	\$45,900	31	Nevada	3.1%
32	Florida	\$45,676	32	Ohio	3.0%
33	Maine	\$45,642	33	Delaware	2.9%
34	Kansas	\$45,552	34	Idaho	2.9%
35	South Dakota	\$45,427	35	Oregon	2.9%
36	Indiana	\$45,407	36	Tennessee	2.8%
37	Missouri	\$44,579	37	Maine	2.8%
38	Texas	\$43,307	38	Texas	2.7%
39	Montana	\$41,105	39	North Dakota	2.7%
40	North Dakota	\$41,047	40	Mississippi	2.7%
41	Tennessee	\$40,693	41	Missouri	2.7%
42	New Mexico	\$40,028	42	Wisconsin	2.6%
43	North Carolina	\$39,797	43	Indiana	2.6%
44	South Carolina	\$39,617	44	Alabama	2.3%
45	Kentucky	\$39,485	45	Michigan	2.2%
46	Oklahoma	\$38,838	46	Illinois	2.1%
47	West Virginia	\$38,419	47	Kentucky	2.0%
48	Alabama	\$37,952	48	Louisiana	1.9%
49	Arkansas	\$37,057	49	South Carolina	1.3%
50	Louisiana	\$36,488	50	North Carolina	1.1%
51	Mississippi	\$34,733	51	Alaska	0.7%
	National Average	\$48,201		National Average	3.1%

Map 2
Median Household Income, 2006

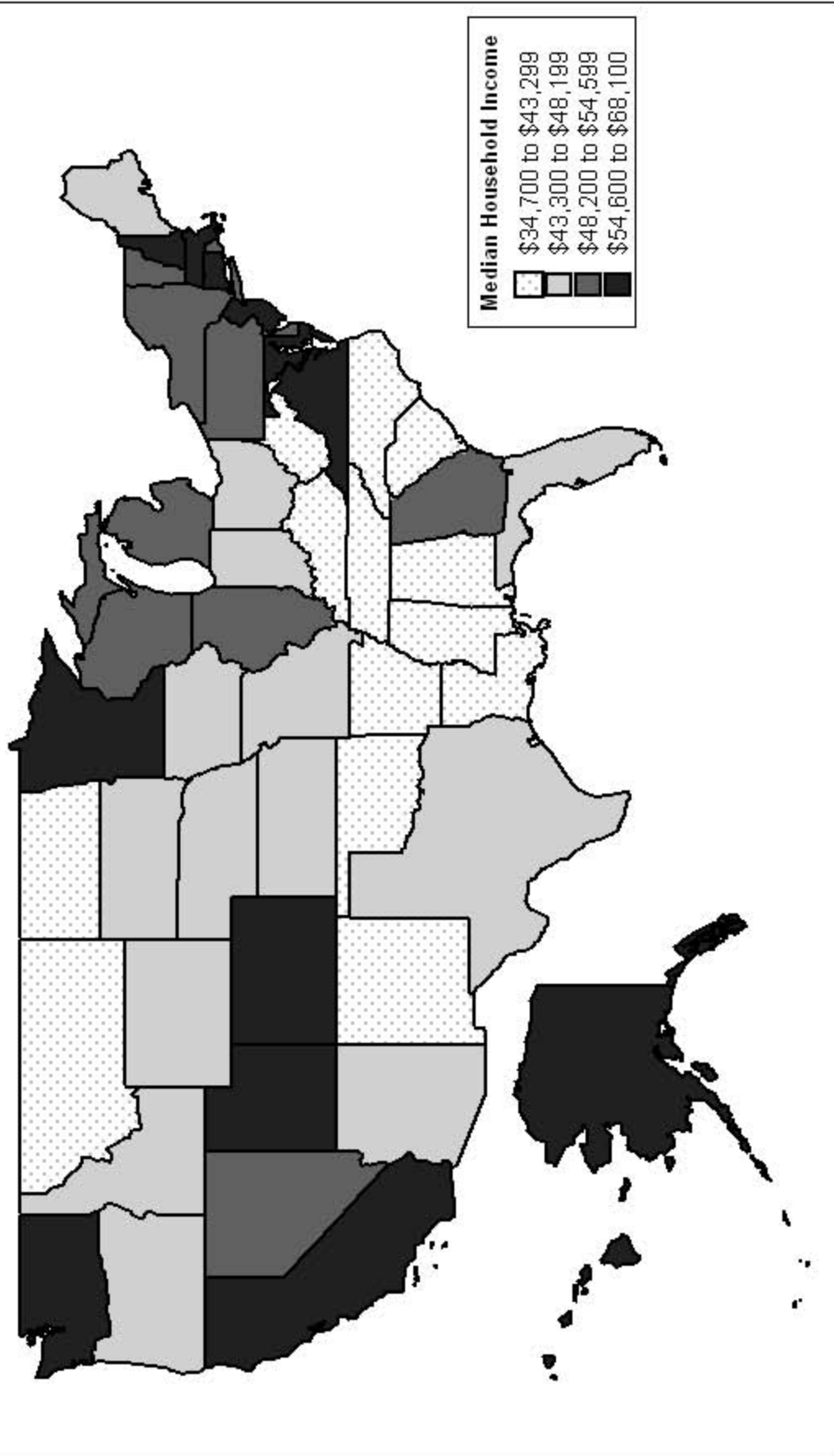


Table 3

Gross Domestic Product by State, 2006

Rank	State	Gross Domestic Product by State (millions)	Rank	State	Average Annual Change, 1996–2006
1	California	\$1,727,355	1	Nevada	8.2%
2	Texas	\$1,065,891	2	Delaware	7.6%
3	New York	\$1,021,944	3	Arizona	7.5%
4	Florida	\$713,505	4	Colorado	7.1%
5	Illinois	\$589,598	5	Florida	7.0%
6	Pennsylvania	\$510,293	6	Texas	6.8%
7	Ohio	\$461,302	7	Utah	6.6%
8	New Jersey	\$453,177	8	Wyoming	6.5%
9	Michigan	\$381,003	9	Virginia	6.5%
10	Georgia	\$379,550	10	North Carolina	6.4%
11	North Carolina	\$374,525	11	District of Columbia	6.3%
12	Virginia	\$369,260	12	Washington	6.1%
13	Massachusetts	\$337,570	13	Maryland	6.1%
14	Washington	\$293,531	14	California	6.1%
15	Maryland	\$257,815	15	Oklahoma	6.0%
16	Indiana	\$248,915	16	Montana	6.0%
17	Minnesota	\$244,546	17	Idaho	5.9%
18	Tennessee	\$238,029	18	Georgia	5.8%
19	Arizona	\$232,463	19	New Mexico	5.7%
20	Colorado	\$230,478	20	Minnesota	5.6%
21	Wisconsin	\$227,230	21	Rhode Island	5.5%
22	Missouri	\$225,876	22	South Dakota	5.4%
23	Connecticut	\$204,134	23	Tennessee	5.4%
24	Louisiana	\$193,138	24	Louisiana	5.3%
25	Alabama	\$160,569	25	South Carolina	5.3%
26	Oregon	\$151,301	26	Oregon	5.2%
27	South Carolina	\$149,214	27	Vermont	5.2%
28	Kentucky	\$145,959	28	Kansas	5.1%
29	Oklahoma	\$134,651	29	North Dakota	5.1%
30	Iowa	\$123,970	30	Maine	5.1%
31	Nevada	\$118,399	31	Alabama	5.1%
32	Kansas	\$111,699	32	Arkansas	5.0%
33	Utah	\$97,749	33	New York	5.0%
34	Arkansas	\$91,837	34	Massachusetts	4.9%
35	District of Columbia	\$87,664	35	New Hampshire	4.9%
36	Mississippi	\$84,225	36	Connecticut	4.9%
37	New Mexico	\$75,910	37	New Jersey	4.9%
38	Nebraska	\$75,700	38	Iowa	4.8%
39	Delaware	\$60,361	39	Wisconsin	4.8%
40	Hawaii	\$58,307	40	Indiana	4.8%
41	New Hampshire	\$56,276	41	Hawaii	4.7%
42	West Virginia	\$55,658	42	Alaska	4.7%
43	Idaho	\$49,907	43	Pennsylvania	4.6%
44	Maine	\$46,973	44	Nebraska	4.6%
45	Rhode Island	\$45,660	45	Illinois	4.6%
46	Alaska	\$41,105	46	Missouri	4.5%
47	South Dakota	\$32,330	47	Kentucky	4.4%
48	Montana	\$32,322	48	Ohio	4.2%
49	Wyoming	\$29,561	49	Mississippi	4.2%
50	North Dakota	\$	50	West Virginia	4.1%
51	Vermont	\$	51	Michigan	3.7%
	National Total	\$13,149,033		National Average	5.6%

Map 3
Gross Domestic Product by State, 2006

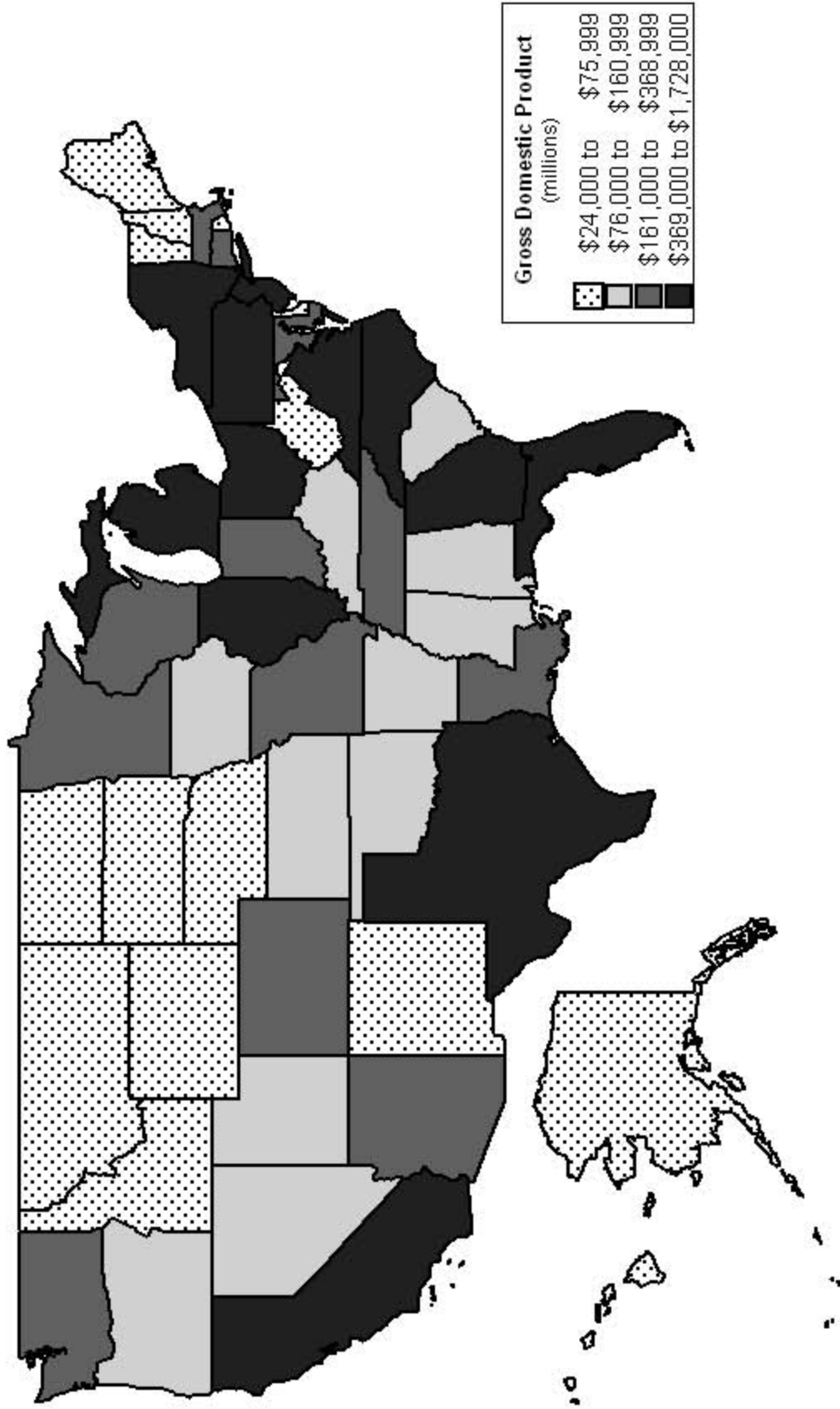


Table 4

Employed Persons, 2006

Rank	State	Employed Persons	Rank	State	Average Annual Change, 1996–2006
1	California	17,029,307	1	Nevada	3.9%
2	Texas	10,921,673	2	Arizona	2.9%
3	New York	9,072,733	3	Florida	2.4%
4	Florida	8,692,761	4	Utah	2.4%
5	Illinois	6,315,715	5	Idaho	2.2%
6	Pennsylvania	6,009,858	6	Georgia	2.2%
7	Ohio	5,609,056	7	Colorado	2.0%
8	Michigan	4,730,291	8	Virginia	1.8%
9	Georgia	4,522,025	9	New Mexico	1.8%
10	New Jersey	4,309,021	10	California	1.8%
11	North Carolina	4,250,619	11	Texas	1.8%
12	Virginia	3,878,988	12	Washington	1.5%
13	Massachusetts	3,234,860	13	New Hampshire	1.4%
14	Washington	3,160,350	14	North Carolina	1.4%
15	Indiana	3,108,806	15	Delaware	1.3%
16	Wisconsin	2,918,155	16	Wyoming	1.3%
17	Maryland	2,892,620	17	Alaska	1.3%
18	Missouri	2,885,857	18	Montana	1.2%
19	Arizona	2,854,381	19	Vermont	1.2%
20	Tennessee	2,835,530	20	Hawaii	1.1%
21	Minnesota	2,822,297	21	Rhode Island	1.1%
22	Colorado	2,537,037	22	District of Columbia	1.1%
23	Alabama	2,120,573	23	South Carolina	1.1%
24	South Carolina	1,988,378	24	Oregon	1.0%
25	Kentucky	1,922,163	25	Maryland	1.0%
26	Louisiana	1,910,348	26	New York	1.0%
27	Oregon	1,796,165	27	Minnesota	1.0%
28	Connecticut	1,765,075	28	South Dakota	1.0%
29	Oklahoma	1,650,877	29	Maine	1.0%
30	Iowa	1,602,849	30	New Jersey	0.9%
31	Kansas	1,400,169	31	Arkansas	0.9%
32	Arkansas	1,292,886	32	Oklahoma	0.9%
33	Utah	1,272,801	33	Tennessee	0.8%
34	Nevada	1,240,868	34	Kentucky	0.8%
35	Mississippi	1,218,664	35	Illinois	0.7%
36	Nebraska	945,270	36	Kansas	0.7%
37	New Mexico	895,623	37	Alabama	0.6%
38	West Virginia	767,134	38	Connecticut	0.6%
39	Idaho	723,621	39	Pennsylvania	0.6%
40	New Hampshire	711,512	40	Missouri	0.5%
41	Maine	678,843	41	Nebraska	0.5%
42	Hawaii	628,277	42	Massachusetts	0.5%
43	Rhode Island	547,618	43	Ohio	0.4%
44	Montana	478,162	44	West Virginia	0.4%
45	Delaware	424,506	45	Indiana	0.4%
46	South Dakota	417,100	46	North Dakota	0.4%
47	Vermont	348,026	47	Wisconsin	0.4%
48	North Dakota	346,359	48	Iowa	0.3%
49	Alaska	323,531	49	Louisiana	0.3%
50	District of Columbia	296,957	50	Mississippi	0.3%
51	Wyoming	275,617	51	Michigan	0.2%
	National Total	144,427,000		National Average	1.3%

Map 4
Employed Persons, 2006

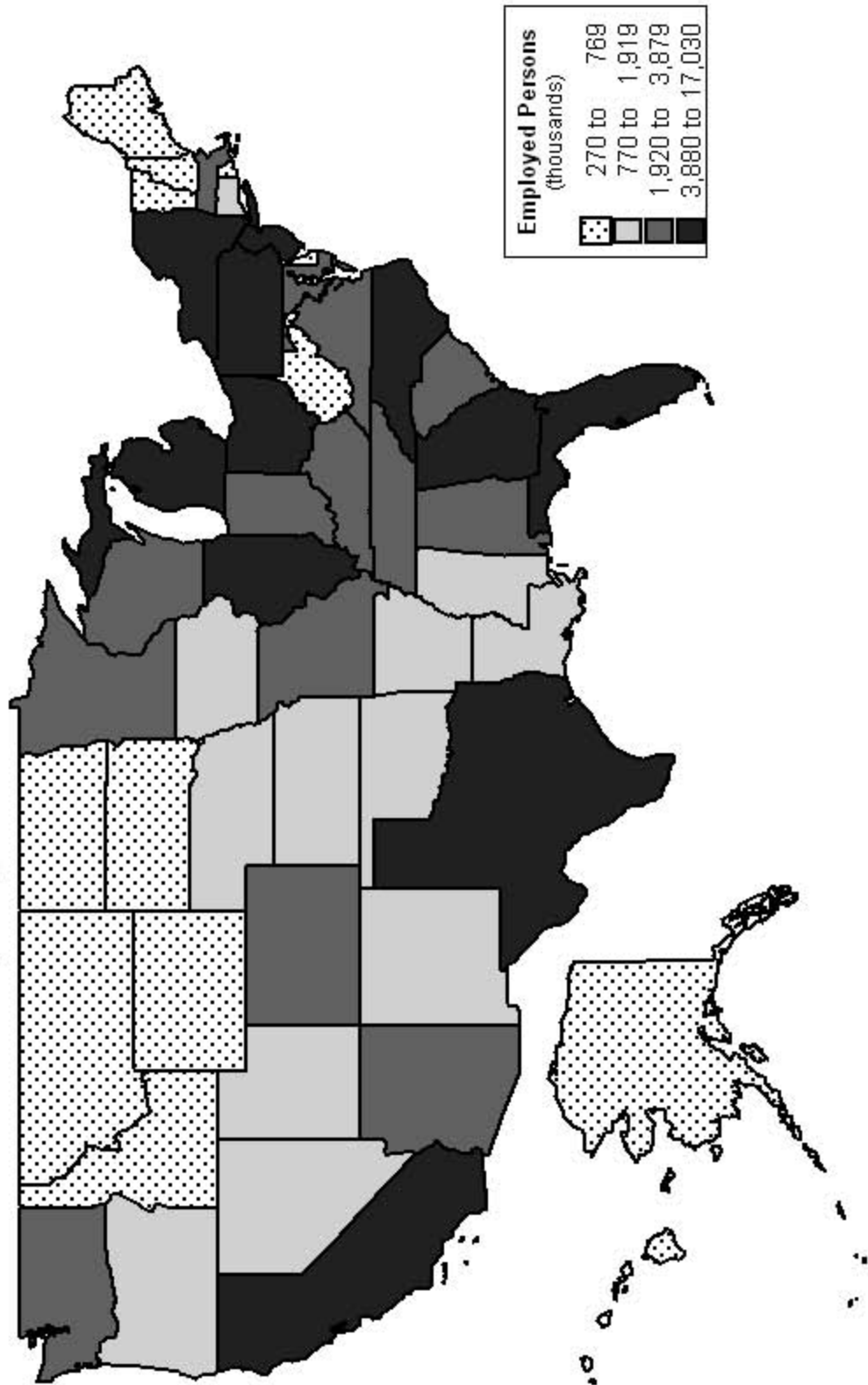


Table 5

Unemployment Rate, 2006 and 1996

		2006			1996
Rank	State	Unemployment Rate	Rank	State	Unemployment Rate
1	Michigan	6.9%	1	District of Columbia	8.5%
2	Mississippi	6.8%	2	Alaska	7.5%
3	Alaska	6.7%	3	New Mexico	7.5%
4	South Carolina	6.5%	4	West Virginia	7.4%
5	District of Columbia	6.0%	5	California	7.3%
6	Kentucky	5.7%	6	Louisiana	6.3%
7	Ohio	5.5%	7	Mississippi	6.3%
8	Oregon	5.4%	8	New York	6.3%
9	Arkansas	5.3%	9	New Jersey	6.2%
10	Tennessee	5.2%	10	Hawaii	5.9%
11	Rhode Island	5.1%	11	Washington	5.9%
12	Indiana	5.0%	12	Texas	5.8%
13	Massachusetts	5.0%	13	Oregon	5.6%
14	Washington	5.0%	14	South Carolina	5.6%
15	California	4.9%	15	Arizona	5.5%
16	Texas	4.9%	16	Kentucky	5.5%
17	West Virginia	4.9%	17	Montana	5.5%
18	Missouri	4.8%	18	Pennsylvania	5.4%
19	North Carolina	4.8%	19	Connecticut	5.3%
20	Pennsylvania	4.7%	20	Florida	5.3%
21	Wisconsin	4.7%	21	Idaho	5.3%
22	Georgia	4.6%	22	Illinois	5.3%
23	Maine	4.6%	23	Rhode Island	5.3%
24	New Jersey	4.6%	24	Tennessee	5.3%
25	Illinois	4.5%	25	Maine	5.2%
26	Kansas	4.5%	26	Nevada	5.2%
27	New York	4.5%	27	Wyoming	5.2%
28	Colorado	4.3%	28	Arkansas	5.1%
29	Connecticut	4.3%	29	Ohio	5.0%
30	Nevada	4.2%	30	Maryland	4.9%
31	New Mexico	4.2%	31	Michigan	4.9%
32	Arizona	4.1%	32	Missouri	4.7%
33	Louisiana	4.0%	33	Georgia	4.6%
34	Minnesota	4.0%	34	Massachusetts	4.6%
35	Oklahoma	4.0%	35	Alabama	4.5%
36	Maryland	3.9%	36	Kansas	4.4%
37	Iowa	3.7%	37	North Carolina	4.4%
38	Alabama	3.6%	38	Vermont	4.4%
39	Delaware	3.6%	39	Delaware	4.3%
40	Vermont	3.6%	40	Virginia	4.3%
41	Idaho	3.4%	41	Colorado	4.2%
42	New Hampshire	3.4%	42	Oklahoma	4.2%
43	Florida	3.3%	43	Indiana	3.9%
44	Montana	3.2%	44	Minnesota	3.9%
45	North Dakota	3.2%	45	New Hampshire	3.7%
46	South Dakota	3.2%	46	Iowa	3.6%
47	Wyoming	3.2%	47	Wisconsin	3.6%
48	Nebraska	3.0%	48	Utah	3.5%
49	Virginia	3.0%	49	South Dakota	3.4%
50	Utah	2.9%	50	North Dakota	3.2%
51	Hawaii	2.4%	51	Nebraska	2.8%
	National Average	4.6%		National Average	5.4%

Map 5
Unemployment Rate, 2006

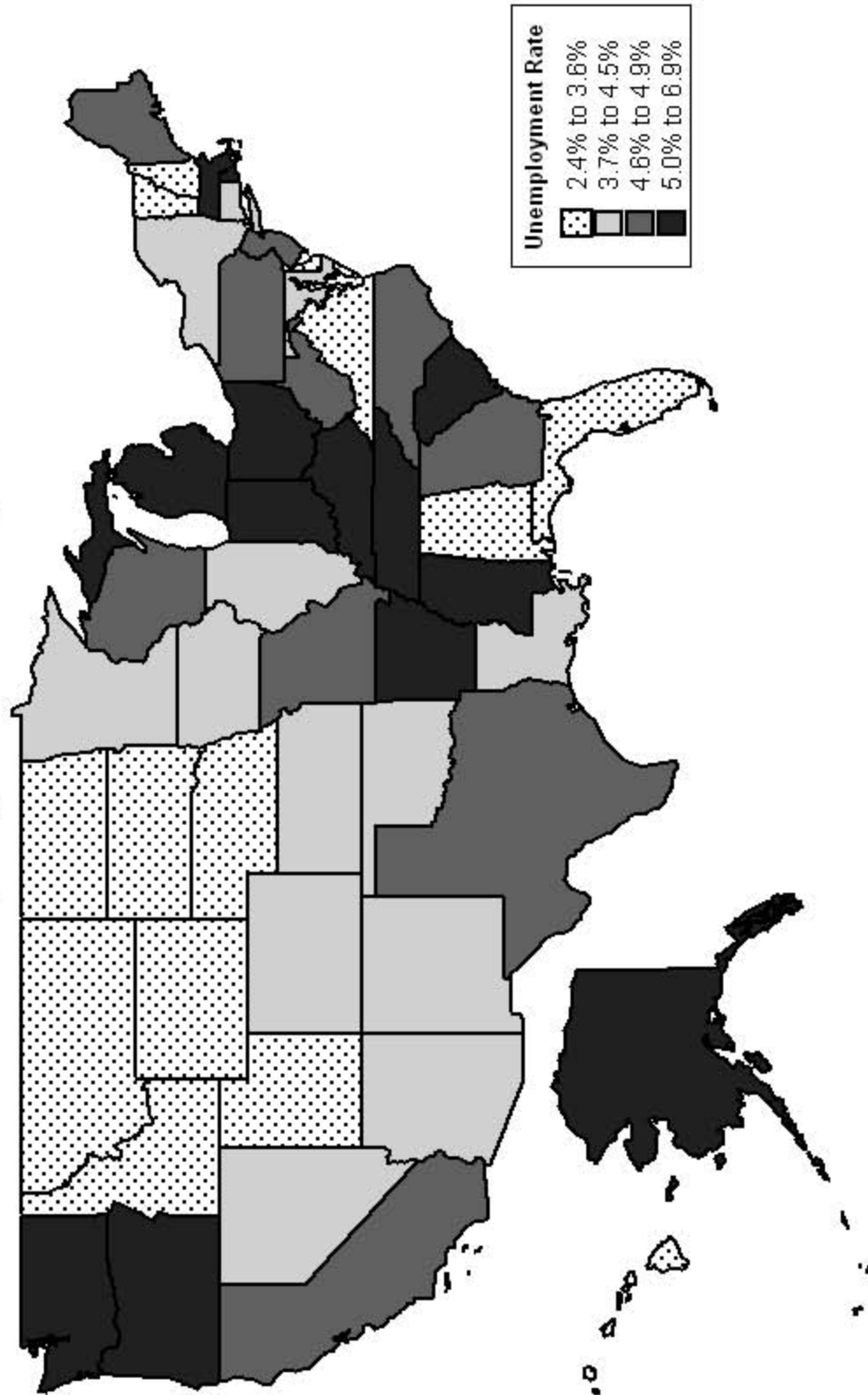
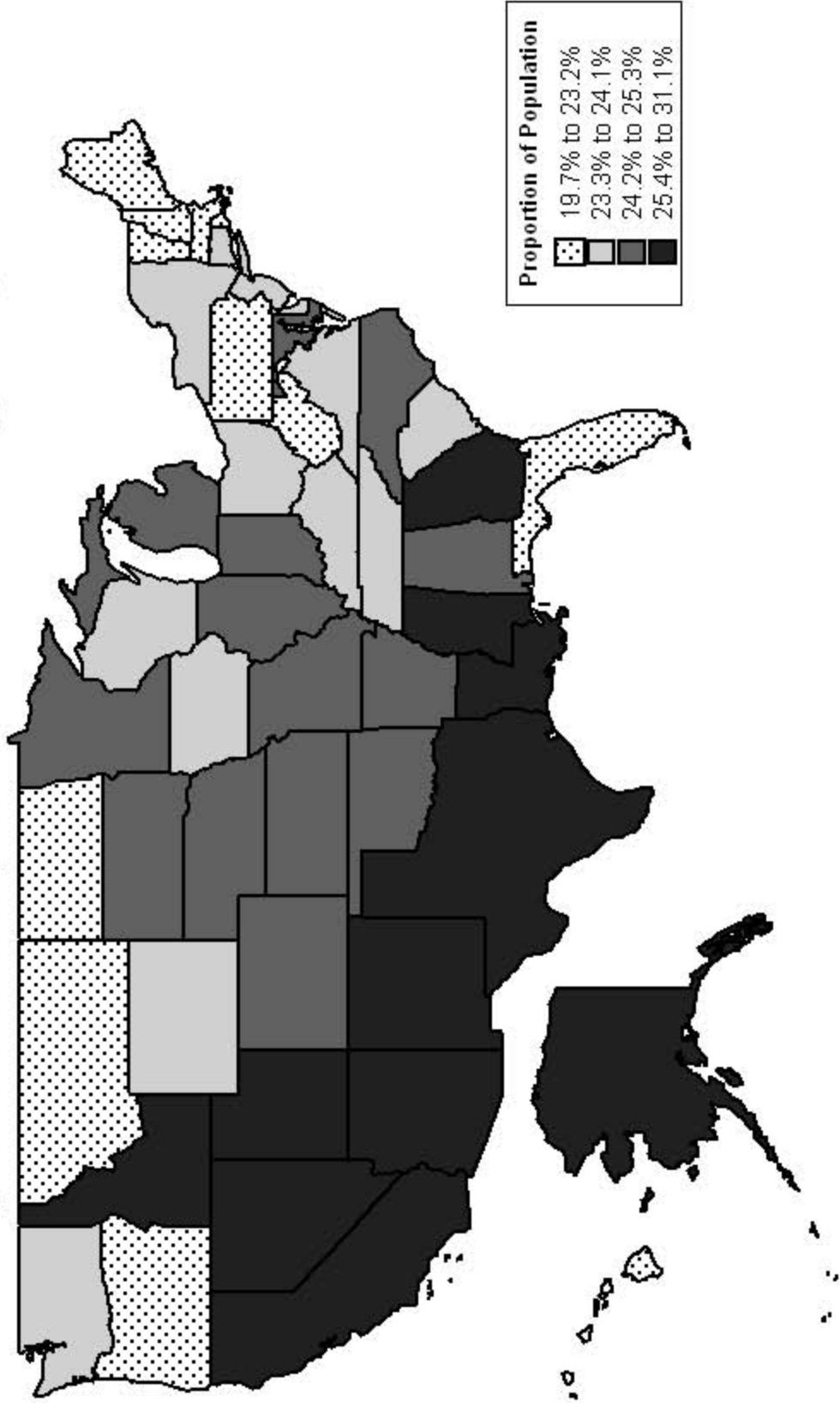


Table 6 Proportion of Population Under Age 18 and Ages 18 to 64, 2006

Rank	State	Under 18	Rank	State	Ages 18–64
1	Utah	31.0%	1	District of Columbia	68.0%
2	Texas	27.6%	2	Alaska	66.1%
3	Alaska	27.1%	3	Colorado	65.4%
4	Idaho	26.9%	4	Vermont	65.3%
5	Arizona	26.4%	5	New Hampshire	65.0%
6	Georgia	26.2%	6	Virginia	64.7%
7	California	26.1%	7	Washington	64.6%
8	Mississippi	26.1%	8	Massachusetts	64.2%
9	New Mexico	26.0%	9	Maryland	64.2%
10	Nevada	25.4%	10	Wyoming	64.2%
11	Louisiana	25.4%	11	Maine	64.2%
12	Kansas	25.2%	12	Georgia	64.0%
13	Nebraska	25.2%	13	Oregon	63.9%
14	Illinois	25.1%	14	Rhode Island	63.9%
15	Indiana	25.0%	15	New York	63.6%
16	Oklahoma	25.0%	16	Minnesota	63.5%
17	South Dakota	24.9%	17	North Carolina	63.5%
18	Colorado	24.6%	18	Nevada	63.5%
19	Arkansas	24.6%	19	Kentucky	63.5%
20	Michigan	24.5%	20	Tennessee	63.4%
21	North Carolina	24.3%	21	Wisconsin	63.3%
22	Minnesota	24.3%	22	West Virginia	63.3%
23	Missouri	24.2%	23	Connecticut	63.2%
24	Alabama	24.2%	24	South Carolina	63.1%
25	Maryland	24.2%	25	New Jersey	63.1%
26	Ohio	24.1%	26	Montana	63.1%
27	South Carolina	24.1%	27	California	63.1%
28	New Jersey	23.9%	28	Illinois	63.0%
29	Tennessee	23.9%	29	Michigan	63.0%
30	Washington	23.9%	30	Hawaii	62.9%
31	Delaware	23.8%	31	Delaware	62.7%
32	Iowa	23.8%	32	North Dakota	62.6%
33	Kentucky	23.8%	33	Indiana	62.6%
34	Wyoming	23.6%	34	Ohio	62.5%
35	Virginia	23.6%	35	Texas	62.4%
36	Wisconsin	23.6%	36	Missouri	62.4%
37	New York	23.4%	37	Alabama	62.4%
38	Connecticut	23.3%	38	Louisiana	62.4%
39	Hawaii	23.2%	39	Pennsylvania	62.3%
40	Oregon	23.1%	40	Kansas	61.9%
41	Montana	23.1%	41	Oklahoma	61.8%
42	North Dakota	22.8%	42	Idaho	61.6%
43	New Hampshire	22.6%	43	Iowa	61.6%
44	Pennsylvania	22.5%	44	Nebraska	61.6%
45	Massachusetts	22.5%	45	New Mexico	61.6%
46	Rhode Island	22.2%	46	Arkansas	61.5%
47	Florida	22.2%	47	Mississippi	61.5%
48	West Virginia	21.4%	48	Florida	61.0%
49	Vermont	21.4%	49	South Dakota	60.9%
50	Maine	21.3%	50	Arizona	60.8%
51	District of Columbia	19.8%	51	Utah	60.1%
	National Average	24.6%		National Average	62.9%

Map 6
Proportion of Population Under Age 18, 2006



Map 7 Proportion of Population Ages 18 to 64, 2006

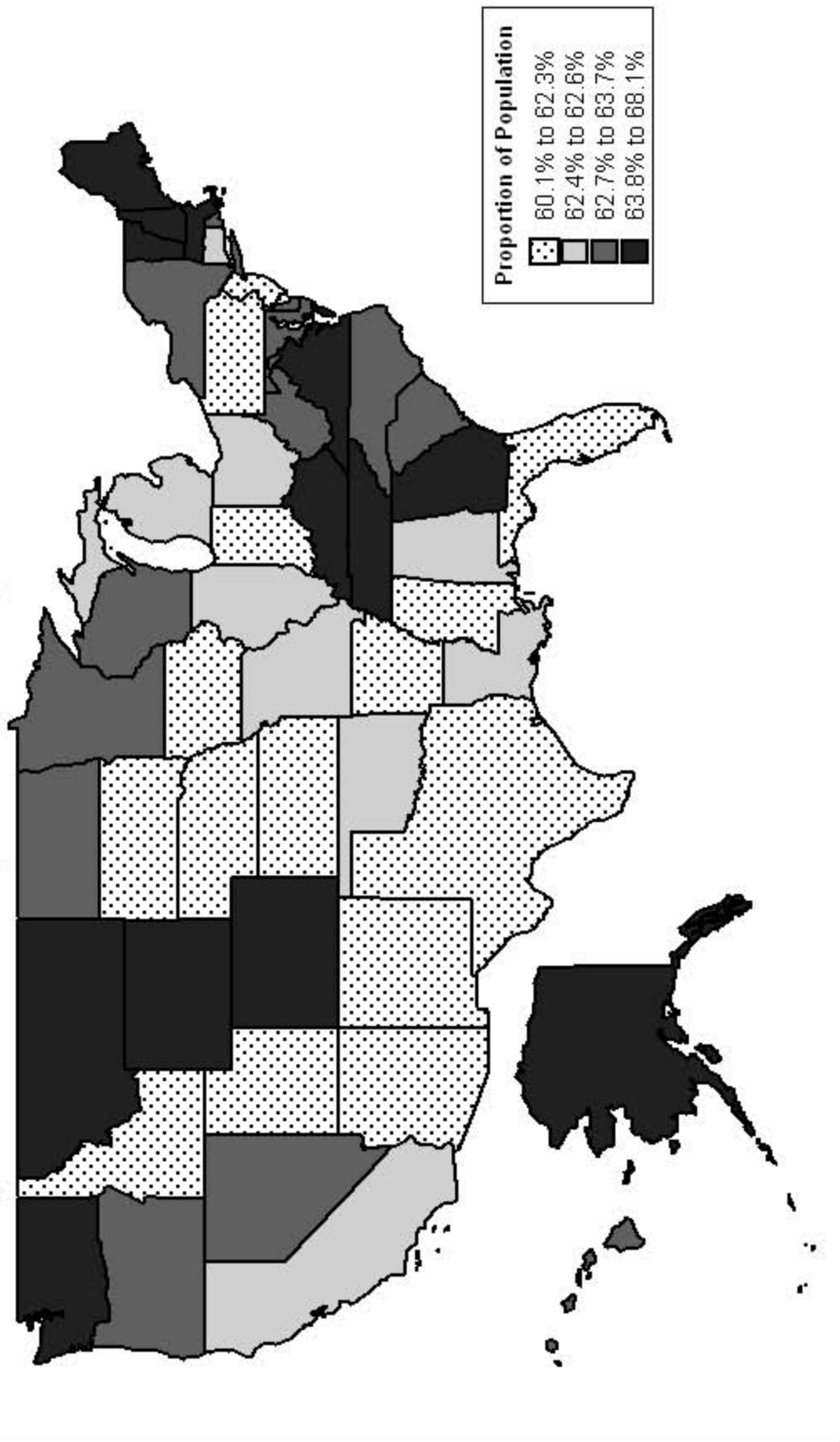
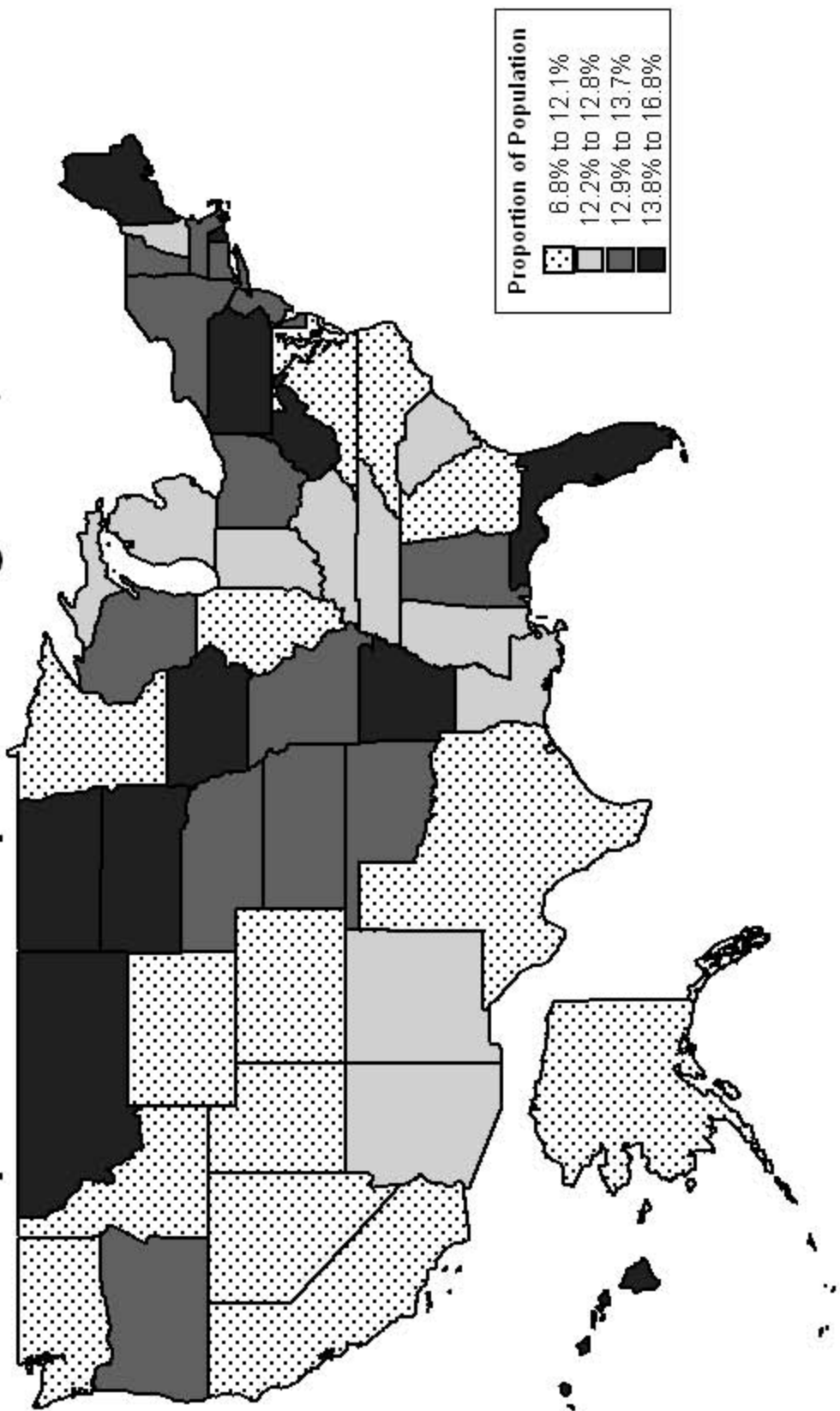


Table 7

Proportion of Population Ages 65+ and 75+, 2006

Rank	State	Age 65+	Rank	State	Age 75+
1	Florida	16.8%	1	Florida	8.8%
2	West Virginia	15.3%	2	Pennsylvania	8.0%
3	Pennsylvania	15.2%	3	North Dakota	7.9%
4	Iowa	14.6%	4	Iowa	7.7%
5	North Dakota	14.6%	5	Rhode Island	7.6%
6	Maine	14.6%	6	South Dakota	7.5%
7	South Dakota	14.2%	7	West Virginia	7.4%
8	Hawaii	14.0%	8	Hawaii	7.3%
9	Arkansas	13.9%	9	Maine	7.1%
10	Rhode Island	13.9%	10	Connecticut	7.0%
11	Montana	13.8%	11	Massachusetts	6.9%
12	Delaware	13.4%	12	Nebraska	6.9%
13	Connecticut	13.4%	13	Montana	6.8%
14	Alabama	13.4%	14	Kansas	6.7%
15	Ohio	13.3%	15	Ohio	6.7%
16	Missouri	13.3%	16	Arkansas	6.7%
17	Vermont	13.3%	17	Wisconsin	6.6%
18	Massachusetts	13.3%	18	Missouri	6.6%
19	Nebraska	13.3%	19	New York	6.5%
20	Oklahoma	13.2%	20	New Jersey	6.5%
21	New York	13.1%	21	Vermont	6.5%
22	Wisconsin	13.0%	22	Oregon	6.4%
23	Kansas	12.9%	23	Delaware	6.4%
24	New Jersey	12.9%	24	Oklahoma	6.4%
25	Oregon	12.9%	25	Arizona	6.3%
26	Arizona	12.8%	26	Alabama	6.3%
27	South Carolina	12.8%	27	Michigan	6.2%
28	Kentucky	12.8%	28	Minnesota	6.1%
29	Tennessee	12.7%	29	Indiana	6.1%
30	Michigan	12.5%	30	District of Columbia	6.1%
31	Mississippi	12.4%	31	New Hampshire	6.0%
32	Indiana	12.4%	32	Kentucky	6.0%
33	New Mexico	12.4%	33	Illinois	6.0%
34	New Hampshire	12.4%	34	Mississippi	5.9%
35	District of Columbia	12.3%	35	South Carolina	5.9%
36	Louisiana	12.2%	36	Tennessee	5.9%
37	Wyoming	12.2%	37	New Mexico	5.8%
38	North Carolina	12.2%	38	Louisiana	5.8%
39	Minnesota	12.1%	39	Wyoming	5.7%
40	Illinois	12.0%	40	North Carolina	5.7%
41	Virginia	11.6%	41	Washington	5.6%
42	Maryland	11.6%	42	Maryland	5.5%
43	Washington	11.5%	43	Idaho	5.5%
44	Idaho	11.5%	44	Virginia	5.4%
45	Nevada	11.1%	45	California	5.3%
46	California	10.8%	46	Nevada	4.8%
47	Colorado	10.0%	47	Colorado	4.7%
48	Texas	9.9%	48	Texas	4.6%
49	Georgia	9.7%	49	Georgia	4.4%
50	Utah	8.8%	50	Utah	4.2%
51	Alaska	6.8%	51	Alaska	2.7%
	National Average	12.4%		National Average	6.1%

Map 8
Proportion of Population Age 65+, 2006



Map 9
Proportion of Population Age 75+, 2006

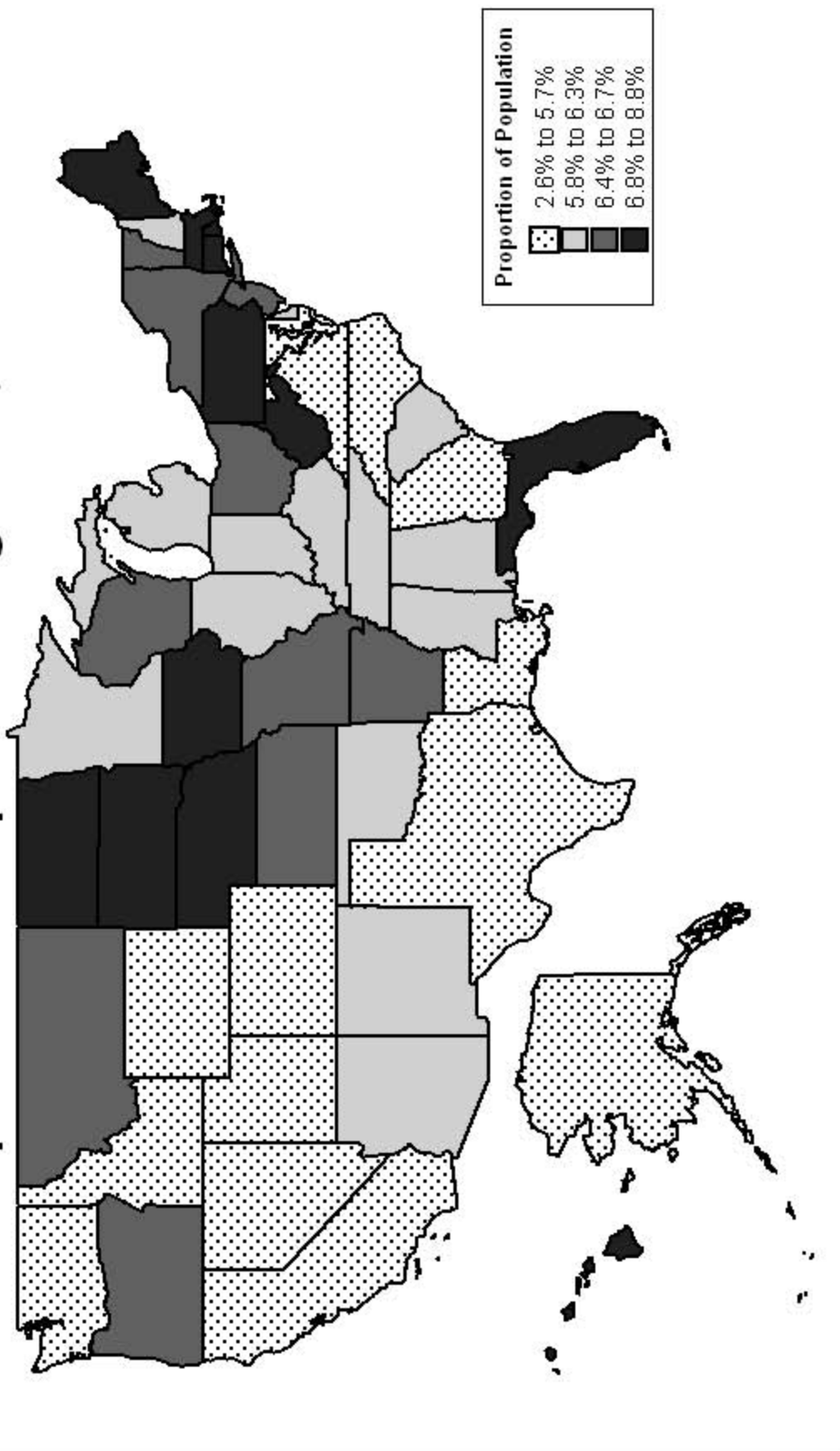
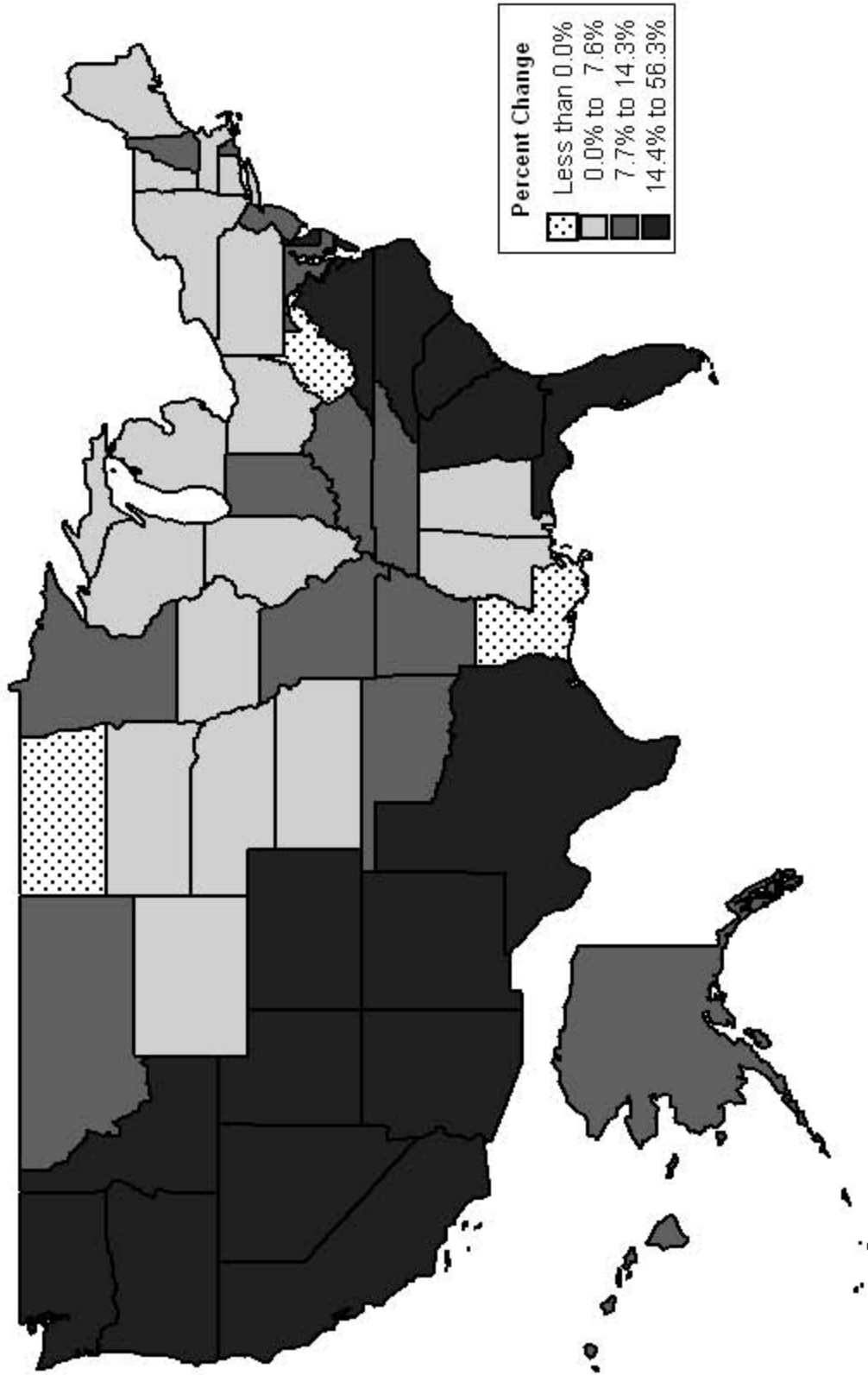


Table 8

Percent Change in Population, 1996-2006
(total population and under age 18)

Rank	State	Total Population	Rank	State	Under Age 18
1	Nevada	56.3%	1	Nevada	51.2%
2	Arizona	39.1%	2	Arizona	33.4%
3	Georgia	27.7%	3	Georgia	25.5%
4	Utah	26.1%	4	Texas	18.5%
5	Florida	25.4%	5	Florida	17.8%
6	Colorado	24.7%	6	North Carolina	17.5%
7	Texas	23.7%	7	Colorado	17.4%
8	Idaho	23.5%	8	Utah	15.8%
9	North Carolina	21.2%	9	Delaware	14.8%
10	Delaware	17.4%	10	Idaho	13.3%
11	Washington	16.1%	11	Virginia	11.4%
12	Oregon	15.8%	12	South Carolina	9.5%
13	South Carolina	15.6%	13	Tennessee	9.4%
14	California	14.7%	14	Maryland	7.3%
15	Virginia	14.7%	15	California	7.1%
16	New Mexico	14.6%	16	Oregon	6.4%
17	Tennessee	13.6%	17	Washington	6.4%
18	New Hampshire	13.3%	18	Indiana	5.6%
19	Arkansas	12.2%	19	New Jersey	5.4%
20	Minnesota	11.2%	20	District of Columbia	4.9%
21	Maryland	11.0%	21	Arkansas	4.6%
22	Alaska	10.8%	22	Connecticut	3.6%
23	New Jersey	8.9%	23	Alabama	3.2%
24	Missouri	8.8%	24	Kentucky	3.0%
25	Oklahoma	8.8%	25	New Mexico	2.2%
26	Hawaii	8.5%	26	Oklahoma	2.1%
27	Kentucky	8.4%	27	Illinois	1.8%
28	Indiana	8.2%	28	Missouri	1.5%
29	Rhode Island	8.1%	29	Kansas	1.3%
30	District of Columbia	8.0%	30	New Hampshire	1.2%
31	Montana	7.8%	31	Minnesota	1.1%
32	Mississippi	7.4%	32	Nebraska	0.6%
33	Wisconsin	7.4%	33	Massachusetts	0.6%
34	Illinois	7.4%	34	Rhode Island	0.4%
35	Nebraska	7.3%	35	Mississippi	0.4%
36	Connecticut	7.3%	36	New York	-0.3%
37	Wyoming	7.3%	37	Iowa	-1.9%
38	Alabama	7.2%	38	Hawaii	-2.1%
39	South Dakota	7.0%	39	Wisconsin	-2.4%
40	Maine	6.5%	40	Michigan	-2.5%
41	New York	6.4%	41	Pennsylvania	-2.5%
42	Vermont	6.4%	42	Ohio	-2.6%
43	Kansas	6.4%	43	Alaska	-2.8%
44	Massachusetts	5.8%	44	South Dakota	-3.8%
45	Iowa	4.7%	45	Montana	-5.7%
46	Michigan	3.7%	46	Maine	-6.1%
47	Pennsylvania	3.3%	47	West Virginia	-7.5%
48	Ohio	2.6%	48	Vermont	-8.4%
49	West Virginia	0.0%	49	Wyoming	-8.7%
50	North Dakota	-1.1%	50	Louisiana	-10.5%
51	Louisiana	-1.2%	51	North Dakota	-13.3%
	National Average	12.9%		National Average	6.7%

Map 10
Percent Change in Total Population, 1996-2006



Map 11 Percent Change in Population Under Age 18, 1996-2006

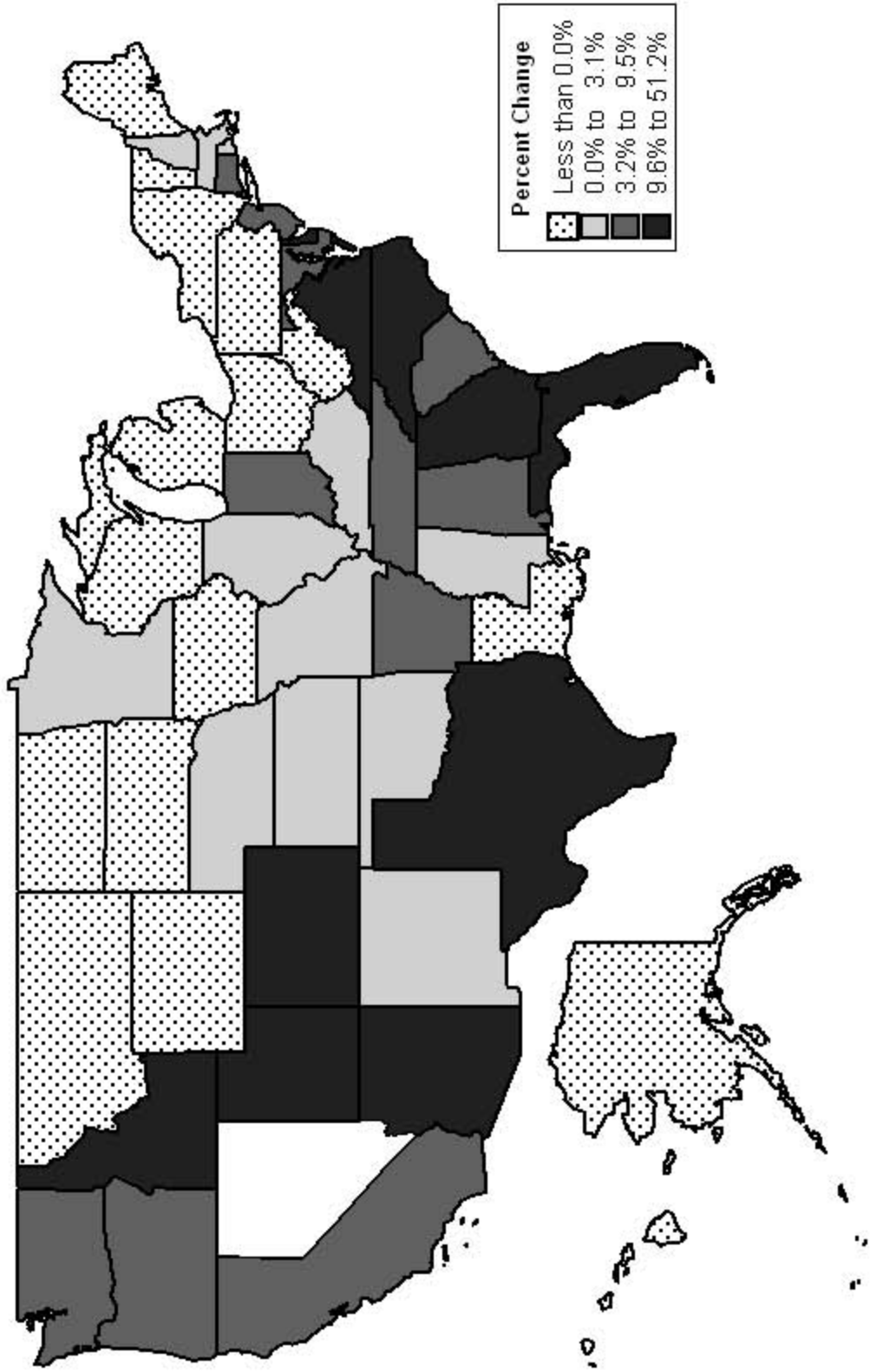
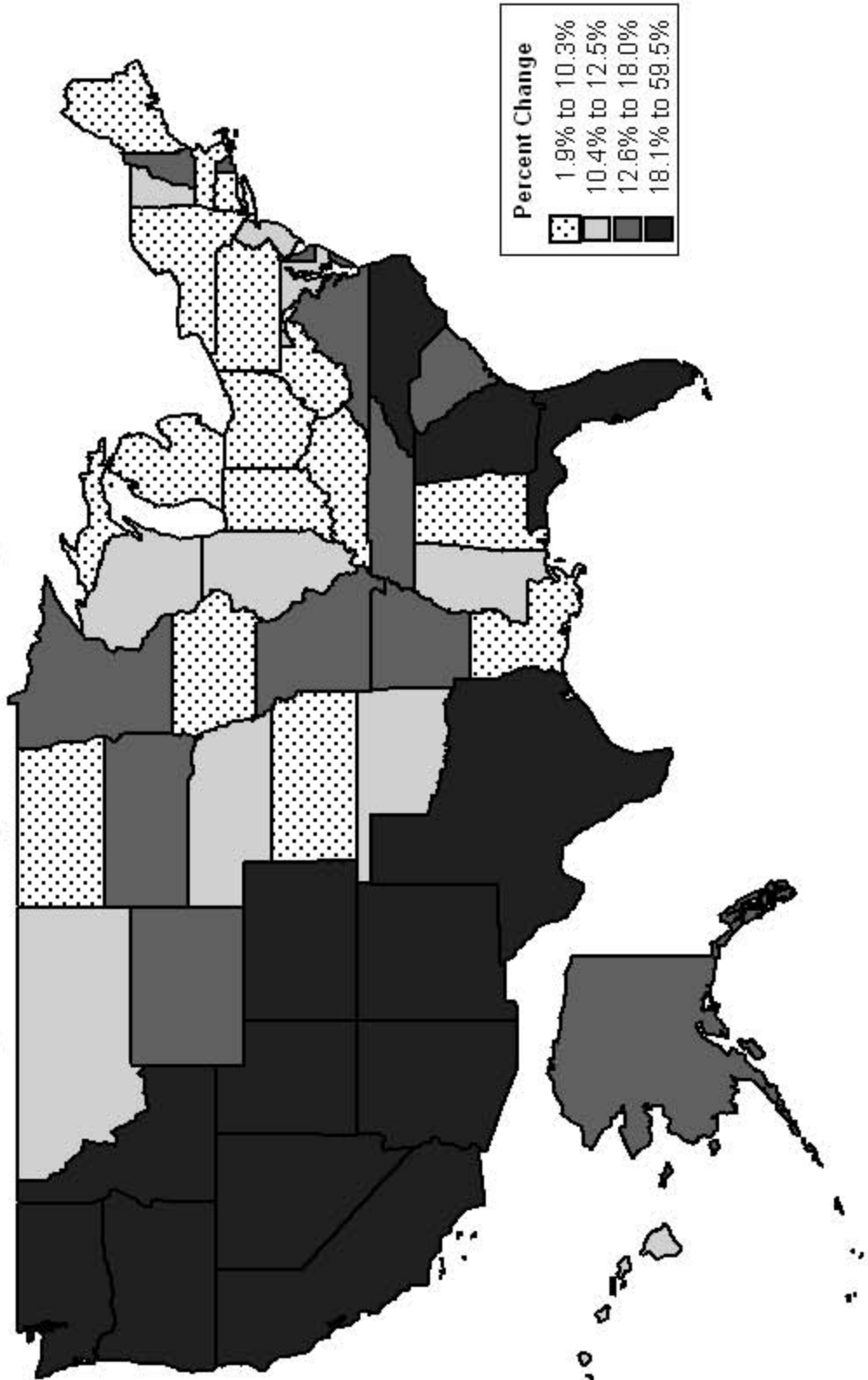


Table 9

Percent Change in Population, 1996-2006
(ages 18 to 64 and age 65+)

Rank	State	Ages 18-64	Rank	State	Age 65+
1	Nevada	59.5%	1	Nevada	50.7%
2	Arizona	43.1%	2	Alaska	47.3%
3	Florida	32.3%	3	Arizona	33.2%
4	Utah	32.1%	4	New Mexico	27.8%
5	Georgia	29.1%	5	Utah	26.7%
6	Idaho	28.3%	6	Georgia	24.7%
7	Colorado	27.9%	7	Idaho	24.6%
8	Texas	26.6%	8	Colorado	23.4%
9	North Carolina	23.6%	9	Delaware	22.6%
10	Oregon	20.7%	10	South Carolina	22.3%
11	Washington	20.3%	11	Texas	20.6%
12	California	18.7%	12	Virginia	18.6%
13	New Mexico	18.1%	13	North Carolina	17.0%
14	New Hampshire	17.7%	14	Hawaii	16.9%
15	Delaware	17.3%	15	Wyoming	16.4%
16	South Carolina	16.7%	16	New Hampshire	16.0%
17	Arkansas	16.7%	17	Vermont	15.7%
18	Minnesota	16.2%	18	Washington	15.2%
19	Virginia	15.2%	19	Tennessee	15.0%
20	Tennessee	15.1%	20	Florida	13.5%
21	Rhode Island	14.5%	21	Montana	12.7%
22	Alaska	14.4%	22	Maryland	12.5%
23	Missouri	13.0%	23	California	11.7%
24	Wyoming	12.9%	24	Oregon	11.3%
25	South Dakota	12.7%	25	Maine	11.1%
26	Montana	12.6%	26	Alabama	9.6%
27	Oklahoma	12.4%	27	Kentucky	9.5%
28	Maryland	12.3%	28	Minnesota	8.4%
29	Wisconsin	12.1%	29	Mississippi	8.3%
30	New Jersey	11.8%	30	Arkansas	7.7%
31	District of Columbia	11.7%	31	Oklahoma	6.1%
32	Nebraska	11.5%	32	Indiana	6.1%
33	Hawaii	11.2%	33	Wisconsin	5.2%
34	Illinois	10.8%	34	South Dakota	5.2%
35	Mississippi	10.5%	35	Louisiana	5.1%
36	Vermont	10.5%	36	Missouri	4.4%
37	Connecticut	10.4%	37	New York	4.2%
38	Maine	10.3%	38	Michigan	3.9%
39	Kentucky	10.3%	39	New Jersey	2.5%
40	Kansas	10.0%	40	Illinois	2.3%
41	Indiana	9.7%	41	Nebraska	2.3%
42	New York	9.6%	42	Ohio	2.0%
43	Massachusetts	9.2%	43	West Virginia	0.6%
44	Iowa	8.6%	44	Kansas	0.5%
45	Alabama	8.3%	45	Iowa	0.4%
46	Pennsylvania	7.0%	46	Connecticut	0.3%
47	Michigan	6.2%	47	Massachusetts	-0.5%
48	Ohio	4.9%	48	North Dakota	-0.6%
49	North Dakota	4.1%	49	Pennsylvania	-1.6%
50	West Virginia	2.6%	50	District of Columbia	-4.7%
51	Louisiana	2.0%	51	Rhode Island	-5.1%
	National Average	16.2%		National Average	9.7%

Map 12 Percent Change in Population Ages 18 to 64, 1996-2006



Map 13
Percent Change in Population Age 65+, 1996-2006

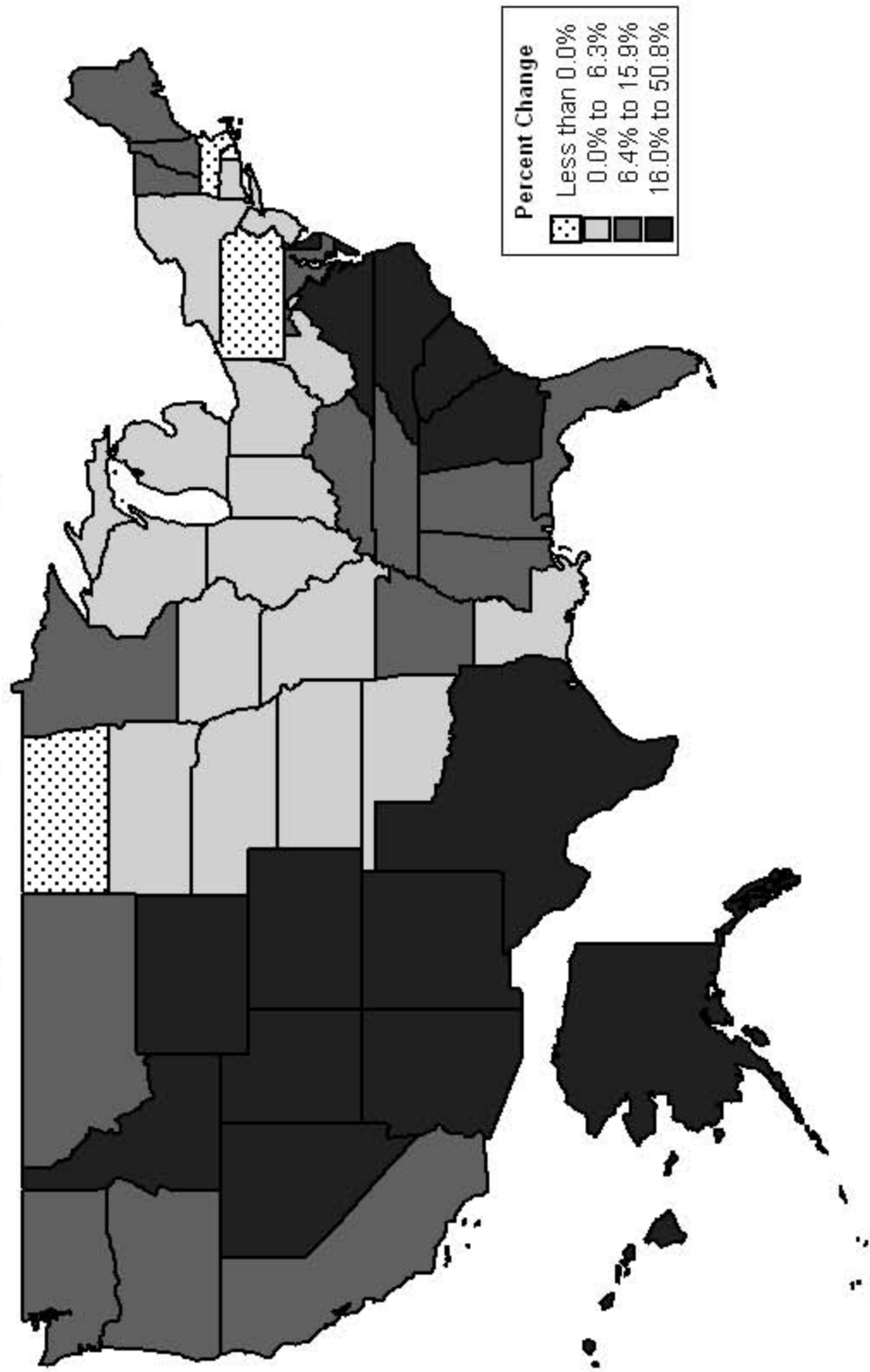
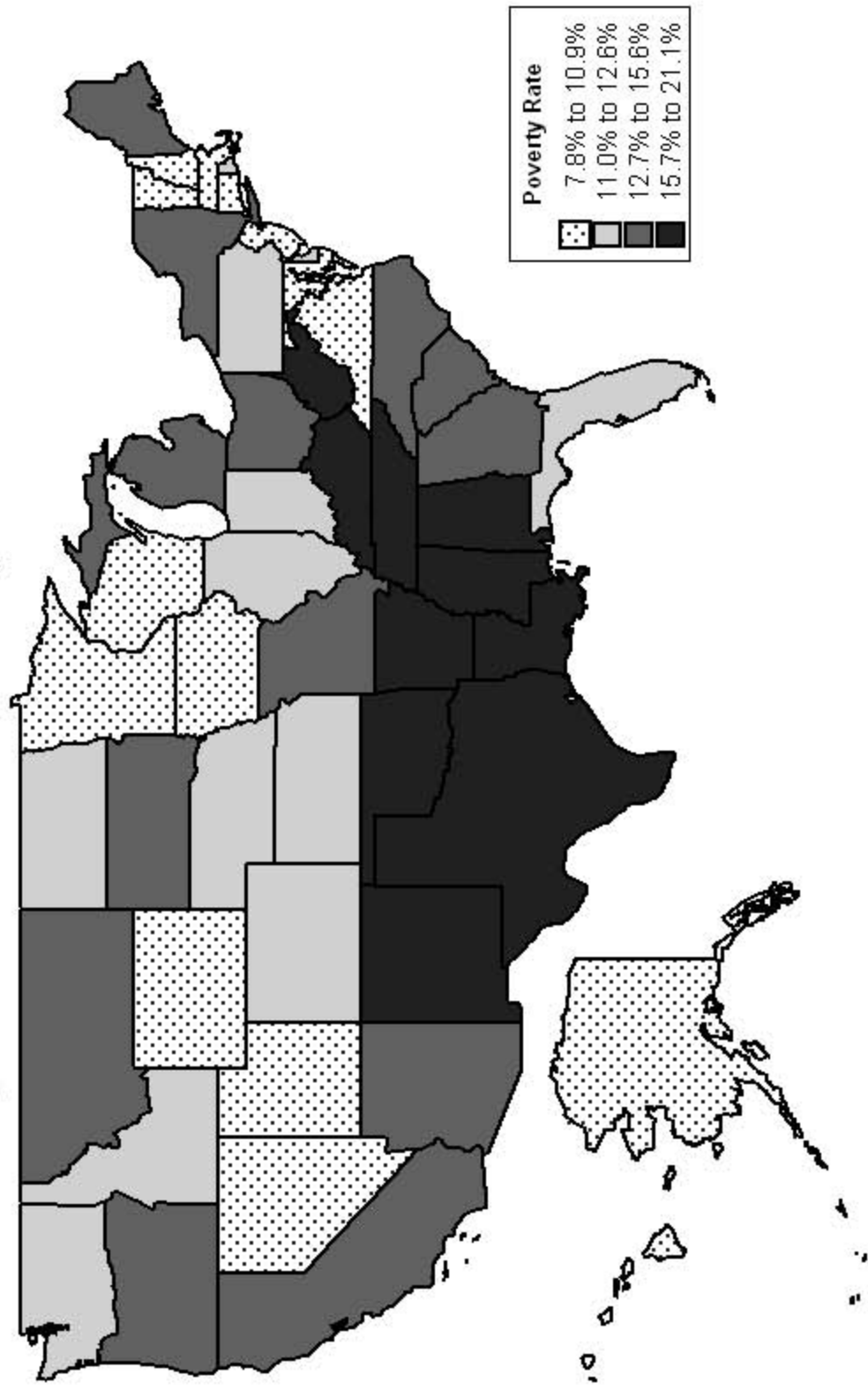


Table 10

Poverty Rates, 2006
(total population and under age 18)

Rank	State	Total Population	Rank	State	Under Age 18
1	Mississippi	21.1%	1	District of Columbia	32.6%
2	District of Columbia	19.6%	2	Mississippi	29.5%
3	Louisiana	19.0%	3	Louisiana	27.8%
4	New Mexico	18.5%	4	New Mexico	25.6%
5	West Virginia	17.3%	5	West Virginia	25.2%
6	Arkansas	17.3%	6	Arkansas	24.3%
7	Oklahoma	17.0%	7	Oklahoma	24.3%
8	Kentucky	17.0%	8	Texas	23.9%
9	Texas	16.9%	9	Alabama	23.0%
10	Alabama	16.6%	10	Kentucky	22.8%
11	Tennessee	16.2%	11	Tennessee	22.7%
12	South Carolina	15.7%	12	South Carolina	22.1%
13	Georgia	14.7%	13	North Carolina	20.2%
14	North Carolina	14.7%	14	Georgia	20.2%
15	New York	14.2%	15	New York	20.0%
16	Arizona	14.2%	16	Arizona	19.5%
17	Montana	13.6%	17	Ohio	18.7%
18	South Dakota	13.6%	18	Missouri	18.6%
19	Missouri	13.6%	19	Michigan	18.3%
20	Michigan	13.5%	20	California	18.1%
21	Ohio	13.3%	21	Indiana	17.9%
22	Oregon	13.3%	22	Maine	17.6%
23	California	13.1%	23	Florida	17.5%
24	Maine	12.9%	24	Montana	17.3%
25	Indiana	12.7%	25	Illinois	17.1%
26	Florida	12.6%	26	Pennsylvania	16.9%
27	Idaho	12.6%	27	South Dakota	16.8%
28	Kansas	12.4%	28	Oregon	16.8%
29	Illinois	12.3%	29	Delaware	15.8%
30	Pennsylvania	12.1%	30	Colorado	15.7%
31	Colorado	12.0%	31	Kansas	15.6%
32	Washington	11.8%	32	Washington	15.4%
33	Nebraska	11.5%	33	Alaska	15.1%
34	North Dakota	11.4%	34	Rhode Island	15.1%
35	Rhode Island	11.1%	35	Idaho	15.1%
36	Delaware	11.1%	36	Wisconsin	14.9%
37	Iowa	11.0%	37	Nebraska	14.4%
38	Wisconsin	11.0%	38	Nevada	13.9%
39	Alaska	10.9%	39	Iowa	13.7%
40	Utah	10.6%	40	Vermont	13.2%
41	Vermont	10.3%	41	North Dakota	13.0%
42	Nevada	10.3%	42	Massachusetts	12.4%
43	Massachusetts	9.9%	43	Minnesota	12.2%
44	Minnesota	9.8%	44	Virginia	12.2%
45	Virginia	9.6%	45	Wyoming	12.0%
46	Wyoming	9.4%	46	Utah	11.9%
47	Hawaii	9.3%	47	New Jersey	11.8%
48	New Jersey	8.7%	48	Hawaii	11.4%
49	Connecticut	8.3%	49	Connecticut	11.0%
50	New Hampshire	8.0%	50	Maryland	9.7%
51	Maryland	7.8%	51	New Hampshire	9.6%
	National Average	13.3%		National Average	18.3%

Map 14
Poverty Rates for Total Population, 2006



Map 15
Poverty Rates for Persons Under Age 18, 2006

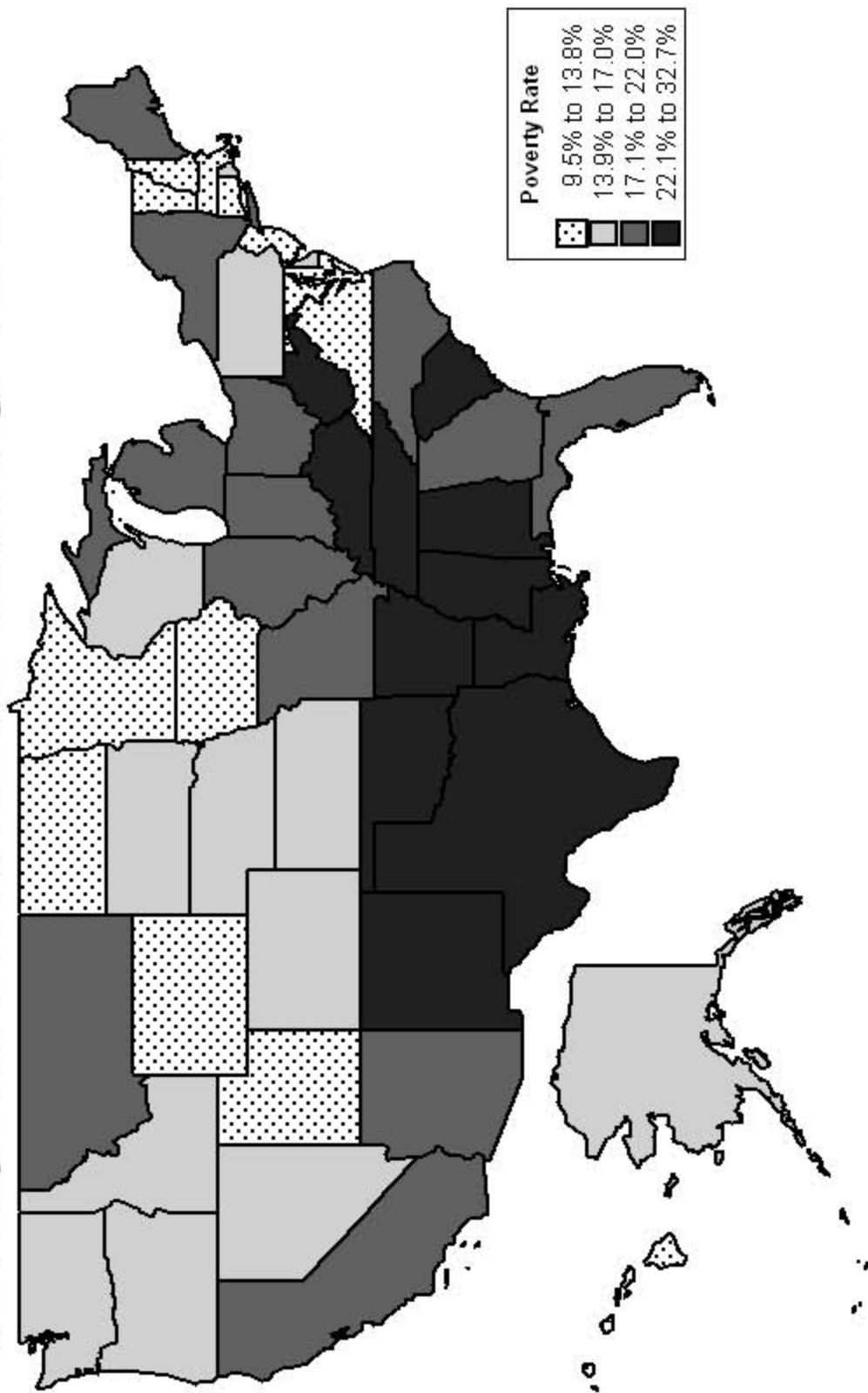
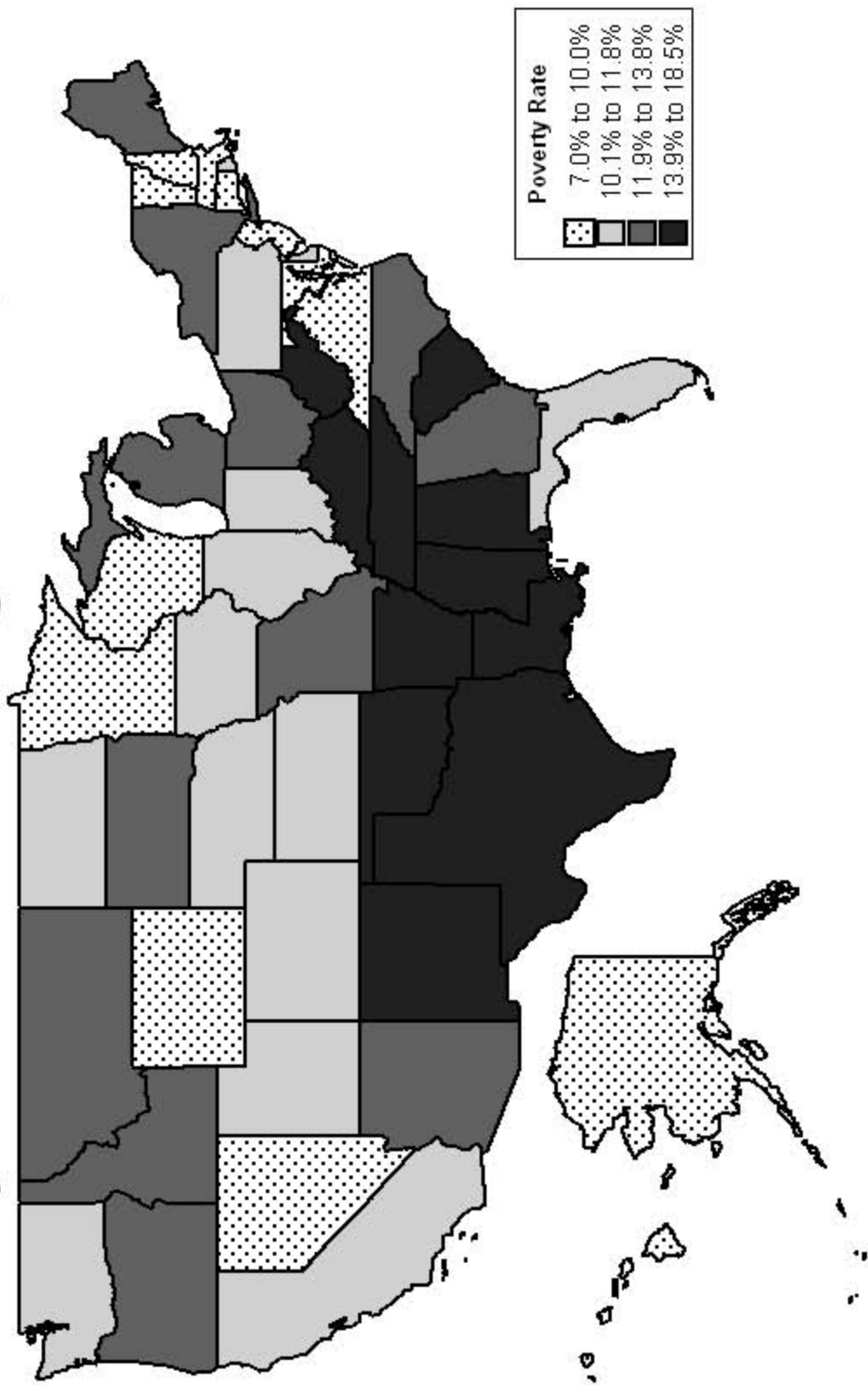


Table 11

Poverty Rates, 2006
(ages 18 to 64 and age 65+)

Rank	State	Ages 18-64	Rank	State	Age 65+
1	Mississippi	18.5%	1	Mississippi	15.7%
2	New Mexico	16.6%	2	District of Columbia	15.2%
3	District of Columbia	16.5%	3	Louisiana	13.9%
4	Louisiana	16.4%	4	Kentucky	13.5%
5	West Virginia	16.3%	5	Tennessee	13.4%
6	Arkansas	15.5%	6	New Mexico	13.0%
7	Kentucky	15.4%	7	Georgia	12.6%
8	Oklahoma	15.4%	8	Alabama	12.6%
9	Alabama	14.8%	9	South Dakota	12.5%
10	Texas	14.5%	10	Texas	12.3%
11	Tennessee	14.3%	11	Arkansas	12.3%
12	South Carolina	13.9%	12	New York	12.1%
13	Montana	13.3%	13	South Carolina	12.0%
14	North Carolina	13.2%	14	North Carolina	11.2%
15	Arizona	13.1%	15	North Dakota	11.0%
16	Oregon	12.9%	16	West Virginia	10.5%
17	Georgia	12.7%	17	Maine	10.3%
18	Michigan	12.6%	18	Missouri	10.3%
19	South Dakota	12.5%	19	Oklahoma	10.1%
20	New York	12.4%	20	Florida	10.1%
21	Missouri	12.3%	21	Nebraska	9.5%
22	Ohio	12.2%	22	Vermont	9.4%
23	Idaho	12.2%	23	Massachusetts	9.3%
24	Maine	11.9%	24	Virginia	9.2%
25	California	11.9%	25	Hawaii	9.1%
26	Kansas	11.7%	26	Illinois	9.0%
27	Indiana	11.5%	27	Kansas	8.9%
28	Florida	11.5%	28	Pennsylvania	8.9%
29	Colorado	11.1%	29	Rhode Island	8.9%
30	Pennsylvania	11.0%	30	Montana	8.9%
31	North Dakota	11.0%	31	Washington	8.8%
32	Illinois	11.0%	32	Michigan	8.7%
33	Washington	10.9%	33	Idaho	8.7%
34	Nebraska	10.7%	34	Ohio	8.5%
35	Iowa	10.6%	35	Oregon	8.5%
36	Utah	10.5%	36	California	8.4%
37	Delaware	10.2%	37	Colorado	8.3%
38	Rhode Island	10.1%	38	Wisconsin	8.3%
39	Wisconsin	10.0%	39	New Jersey	8.2%
40	Alaska	9.8%	40	Maryland	8.2%
41	Vermont	9.5%	41	Minnesota	8.1%
42	Nevada	9.4%	42	Iowa	8.0%
43	Massachusetts	9.2%	43	Arizona	8.0%
44	Minnesota	9.1%	44	New Hampshire	7.9%
45	Wyoming	9.0%	45	Indiana	7.8%
46	Virginia	8.7%	46	Nevada	7.2%
47	Hawaii	8.5%	47	Delaware	6.9%
48	Connecticut	7.7%	48	Utah	6.7%
49	New Jersey	7.6%	49	Connecticut	6.1%
50	New Hampshire	7.5%	50	Wyoming	6.1%
51	Maryland	7.1%	51	Alaska	4.2%
	National Average	12.0%		National Average	9.9%

Map 16 Poverty Rates for Persons Ages 18 to 64, 2006



Map 17 Poverty Rates for Persons Age 65+, 2006

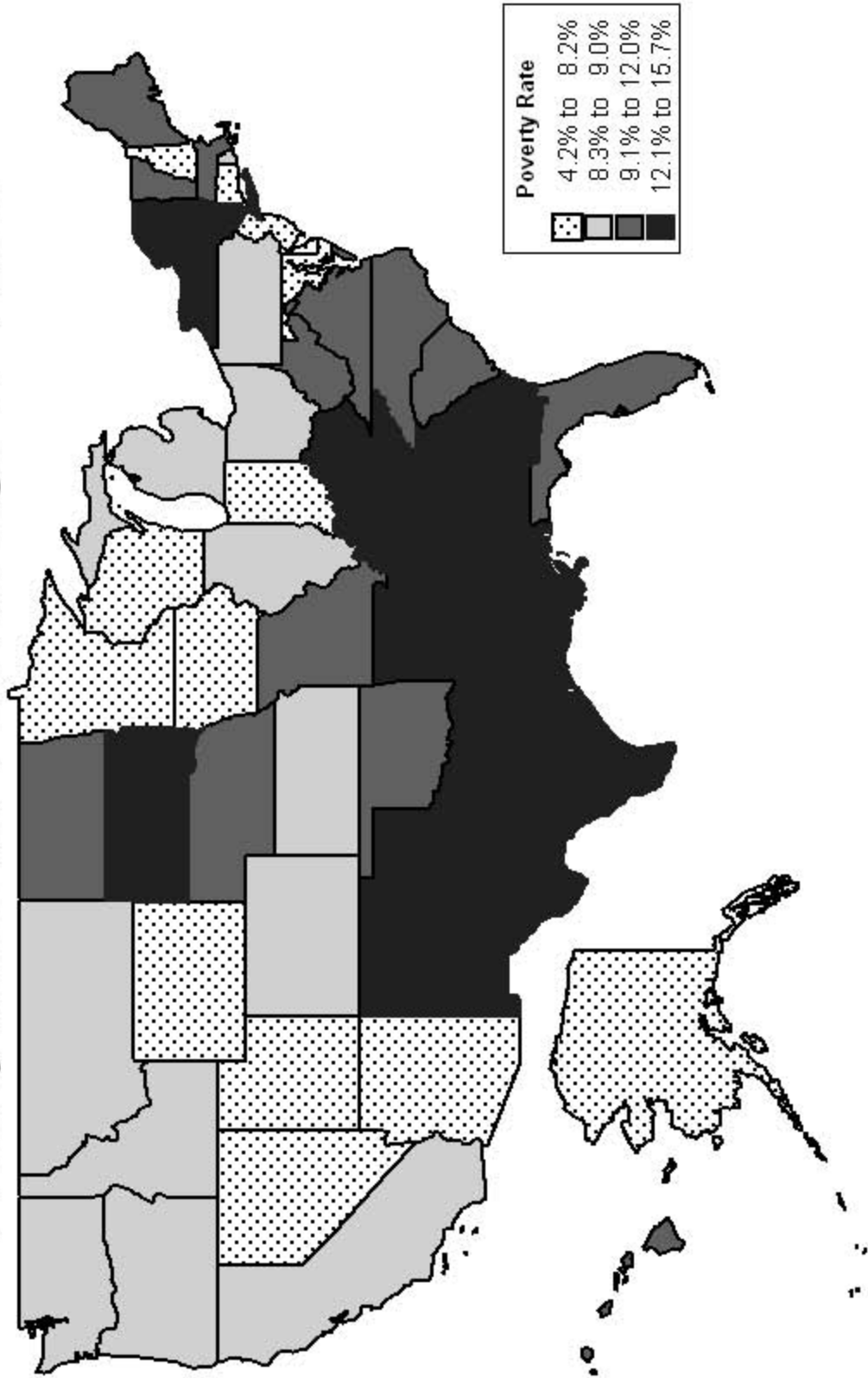


Table 12

State and Local Revenues, FY 2005
(including federal aid)

			Revenues as a % of State Personal		
Rank	State	Per Capita	Rank	State	Income
1	Alaska	\$14,813	1	Alaska	43.7%
2	District of Columbia	\$13,925	2	Wyoming	39.4%
3	Wyoming	\$13,764	3	New Mexico	28.1%
4	New York	\$9,866	4	District of Columbia	27.7%
5	Delaware	\$7,892	5	West Virginia	27.0%
6	Connecticut	\$7,890	6	New York	25.8%
7	Vermont	\$7,752	7	Mississippi	25.5%
8	Massachusetts	\$7,636	8	Maine	24.9%
9	New Jersey	\$7,634	9	North Dakota	24.6%
10	Rhode Island	\$7,589	10	Louisiana	24.4%
11	Hawaii	\$7,503	11	Vermont	24.4%
12	Maine	\$7,475	12	South Carolina	24.4%
13	California	\$7,471	13	Montana	24.4%
14	Minnesota	\$7,294	14	Utah	23.6%
15	New Mexico	\$7,273	15	Hawaii	23.3%
16	North Dakota	\$7,228	16	Delaware	22.7%
17	Maryland	\$7,026	17	Arkansas	22.7%
18	Nebraska	\$6,975	18	Rhode Island	22.1%
19	West Virginia	\$6,805	19	Nebraska	22.1%
20	Pennsylvania	\$6,774	20	Ohio	21.9%
21	Ohio	\$6,727	21	Alabama	21.9%
22	Montana	\$6,727	22	Idaho	21.8%
23	Washington	\$6,718	23	Iowa	21.5%
24	Wisconsin	\$6,643	24	California	21.3%
25	Michigan	\$6,632	25	Kentucky	21.3%
26	Louisiana	\$6,629	26	Oregon	21.2%
27	Iowa	\$6,549	27	North Carolina	21.0%
28	South Carolina	\$6,504	28	Wisconsin	21.0%
29	Oregon	\$6,411	29	Michigan	21.0%
30	Colorado	\$6,388	30	Indiana	21.0%
31	Nevada	\$6,374	31	Arizona	20.5%
32	Illinois	\$6,326	32	Oklahoma	20.4%
33	Florida	\$6,307	33	Minnesota	20.3%
34	Virginia	\$6,286	34	Pennsylvania	20.3%
35	Indiana	\$6,242	35	Kansas	20.0%
36	Kansas	\$6,157	36	Florida	19.8%
37	Mississippi	\$6,113	37	Missouri	19.5%
38	North Carolina	\$6,099	38	Washington	19.4%
39	Alabama	\$6,068	39	Tennessee	19.3%
40	Utah	\$6,029	40	Nevada	19.1%
41	New Hampshire	\$5,903	41	Texas	19.0%
42	Missouri	\$5,854	42	Georgia	19.0%
43	South Dakota	\$5,837	43	South Dakota	18.9%
44	Idaho	\$5,806	44	Massachusetts	18.4%
45	Arkansas	\$5,777	45	New Jersey	18.4%
46	Texas	\$5,770	46	Colorado	18.2%
47	Oklahoma	\$5,763	47	Illinois	18.1%
48	Kentucky	\$5,711	48	Maryland	17.9%
49	Arizona	\$5,674	49	Virginia	17.8%
50	Tennessee	\$5,653	50	Connecticut	17.3%
51	Georgia	\$5,495	51	New Hampshire	16.4%
	National Average	\$6,816		National Average	20.8%

Table 13

State and Local Revenues, FY 2005
(excluding federal aid)

			Revenues as a % of State Personal Income		
Rank	State	Per Capita	Rank	State	Income
1	Alaska	\$10,964	1	Alaska	32.4%
2	District of Columbia	\$9,089	2	Wyoming	24.0%
3	Wyoming	\$8,390	3	New York	19.6%
4	New York	\$7,500	4	New Mexico	19.6%
5	Connecticut	\$6,619	5	West Virginia	19.3%
6	Delaware	\$6,485	6	Delaware	18.7%
7	New Jersey	\$6,413	7	Utah	18.5%
8	Massachusetts	\$6,207	8	Hawaii	18.5%
9	California	\$5,961	9	Maine	18.2%
10	Hawaii	\$5,961	10	South Carolina	18.1%
11	Minnesota	\$5,868	11	District of Columbia	18.1%
12	Maryland	\$5,677	12	Louisiana	18.0%
13	Vermont	\$5,641	13	Vermont	17.8%
14	Rhode Island	\$5,627	14	North Dakota	17.5%
15	Maine	\$5,467	15	Nebraska	17.3%
16	Nebraska	\$5,457	16	Indiana	17.1%
17	Nevada	\$5,445	17	Ohio	17.1%
18	Washington	\$5,393	18	California	17.0%
19	Virginia	\$5,369	19	Wisconsin	17.0%
20	Wisconsin	\$5,359	20	Mississippi	16.9%
21	Colorado	\$5,294	21	Idaho	16.8%
22	Ohio	\$5,229	22	Iowa	16.6%
23	Michigan	\$5,226	23	Montana	16.6%
24	Pennsylvania	\$5,222	24	Michigan	16.6%
25	North Dakota	\$5,162	25	Arkansas	16.5%
26	Illinois	\$5,120	26	Oregon	16.5%
27	Florida	\$5,119	27	Rhode Island	16.4%
28	Indiana	\$5,094	28	Minnesota	16.4%
29	Iowa	\$5,072	29	Nevada	16.4%
30	New Mexico	\$5,062	30	Florida	16.1%
31	Oregon	\$4,966	31	Kansas	16.0%
32	Kansas	\$4,919	32	Alabama	16.0%
33	Louisiana	\$4,887	33	Kentucky	15.9%
34	West Virginia	\$4,854	34	North Carolina	15.8%
35	South Carolina	\$4,832	35	Pennsylvania	15.7%
36	Utah	\$4,736	36	Washington	15.5%
37	New Hampshire	\$4,659	37	Arizona	15.5%
38	North Carolina	\$4,592	38	New Jersey	15.4%
39	Montana	\$4,584	39	Oklahoma	15.2%
40	Texas	\$4,507	40	Virginia	15.2%
41	Idaho	\$4,494	41	Colorado	15.1%
42	Alabama	\$4,433	42	Georgia	15.0%
43	Missouri	\$4,376	43	Massachusetts	15.0%
44	Georgia	\$4,337	44	Texas	14.9%
45	Oklahoma	\$4,301	45	Illinois	14.7%
46	Arizona	\$4,290	46	Missouri	14.6%
47	Kentucky	\$4,246	47	Connecticut	14.5%
48	Arkansas	\$4,213	48	Maryland	14.4%
49	Tennessee	\$4,130	49	Tennessee	14.1%
50	South Dakota	\$4,069	50	South Dakota	13.2%
51	Mississippi	\$4,055	51	New Hampshire	12.9%
	National Average	\$5,338		National Average	16.3%

Table 14

State and Local Taxes, FY 2006

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	District of Columbia	\$7,383	1	Wyoming	15.0%
2	New York	\$5,752	2	New York	15.0%
3	Connecticut	\$5,398	3	District of Columbia	14.7%
4	Wyoming	\$5,252	4	Hawaii	13.4%
5	New Jersey	\$4,890	5	Maine	13.2%
6	Massachusetts	\$4,470	6	Alaska	13.1%
7	Alaska	\$4,443	7	Vermont	13.0%
8	Hawaii	\$4,338	8	Wisconsin	12.2%
9	Maryland	\$4,276	9	Rhode Island	12.2%
10	Rhode Island	\$4,192	10	New Mexico	12.2%
11	Vermont	\$4,137	11	West Virginia	12.1%
12	Minnesota	\$4,088	12	Nebraska	11.9%
13	California	\$4,055	13	Connecticut	11.9%
14	Maine	\$3,960	14	Ohio	11.9%
15	Delaware	\$3,893	15	New Jersey	11.8%
16	Wisconsin	\$3,872	16	Louisiana	11.7%
17	Illinois	\$3,849	17	California	11.6%
18	Nevada	\$3,749	18	Utah	11.5%
19	Nebraska	\$3,746	19	Indiana	11.5%
20	Pennsylvania	\$3,710	20	Minnesota	11.4%
21	Virginia	\$3,657	21	Arkansas	11.4%
22	Washington	\$3,651	22	North Dakota	11.4%
23	Ohio	\$3,637	23	Nevada	11.3%
24	Michigan	\$3,494	24	Delaware	11.2%
25	Kansas	\$3,415	25	Pennsylvania	11.1%
26	Indiana	\$3,405	26	Arizona	11.1%
27	Florida	\$3,369	27	Kansas	11.1%
28	Colorado	\$3,363	28	Michigan	11.1%
29	North Dakota	\$3,342	29	Illinois	11.0%
30	New Hampshire	\$3,306	30	Kentucky	11.0%
31	Iowa	\$3,273	31	Idaho	11.0%
32	Louisiana	\$3,173	32	North Carolina	10.9%
33	New Mexico	\$3,151	33	Maryland	10.9%
34	North Carolina	\$3,149	34	Massachusetts	10.8%
35	Arizona	\$3,079	35	Mississippi	10.7%
36	West Virginia	\$3,060	36	Iowa	10.7%
37	Oregon	\$3,052	37	Florida	10.6%
38	Texas	\$3,015	38	Montana	10.5%
39	Georgia	\$3,010	39	Washington	10.5%
40	Missouri	\$2,997	40	South Carolina	10.4%
41	Kentucky	\$2,939	41	Georgia	10.4%
42	Utah	\$2,933	42	Virginia	10.3%
43	Idaho	\$2,926	43	Oregon	10.1%
44	Montana	\$2,913	44	Oklahoma	10.1%
45	Arkansas	\$2,902	45	Missouri	10.0%
46	Oklahoma	\$2,843	46	Texas	9.9%
47	South Carolina	\$2,779	47	Colorado	9.6%
48	South Dakota	\$2,715	48	Alabama	9.3%
49	Tennessee	\$2,685	49	New Hampshire	9.2%
50	Mississippi	\$2,576	50	Tennessee	9.2%
51	Alabama	\$2,570	51	South Dakota	8.8%
	National Average	\$3,698		National Average	11.3%

Table 15

State and Local Property Taxes, FY 2005

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	New Jersey	\$2,206	1	New Hampshire	5.6%
2	Connecticut	\$2,044	2	Maine	5.4%
3	New Hampshire	\$2,028	3	Vermont	5.3%
4	District of Columbia	\$1,951	4	New Jersey	5.3%
5	New York	\$1,768	5	Wyoming	5.0%
6	Wyoming	\$1,751	6	Rhode Island	4.9%
7	Vermont	\$1,697	7	New York	4.6%
8	Rhode Island	\$1,695	8	Connecticut	4.5%
9	Maine	\$1,632	9	Wisconsin	4.5%
10	Massachusetts	\$1,607	10	Texas	4.4%
11	Illinois	\$1,464	11	Illinois	4.2%
12	Wisconsin	\$1,410	12	Indiana	4.1%
13	Alaska	\$1,345	13	Michigan	4.1%
14	Texas	\$1,320	14	Alaska	4.0%
15	Michigan	\$1,279	15	District of Columbia	3.9%
16	Indiana	\$1,219	16	Massachusetts	3.9%
17	Nebraska	\$1,195	17	Montana	3.9%
18	Florida	\$1,148	18	Nebraska	3.8%
19	Kansas	\$1,125	19	Kansas	3.7%
20	Iowa	\$1,114	20	Iowa	3.6%
21	Virginia	\$1,109	21	Florida	3.6%
22	Pennsylvania	\$1,079	22	Ohio	3.4%
23	Montana	\$1,067	23	North Dakota	3.3%
24	Colorado	\$1,059	24	South Carolina	3.3%
25	Washington	\$1,055	25	Oregon	3.2%
26	Ohio	\$1,044	26	Pennsylvania	3.2%
27	Minnesota	\$1,024	27	Virginia	3.1%
28	Maryland	\$1,001	28	Arizona	3.1%
29	Oregon	\$979	29	Georgia	3.1%
30	North Dakota	\$977	30	South Dakota	3.1%
31	Nevada	\$962	31	Washington	3.0%
32	South Dakota	\$942	32	Idaho	3.0%
33	California	\$942	33	Colorado	3.0%
34	Georgia	\$899	34	Nevada	2.9%
35	South Carolina	\$880	35	Minnesota	2.9%
36	Arizona	\$861	36	Mississippi	2.8%
37	Missouri	\$810	37	Utah	2.8%
38	Idaho	\$807	38	Missouri	2.7%
39	North Carolina	\$744	39	California	2.7%
40	Utah	\$720	40	North Carolina	2.6%
41	Mississippi	\$676	41	Maryland	2.5%
42	Tennessee	\$654	42	Tennessee	2.2%
43	Hawaii	\$643	43	West Virginia	2.2%
44	Delaware	\$577	44	Kentucky	2.0%
45	West Virginia	\$556	45	Hawaii	2.0%
46	Louisiana	\$539	46	Louisiana	2.0%
47	Kentucky	\$538	47	New Mexico	1.7%
48	Oklahoma	\$485	48	Oklahoma	1.7%
49	New Mexico	\$448	49	Delaware	1.7%
50	Arkansas	\$422	50	Arkansas	1.7%
51	Alabama	\$394	51	Alabama	1.4%
	National Average	\$1,132		National Average	3.5%

Table 16

State and Local General Sales Taxes, FY 2006

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	Washington	\$1,692	1	Hawaii	5.2%
2	Hawaii	\$1,678	2	Washington	4.9%
3	District of Columbia	\$1,455	3	Arkansas	4.7%
4	Wyoming	\$1,340	4	Louisiana	4.6%
5	Tennessee	\$1,271	5	Tennessee	4.3%
6	Nevada	\$1,269	6	New Mexico	4.3%
7	Louisiana	\$1,260	7	Arizona	4.3%
8	Arkansas	\$1,199	8	Wyoming	3.8%
9	Arizona	\$1,180	9	Nevada	3.8%
10	Florida	\$1,130	10	Mississippi	3.7%
11	New Mexico	\$1,119	11	Florida	3.6%
12	New York	\$1,092	12	South Dakota	3.5%
13	South Dakota	\$1,076	13	Utah	3.4%
14	California	\$1,039	14	Nebraska	3.2%
15	Nebraska	\$1,006	15	Kansas	3.0%
16	Colorado	\$942	16	California	3.0%
17	Connecticut	\$934	17	Idaho	3.0%
18	Kansas	\$917	18	Oklahoma	2.9%
19	Mississippi	\$890	19	Texas	2.9%
20	Texas	\$883	20	District of Columbia	2.9%
21	Utah	\$876	21	Georgia	2.9%
22	Ohio	\$841	22	New York	2.9%
23	Georgia	\$839	23	Alabama	2.8%
24	Missouri	\$838	24	Missouri	2.8%
25	Minnesota	\$833	25	Ohio	2.7%
26	Oklahoma	\$827	26	Indiana	2.7%
27	Michigan	\$799	27	Colorado	2.7%
28	Indiana	\$798	28	South Carolina	2.7%
29	Idaho	\$789	29	North Dakota	2.6%
30	Rhode Island	\$786	30	Michigan	2.5%
31	Wisconsin	\$778	31	North Carolina	2.5%
32	Alabama	\$777	32	Wisconsin	2.5%
33	North Dakota	\$755	33	West Virginia	2.4%
34	New Jersey	\$753	34	Iowa	2.4%
35	Iowa	\$728	35	Maine	2.4%
36	North Carolina	\$720	36	Kentucky	2.3%
37	South Carolina	\$714	37	Minnesota	2.3%
38	Maine	\$709	38	Rhode Island	2.3%
39	Pennsylvania	\$666	39	Connecticut	2.1%
40	Illinois	\$655	40	Pennsylvania	2.0%
41	Kentucky	\$624	41	Illinois	1.9%
42	Massachusetts	\$605	42	New Jersey	1.8%
43	West Virginia	\$604	43	Vermont	1.6%
44	Virginia	\$535	44	Virginia	1.5%
45	Maryland	\$517	45	Massachusetts	1.5%
46	Vermont	\$506	46	Maryland	1.3%
47	Alaska	\$237	47	Alaska	0.7%
48	Delaware	\$0	48	Delaware	0.0%
49	Montana	\$0	49	Montana	0.0%
50	New Hampshire	\$0	50	New Hampshire	0.0%
51	Oregon	\$0	51	Oregon	0.0%
	National Average	\$887		National Average	2.7%

Table 17

State and Local Income Taxes, FY 2005
(including personal and corporate income taxes)

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	District of Columbia	\$2,315	1	New York	5.7%
2	New York	\$2,166	2	Oregon	4.7%
3	Maryland	\$1,782	3	District of Columbia	4.6%
4	Massachusetts	\$1,713	4	Maryland	4.5%
5	Connecticut	\$1,602	5	Massachusetts	4.1%
6	California	\$1,429	6	Ohio	4.1%
7	Oregon	\$1,428	7	California	4.1%
8	Minnesota	\$1,419	8	Delaware	4.0%
9	Delaware	\$1,403	9	Minnesota	4.0%
10	Ohio	\$1,258	10	North Carolina	3.9%
11	New Jersey	\$1,201	11	Kentucky	3.8%
12	Virginia	\$1,184	12	Hawaii	3.7%
13	Hawaii	\$1,182	13	Maine	3.6%
14	Wisconsin	\$1,130	14	West Virginia	3.6%
15	North Carolina	\$1,118	15	Wisconsin	3.6%
16	Maine	\$1,089	16	Connecticut	3.5%
17	Pennsylvania	\$1,061	17	Virginia	3.3%
18	Rhode Island	\$1,035	18	Utah	3.3%
19	Kentucky	\$1,024	19	Pennsylvania	3.2%
20	Vermont	\$915	20	Montana	3.1%
21	Nebraska	\$906	21	Idaho	3.1%
22	West Virginia	\$901	22	Arkansas	3.0%
23	Indiana	\$900	23	Georgia	3.0%
24	Alaska	\$888	24	Indiana	3.0%
25	Georgia	\$880	25	Rhode Island	3.0%
26	Colorado	\$876	26	New Jersey	2.9%
27	Montana	\$868	27	Vermont	2.9%
28	Utah	\$850	28	Nebraska	2.9%
29	Iowa	\$843	29	Iowa	2.8%
30	Michigan	\$839	30	Kansas	2.7%
31	Kansas	\$836	31	New Mexico	2.7%
32	Idaho	\$826	32	Michigan	2.7%
33	Illinois	\$793	33	Oklahoma	2.6%
34	Missouri	\$786	34	Alaska	2.6%
35	Arkansas	\$775	35	Missouri	2.6%
36	Oklahoma	\$744	36	South Carolina	2.6%
37	South Carolina	\$692	37	Colorado	2.5%
38	New Mexico	\$690	38	Alabama	2.4%
39	Alabama	\$669	39	Illinois	2.3%
40	Louisiana	\$609	40	Louisiana	2.2%
41	Arizona	\$596	41	Arizona	2.2%
42	Mississippi	\$501	42	Mississippi	2.1%
43	North Dakota	\$501	43	North Dakota	1.7%
44	New Hampshire	\$416	44	New Hampshire	1.2%
45	Tennessee	\$161	45	Tennessee	0.5%
46	Florida	\$100	46	Florida	0.3%
47	South Dakota	\$63	47	South Dakota	0.2%
48	Washington	\$0	48	Washington	0.0%
49	Texas	\$0	49	Texas	0.0%
50	Nevada	\$0	50	Nevada	0.0%
51	Wyoming	\$0	51	Wyoming	0.0%
	National Average	\$958		National Average	2.9%

Table 18

State and Local Personal Income Taxes, FY 2005

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	District of Columbia	\$1,972	1	New York	4.7%
2	New York	\$1,804	2	Oregon	4.4%
3	Maryland	\$1,638	3	Maryland	4.2%
4	Massachusetts	\$1,506	4	District of Columbia	3.9%
5	Connecticut	\$1,438	5	Ohio	3.7%
6	Oregon	\$1,327	6	Massachusetts	3.6%
7	Minnesota	\$1,237	7	Minnesota	3.5%
8	California	\$1,189	8	California	3.4%
9	Ohio	\$1,140	9	Kentucky	3.4%
10	Delaware	\$1,107	10	Hawaii	3.4%
11	Virginia	\$1,104	11	North Carolina	3.4%
12	Hawaii	\$1,085	12	Maine	3.3%
13	Wisconsin	\$989	13	Delaware	3.2%
14	Maine	\$985	14	Connecticut	3.2%
15	North Carolina	\$972	15	Wisconsin	3.1%
16	New Jersey	\$945	16	Virginia	3.1%
17	Rhode Island	\$930	17	Utah	3.0%
18	Pennsylvania	\$924	18	Pennsylvania	2.8%
19	Kentucky	\$909	19	Georgia	2.8%
20	Colorado	\$809	20	Montana	2.8%
21	Vermont	\$803	21	Idaho	2.7%
22	Georgia	\$802	22	Rhode Island	2.7%
23	Nebraska	\$793	23	Arkansas	2.7%
24	Iowa	\$780	24	Indiana	2.6%
25	Utah	\$774	25	West Virginia	2.6%
26	Indiana	\$768	26	Iowa	2.6%
27	Montana	\$763	27	Vermont	2.5%
28	Kansas	\$746	28	Nebraska	2.5%
29	Missouri	\$745	29	Missouri	2.5%
30	Idaho	\$728	30	Oklahoma	2.5%
31	Oklahoma	\$697	31	Kansas	2.4%
32	Arkansas	\$676	32	South Carolina	2.4%
33	Michigan	\$650	33	Colorado	2.3%
34	West Virginia	\$646	34	New Jersey	2.3%
35	South Carolina	\$634	35	New Mexico	2.2%
36	Illinois	\$622	36	Alabama	2.1%
37	Alabama	\$582	37	Michigan	2.1%
38	New Mexico	\$564	38	Louisiana	2.0%
39	Louisiana	\$531	39	Illinois	1.8%
40	Arizona	\$478	40	Arizona	1.7%
41	Mississippi	\$404	41	Mississippi	1.7%
42	North Dakota	\$381	42	North Dakota	1.3%
43	New Hampshire	\$52	43	New Hampshire	0.1%
44	Tennessee	\$26	44	Tennessee	0.1%
45	Alaska	\$0	45	Alaska	0.0%
46	Florida	\$0	46	Florida	0.0%
47	Nevada	\$0	47	Nevada	0.0%
48	South Dakota	\$0	48	South Dakota	0.0%
49	Texas	\$0	49	Texas	0.0%
50	Washington	\$0	50	Washington	0.0%
51	Wyoming	\$0	51	Wyoming	0.0%
	National Average	\$813		National Average	2.5%

Table 19

State and Local Corporate Income Taxes, FY 2005

Rank	State	Per Capita	Rank	State	Taxes as a % of State Personal Income
1	Alaska	\$888	1	Alaska	2.6%
2	New Hampshire	\$365	2	West Virginia	1.0%
3	New York	\$362	3	New Hampshire	1.0%
4	District of Columbia	\$342	4	New York	0.9%
5	Delaware	\$296	5	Delaware	0.9%
6	New Jersey	\$256	6	California	0.7%
7	West Virginia	\$255	7	District of Columbia	0.7%
8	California	\$240	8	New Jersey	0.6%
9	Massachusetts	\$207	9	Michigan	0.6%
10	Michigan	\$189	10	Minnesota	0.5%
11	Minnesota	\$182	11	North Carolina	0.5%
12	Illinois	\$171	12	Massachusetts	0.5%
13	Connecticut	\$164	13	Illinois	0.5%
14	North Carolina	\$147	14	New Mexico	0.5%
15	Maryland	\$144	15	Tennessee	0.5%
16	Wisconsin	\$142	16	Wisconsin	0.4%
17	Pennsylvania	\$137	17	Indiana	0.4%
18	Tennessee	\$135	18	Kentucky	0.4%
19	Indiana	\$132	19	Arizona	0.4%
20	New Mexico	\$126	20	Pennsylvania	0.4%
21	North Dakota	\$120	21	North Dakota	0.4%
22	Arizona	\$118	22	Mississippi	0.4%
23	Ohio	\$117	23	Arkansas	0.4%
24	Kentucky	\$115	24	Ohio	0.4%
25	Nebraska	\$113	25	Montana	0.4%
26	Vermont	\$111	26	Idaho	0.4%
27	Rhode Island	\$106	27	Maryland	0.4%
28	Montana	\$105	28	Connecticut	0.4%
29	Maine	\$103	29	Nebraska	0.4%
30	Florida	\$100	30	Vermont	0.3%
31	Oregon	\$100	31	Maine	0.3%
32	Arkansas	\$100	32	Oregon	0.3%
33	Idaho	\$98	33	Florida	0.3%
34	Hawaii	\$97	34	Alabama	0.3%
35	Mississippi	\$97	35	Rhode Island	0.3%
36	Kansas	\$90	36	Hawaii	0.3%
37	Alabama	\$87	37	Utah	0.3%
38	Virginia	\$80	38	Kansas	0.3%
39	Louisiana	\$78	39	Louisiana	0.3%
40	Georgia	\$78	40	Georgia	0.3%
41	Utah	\$76	41	Virginia	0.2%
42	Colorado	\$68	42	South Carolina	0.2%
43	South Dakota	\$63	43	Iowa	0.2%
44	Iowa	\$63	44	South Dakota	0.2%
45	South Carolina	\$58	45	Colorado	0.2%
46	Oklahoma	\$48	46	Oklahoma	0.2%
47	Missouri	\$41	47	Missouri	0.1%
48	Washington	\$0	48	Washington	0.0%
49	Texas	\$0	49	Texas	0.0%
50	Nevada	\$0	50	Nevada	0.0%
51	Wyoming	\$0	51	Wyoming	0.0%
	National Average	\$145		National Average	0.4%

Table 20

State and Local General Expenditures, FY 2005
(including expenditures to federal government)

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$13,261	1	Alaska	39.2%
2	District of Columbia	\$12,446	2	Wyoming	31.8%
3	New York	\$11,803	3	New Mexico	31.3%
4	Wyoming	\$11,089	4	New York	30.8%
5	Washington	\$8,934	5	South Carolina	29.1%
6	New Jersey	\$8,900	6	Utah	27.1%
7	Rhode Island	\$8,737	7	West Virginia	26.8%
8	Vermont	\$8,322	8	Oregon	26.5%
9	Nebraska	\$8,115	9	Vermont	26.2%
10	Delaware	\$8,106	10	Ohio	26.1%
11	Pennsylvania	\$8,096	11	Washington	25.7%
12	New Mexico	\$8,085	12	Nebraska	25.7%
13	Ohio	\$8,015	13	North Dakota	25.7%
14	Oregon	\$7,993	14	Mississippi	25.6%
15	Wisconsin	\$7,806	15	Rhode Island	25.5%
16	South Carolina	\$7,773	16	Montana	24.8%
17	Massachusetts	\$7,759	17	District of Columbia	24.8%
18	California	\$7,721	18	Wisconsin	24.7%
19	North Dakota	\$7,558	19	Tennessee	24.6%
20	Connecticut	\$7,488	20	Pennsylvania	24.3%
21	Minnesota	\$7,414	21	North Carolina	24.2%
22	Hawaii	\$7,327	22	Maine	24.1%
23	Maine	\$7,225	23	Louisiana	23.3%
24	Nevada	\$7,215	24	Delaware	23.3%
25	Tennessee	\$7,205	25	Alabama	23.0%
26	North Carolina	\$7,006	26	Hawaii	22.7%
27	Utah	\$6,935	27	California	22.1%
28	Montana	\$6,854	28	Oklahoma	22.0%
29	Virginia	\$6,821	29	Arkansas	21.9%
30	West Virginia	\$6,762	30	Texas	21.8%
31	Michigan	\$6,644	31	Nevada	21.7%
32	New Hampshire	\$6,628	32	Iowa	21.6%
33	Texas	\$6,628	33	New Jersey	21.4%
34	Iowa	\$6,580	34	Missouri	21.4%
35	Maryland	\$6,558	35	Idaho	21.1%
36	Illinois	\$6,444	36	Michigan	21.1%
37	Missouri	\$6,414	37	Kentucky	21.0%
38	South Dakota	\$6,392	38	South Dakota	20.7%
39	Alabama	\$6,382	39	Minnesota	20.7%
40	Florida	\$6,339	40	Indiana	20.5%
41	Louisiana	\$6,329	41	Arizona	20.0%
42	Colorado	\$6,218	42	Florida	19.9%
43	Oklahoma	\$6,210	43	Kansas	19.8%
44	Mississippi	\$6,136	44	Virginia	19.3%
45	Kansas	\$6,112	45	Georgia	19.2%
46	Indiana	\$6,096	46	Massachusetts	18.7%
47	Idaho	\$5,640	47	Illinois	18.5%
48	Kentucky	\$5,618	48	New Hampshire	18.4%
49	Arkansas	\$5,586	49	Colorado	17.7%
50	Georgia	\$5,552	50	Maryland	16.7%
51	Arizona	\$5,531	51	Connecticut	16.5%
	National Average	\$6,794		National Average	20.7%

Table 21

State and Local General Expenditures, FY 2005
(excluding expenditures to federal government)

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$13,261	1	Alaska	39.2%
2	District of Columbia	\$12,446	2	Wyoming	31.8%
3	New York	\$11,771	3	New Mexico	31.3%
4	Wyoming	\$11,089	4	New York	30.7%
5	Washington	\$8,934	5	South Carolina	29.1%
6	New Jersey	\$8,889	6	Utah	27.1%
7	Rhode Island	\$8,712	7	West Virginia	26.8%
8	Vermont	\$8,321	8	Oregon	26.5%
9	Delaware	\$8,105	9	Vermont	26.2%
10	Nebraska	\$8,102	10	Ohio	26.1%
11	New Mexico	\$8,085	11	Washington	25.7%
12	Pennsylvania	\$8,083	12	North Dakota	25.7%
13	Ohio	\$8,014	13	Nebraska	25.7%
14	Oregon	\$7,993	14	Mississippi	25.6%
15	Wisconsin	\$7,806	15	Rhode Island	25.4%
16	South Carolina	\$7,773	16	Montana	24.8%
17	Massachusetts	\$7,731	17	District of Columbia	24.8%
18	California	\$7,626	18	Wisconsin	24.7%
19	North Dakota	\$7,558	19	Tennessee	24.6%
20	Connecticut	\$7,488	20	Pennsylvania	24.2%
21	Minnesota	\$7,414	21	North Carolina	24.2%
22	Hawaii	\$7,327	22	Maine	24.1%
23	Maine	\$7,216	23	Louisiana	23.3%
24	Nevada	\$7,214	24	Delaware	23.3%
25	Tennessee	\$7,205	25	Alabama	23.0%
26	North Carolina	\$7,006	26	Hawaii	22.7%
27	Utah	\$6,935	27	Oklahoma	21.9%
28	Montana	\$6,854	28	Arkansas	21.9%
29	Virginia	\$6,821	29	Texas	21.8%
30	West Virginia	\$6,756	30	California	21.8%
31	Michigan	\$6,644	31	Nevada	21.7%
32	New Hampshire	\$6,628	32	Iowa	21.5%
33	Texas	\$6,628	33	New Jersey	21.4%
34	Iowa	\$6,561	34	Missouri	21.4%
35	Maryland	\$6,558	35	Idaho	21.1%
36	Illinois	\$6,444	36	Michigan	21.1%
37	Missouri	\$6,413	37	Kentucky	21.0%
38	South Dakota	\$6,392	38	South Dakota	20.7%
39	Alabama	\$6,382	39	Minnesota	20.7%
40	Florida	\$6,339	40	Indiana	20.5%
41	Louisiana	\$6,329	41	Arizona	20.0%
42	Colorado	\$6,217	42	Florida	19.9%
43	Oklahoma	\$6,199	43	Kansas	19.8%
44	Mississippi	\$6,136	44	Virginia	19.3%
45	Kansas	\$6,112	45	Georgia	19.2%
46	Indiana	\$6,096	46	Massachusetts	18.6%
47	Idaho	\$5,640	47	Illinois	18.5%
48	Kentucky	\$5,618	48	New Hampshire	18.4%
49	Arkansas	\$5,586	49	Colorado	17.7%
50	Georgia	\$5,552	50	Maryland	16.7%
51	Arizona	\$5,531	51	Connecticut	16.5%
	National Average	\$6,778		National Average	20.7%

Table 22

State and Local Education Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$3,560	1	Alaska	10.5%
2	Wyoming	\$3,137	2	New Mexico	9.8%
3	Vermont	\$3,061	3	Vermont	9.6%
4	New Jersey	\$3,054	4	Wyoming	9.0%
5	Delaware	\$2,846	5	Utah	8.7%
6	New York	\$2,788	6	West Virginia	8.7%
7	Michigan	\$2,689	7	South Carolina	8.6%
8	Connecticut	\$2,599	8	North Dakota	8.6%
9	New Mexico	\$2,533	9	Michigan	8.5%
10	North Dakota	\$2,521	10	Mississippi	8.4%
11	Massachusetts	\$2,502	11	Arkansas	8.4%
12	Wisconsin	\$2,497	12	Delaware	8.2%
13	Rhode Island	\$2,487	13	Iowa	8.0%
14	California	\$2,451	14	Wisconsin	7.9%
15	Iowa	\$2,448	15	Indiana	7.8%
16	Pennsylvania	\$2,434	16	Ohio	7.8%
17	Maryland	\$2,424	17	Alabama	7.8%
18	Ohio	\$2,398	18	Montana	7.7%
19	Minnesota	\$2,379	19	Texas	7.6%
20	Nebraska	\$2,352	20	Oklahoma	7.6%
21	Washington	\$2,338	21	Georgia	7.5%
22	Indiana	\$2,333	22	Nebraska	7.5%
23	Virginia	\$2,325	23	Kansas	7.4%
24	Texas	\$2,304	24	North Carolina	7.4%
25	South Carolina	\$2,299	25	Kentucky	7.4%
26	District of Columbia	\$2,295	26	New Jersey	7.3%
27	Kansas	\$2,285	27	Louisiana	7.3%
28	Illinois	\$2,246	28	Pennsylvania	7.3%
29	Utah	\$2,217	29	New York	7.3%
30	New Hampshire	\$2,215	30	Idaho	7.3%
31	West Virginia	\$2,186	31	Maine	7.3%
32	Georgia	\$2,181	32	Rhode Island	7.3%
33	Maine	\$2,174	33	Oregon	7.2%
34	Colorado	\$2,172	34	California	7.0%
35	Alabama	\$2,172	35	Washington	6.7%
36	Oregon	\$2,166	36	Minnesota	6.6%
37	North Carolina	\$2,149	37	Arizona	6.6%
38	Oklahoma	\$2,133	38	Virginia	6.6%
39	Arkansas	\$2,131	39	Missouri	6.5%
40	Montana	\$2,117	40	Hawaii	6.4%
41	Hawaii	\$2,080	41	Illinois	6.4%
42	Mississippi	\$2,015	42	South Dakota	6.4%
43	Louisiana	\$1,993	43	Colorado	6.2%
44	Kentucky	\$1,977	44	Maryland	6.2%
45	South Dakota	\$1,962	45	New Hampshire	6.1%
46	Missouri	\$1,945	46	Massachusetts	6.0%
47	Idaho	\$1,939	47	Tennessee	5.9%
48	Nevada	\$1,859	48	Connecticut	5.7%
49	Arizona	\$1,827	49	Florida	5.7%
50	Florida	\$1,803	50	Nevada	5.6%
51	Tennessee	\$1,727	51	District of Columbia	4.6%
	National Average	\$2,325		National Average	7.1%

Table 23

State and Local Public Welfare Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	District of Columbia	\$2,902	1	New Mexico	6.3%
2	New York	\$2,207	2	Alaska	6.1%
3	Alaska	\$2,079	3	Maine	5.9%
4	Rhode Island	\$1,905	4	Mississippi	5.8%
5	Minnesota	\$1,895	5	District of Columbia	5.8%
6	Maine	\$1,771	6	New York	5.8%
7	Vermont	\$1,769	7	Vermont	5.6%
8	Massachusetts	\$1,677	8	Rhode Island	5.6%
9	Pennsylvania	\$1,646	9	Minnesota	5.3%
10	New Mexico	\$1,639	10	West Virginia	5.1%
11	Tennessee	\$1,454	11	Tennessee	5.0%
12	Mississippi	\$1,391	12	Pennsylvania	4.9%
13	Ohio	\$1,334	13	Kentucky	4.9%
14	Delaware	\$1,333	14	Arkansas	4.7%
15	Kentucky	\$1,299	15	South Carolina	4.6%
16	West Virginia	\$1,290	16	Ohio	4.4%
17	Wisconsin	\$1,267	17	Massachusetts	4.0%
18	Connecticut	\$1,245	18	Wisconsin	4.0%
19	New Hampshire	\$1,243	19	Alabama	4.0%
20	South Carolina	\$1,225	20	Iowa	3.8%
21	California	\$1,223	21	North Carolina	3.8%
22	Arkansas	\$1,190	22	Delaware	3.8%
23	Iowa	\$1,174	23	North Dakota	3.8%
24	Nebraska	\$1,150	24	Oklahoma	3.8%
25	Hawaii	\$1,131	25	Idaho	3.7%
26	North Dakota	\$1,125	26	Louisiana	3.7%
27	North Carolina	\$1,112	27	Missouri	3.6%
28	Alabama	\$1,104	28	Nebraska	3.6%
29	Missouri	\$1,095	29	Arizona	3.6%
30	Wyoming	\$1,081	30	Hawaii	3.5%
31	Washington	\$1,074	31	Utah	3.5%
32	Maryland	\$1,066	32	California	3.5%
33	Oklahoma	\$1,063	33	Oregon	3.5%
34	Michigan	\$1,058	34	New Hampshire	3.4%
35	New Jersey	\$1,048	35	Indiana	3.4%
36	Oregon	\$1,046	36	Michigan	3.4%
37	Illinois	\$1,030	37	Georgia	3.3%
38	Kansas	\$1,005	38	Kansas	3.3%
39	Indiana	\$1,003	39	South Dakota	3.1%
40	Louisiana	\$994	40	Montana	3.1%
41	Arizona	\$993	41	Wyoming	3.1%
42	Idaho	\$983	42	Washington	3.1%
43	Florida	\$970	43	Florida	3.0%
44	Georgia	\$966	44	Illinois	3.0%
45	South Dakota	\$961	45	Texas	2.8%
46	Utah	\$894	46	Connecticut	2.7%
47	Virginia	\$890	47	Maryland	2.7%
48	Montana	\$860	48	New Jersey	2.5%
49	Texas	\$846	49	Virginia	2.5%
50	Colorado	\$693	50	Nevada	2.0%
51	Nevada	\$675	51	Colorado	2.0%
	National Average	\$1,221		National Average	3.7%

Table 24 State and Local Health and Hospital Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Wyoming	\$1,634	1	Wyoming	4.7%
2	District of Columbia	\$1,232	2	Alabama	4.0%
3	Alabama	\$1,121	3	South Carolina	3.9%
4	South Carolina	\$1,033	4	Mississippi	3.6%
5	Louisiana	\$854	5	Louisiana	3.1%
6	Mississippi	\$853	6	North Carolina	2.8%
7	North Carolina	\$807	7	Iowa	2.5%
8	Washington	\$785	8	District of Columbia	2.5%
9	New York	\$782	9	Washington	2.3%
10	Iowa	\$752	10	Tennessee	2.2%
11	California	\$717	11	Idaho	2.1%
12	Hawaii	\$656	12	California	2.0%
13	Tennessee	\$652	13	New York	2.0%
14	Michigan	\$625	14	Hawaii	2.0%
15	Ohio	\$613	15	New Mexico	2.0%
16	Indiana	\$581	16	Ohio	2.0%
17	Missouri	\$554	17	Michigan	2.0%
18	Idaho	\$549	18	Indiana	2.0%
19	Georgia	\$545	19	Georgia	1.9%
20	Virginia	\$540	20	Missouri	1.8%
21	New Mexico	\$524	21	Utah	1.8%
22	Oregon	\$519	22	Oregon	1.7%
23	Colorado	\$511	23	Arkansas	1.6%
24	Florida	\$505	24	Florida	1.6%
25	Connecticut	\$496	25	Maine	1.6%
26	Texas	\$479	26	Texas	1.6%
27	Maine	\$474	27	Montana	1.6%
28	Pennsylvania	\$456	28	Virginia	1.5%
29	Utah	\$452	29	Kentucky	1.5%
30	Alaska	\$450	30	Colorado	1.5%
31	Minnesota	\$446	31	Pennsylvania	1.4%
32	Nevada	\$444	32	Nebraska	1.4%
33	Delaware	\$438	33	Arizona	1.4%
34	Montana	\$436	34	Wisconsin	1.4%
35	Nebraska	\$431	35	Nevada	1.3%
36	Wisconsin	\$431	36	Alaska	1.3%
37	Illinois	\$417	37	West Virginia	1.3%
38	Arkansas	\$410	38	Oklahoma	1.3%
39	Kentucky	\$395	39	Delaware	1.3%
40	Arizona	\$378	40	Minnesota	1.2%
41	Kansas	\$371	41	Kansas	1.2%
42	Oklahoma	\$366	42	Illinois	1.2%
43	Maryland	\$333	43	Connecticut	1.1%
44	West Virginia	\$329	44	South Dakota	0.9%
45	New Jersey	\$322	45	Maryland	0.8%
46	Massachusetts	\$319	46	Vermont	0.8%
47	Rhode Island	\$279	47	Rhode Island	0.8%
48	South Dakota	\$270	48	New Jersey	0.8%
49	Vermont	\$262	49	Massachusetts	0.8%
50	North Dakota	\$155	50	North Dakota	0.5%
51	New Hampshire	\$138	51	New Hampshire	0.4%
	National Average	\$574		National Average	1.8%

Table 25

State and Local Highway Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$1,812	1	Alaska	5.4%
2	Wyoming	\$1,026	2	Wyoming	2.9%
3	South Dakota	\$825	3	North Dakota	2.8%
4	North Dakota	\$823	4	South Dakota	2.7%
5	Delaware	\$726	5	Montana	2.5%
6	Montana	\$692	6	West Virginia	2.3%
7	Nevada	\$645	7	Delaware	2.1%
8	Kansas	\$617	8	Kansas	2.0%
9	Iowa	\$607	9	Iowa	2.0%
10	Nebraska	\$584	10	New Mexico	2.0%
11	Vermont	\$583	11	Nevada	1.9%
12	West Virginia	\$574	12	Mississippi	1.9%
13	Minnesota	\$553	13	Nebraska	1.8%
14	Wisconsin	\$547	14	Vermont	1.8%
15	Maine	\$536	15	Idaho	1.8%
16	New Mexico	\$505	16	Maine	1.8%
17	Idaho	\$479	17	Wisconsin	1.7%
18	Colorado	\$473	18	Arkansas	1.6%
19	Pennsylvania	\$466	19	Minnesota	1.5%
20	Oregon	\$459	20	Oregon	1.5%
21	New York	\$456	21	Utah	1.5%
22	Mississippi	\$450	22	Kentucky	1.5%
23	Florida	\$448	23	Louisiana	1.5%
24	Washington	\$439	24	South Carolina	1.5%
25	Texas	\$433	25	Texas	1.4%
26	Illinois	\$426	26	North Carolina	1.4%
27	Missouri	\$420	27	Florida	1.4%
28	New Hampshire	\$411	28	Missouri	1.4%
29	North Carolina	\$409	29	Pennsylvania	1.4%
30	Maryland	\$404	30	Alabama	1.4%
31	Arkansas	\$402	31	Colorado	1.3%
32	Louisiana	\$396	32	Oklahoma	1.3%
33	Kentucky	\$391	33	Washington	1.3%
34	Virginia	\$391	34	Arizona	1.3%
35	South Carolina	\$388	35	Ohio	1.3%
36	Alabama	\$385	36	Indiana	1.2%
37	Ohio	\$384	37	Illinois	1.2%
38	Utah	\$377	38	New York	1.2%
39	Oklahoma	\$374	39	Michigan	1.1%
40	Connecticut	\$372	40	New Hampshire	1.1%
41	Massachusetts	\$368	41	Hawaii	1.1%
42	Hawaii	\$367	42	Virginia	1.1%
43	Indiana	\$366	43	Tennessee	1.1%
44	Michigan	\$362	44	Maryland	1.0%
45	New Jersey	\$361	45	Rhode Island	1.0%
46	Rhode Island	\$350	46	California	1.0%
47	Arizona	\$348	47	Massachusetts	0.9%
48	California	\$340	48	New Jersey	0.9%
49	Tennessee	\$321	49	Connecticut	0.8%
50	Georgia	\$209	50	Georgia	0.7%
51	District of Columbia	\$122	51	District of Columbia	0.2%
	National Average	\$418		National Average	1.3%

Table 26

State and Local Public Safety Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	District of Columbia	\$1,377	1	District of Columbia	2.7%
2	Wyoming	\$875	2	Wyoming	2.5%
3	California	\$872	3	California	2.5%
4	Alaska	\$815	4	Alaska	2.4%
5	New York	\$807	5	New Mexico	2.4%
6	Nevada	\$786	6	Nevada	2.4%
7	Rhode Island	\$745	7	Arizona	2.3%
8	Florida	\$706	8	Florida	2.2%
9	Maryland	\$685	9	Rhode Island	2.2%
10	New Jersey	\$677	10	Oregon	2.1%
11	Delaware	\$651	11	New York	2.1%
12	Oregon	\$638	12	Louisiana	2.1%
13	Arizona	\$635	13	Utah	1.9%
14	Washington	\$632	14	Delaware	1.9%
15	New Mexico	\$613	15	Wisconsin	1.9%
16	Colorado	\$588	16	Washington	1.8%
17	Wisconsin	\$586	17	Idaho	1.8%
18	Massachusetts	\$575	18	Michigan	1.8%
19	Virginia	\$571	19	Ohio	1.8%
20	Connecticut	\$567	20	Maryland	1.7%
21	Louisiana	\$564	21	Georgia	1.7%
22	Michigan	\$563	22	Arkansas	1.7%
23	Illinois	\$562	23	Montana	1.7%
24	Ohio	\$542	24	Colorado	1.7%
25	Georgia	\$497	25	Oklahoma	1.7%
26	Pennsylvania	\$494	26	Mississippi	1.6%
27	Utah	\$492	27	New Jersey	1.6%
28	Texas	\$488	28	North Carolina	1.6%
29	Idaho	\$477	29	Virginia	1.6%
30	Minnesota	\$475	30	Illinois	1.6%
31	New Hampshire	\$474	31	Texas	1.6%
32	Hawaii	\$471	32	South Carolina	1.6%
33	Oklahoma	\$469	33	Missouri	1.5%
34	North Carolina	\$468	34	Tennessee	1.5%
35	Vermont	\$465	35	Alabama	1.5%
36	Montana	\$463	36	Kentucky	1.5%
37	Missouri	\$457	37	Pennsylvania	1.5%
38	Nebraska	\$451	38	Vermont	1.5%
39	Kansas	\$450	39	Kansas	1.5%
40	Tennessee	\$446	40	Hawaii	1.5%
41	Arkansas	\$430	41	Indiana	1.4%
42	Indiana	\$425	42	Nebraska	1.4%
43	Maine	\$421	43	Maine	1.4%
44	Alabama	\$418	44	Massachusetts	1.4%
45	South Carolina	\$414	45	Minnesota	1.3%
46	Kentucky	\$399	46	New Hampshire	1.3%
47	Mississippi	\$395	47	West Virginia	1.3%
48	Iowa	\$370	48	Connecticut	1.2%
49	South Dakota	\$363	49	Iowa	1.2%
50	North Dakota	\$341	50	South Dakota	1.2%
51	West Virginia	\$328	51	North Dakota	1.2%
	National Average	\$599		National Average	1.8%

Table 27 State and Local Environmental Expenditures, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$811	1	Alaska	2.4%
2	District of Columbia	\$789	2	Wyoming	2.2%
3	Wyoming	\$780	3	North Dakota	1.9%
4	North Dakota	\$567	4	New Mexico	1.7%
5	New Jersey	\$559	5	Hawaii	1.7%
6	Hawaii	\$558	6	Montana	1.7%
7	Florida	\$543	7	Florida	1.7%
8	Delaware	\$508	8	Utah	1.6%
9	Washington	\$505	9	District of Columbia	1.6%
10	Nevada	\$478	10	Louisiana	1.5%
11	Montana	\$476	11	Oregon	1.5%
12	Oregon	\$457	12	Idaho	1.5%
13	California	\$456	13	Delaware	1.5%
14	New Mexico	\$449	14	Washington	1.5%
15	Wisconsin	\$447	15	Arizona	1.4%
16	Colorado	\$435	16	Nevada	1.4%
17	Minnesota	\$434	17	Wisconsin	1.4%
18	New York	\$427	18	New Jersey	1.3%
19	Louisiana	\$417	19	California	1.3%
20	Utah	\$402	20	West Virginia	1.3%
21	Arizona	\$400	21	South Dakota	1.3%
22	South Dakota	\$399	22	Colorado	1.2%
23	Idaho	\$394	23	Nebraska	1.2%
24	Nebraska	\$388	24	Minnesota	1.2%
25	Maryland	\$388	25	Maine	1.2%
26	Illinois	\$365	26	Ohio	1.2%
27	Vermont	\$362	27	Arkansas	1.2%
28	Ohio	\$360	28	Alabama	1.2%
29	Maine	\$358	29	Vermont	1.1%
30	Virginia	\$357	30	North Carolina	1.1%
31	Michigan	\$340	31	New York	1.1%
32	Iowa	\$335	32	Iowa	1.1%
33	West Virginia	\$326	33	Georgia	1.1%
34	Rhode Island	\$326	34	Michigan	1.1%
35	North Carolina	\$325	35	Indiana	1.1%
36	Alabama	\$320	36	Illinois	1.0%
37	Indiana	\$317	37	Kansas	1.0%
38	Connecticut	\$316	38	Mississippi	1.0%
39	Kansas	\$314	39	Kentucky	1.0%
40	Georgia	\$312	40	Virginia	1.0%
41	Arkansas	\$298	41	Maryland	1.0%
42	Pennsylvania	\$291	42	South Carolina	1.0%
43	Massachusetts	\$289	43	Rhode Island	1.0%
44	Kentucky	\$271	44	Oklahoma	0.9%
45	Texas	\$269	45	Texas	0.9%
46	Missouri	\$264	46	Missouri	0.9%
47	Oklahoma	\$259	47	Pennsylvania	0.9%
48	South Carolina	\$256	48	Tennessee	0.9%
49	Tennessee	\$254	49	Massachusetts	0.7%
50	New Hampshire	\$244	50	Connecticut	0.7%
51	Mississippi	\$243	51	New Hampshire	0.7%
	National Average	\$383		National Average	1.2%

Table 28

State and Local Interest on General Debt, FY 2005

Rank	State	Per Capita	Rank	State	Expenditures as a % of State Personal Income
1	Alaska	\$565	1	Alaska	1.7%
2	Massachusetts	\$528	2	Hawaii	1.3%
3	District of Columbia	\$479	3	Massachusetts	1.3%
4	Connecticut	\$479	4	New York	1.1%
5	New York	\$432	5	Kentucky	1.1%
6	Hawaii	\$413	6	Connecticut	1.1%
7	Illinois	\$365	7	Illinois	1.0%
8	Pennsylvania	\$338	8	Pennsylvania	1.0%
9	Colorado	\$330	9	Louisiana	1.0%
10	New Hampshire	\$328	10	District of Columbia	1.0%
11	New Jersey	\$302	11	Oregon	1.0%
12	Minnesota	\$298	12	Colorado	0.9%
13	Delaware	\$297	13	New Hampshire	0.9%
14	Kentucky	\$296	14	Wisconsin	0.9%
15	Rhode Island	\$295	15	South Carolina	0.9%
16	Washington	\$293	16	New Mexico	0.9%
17	Nevada	\$291	17	Nevada	0.9%
18	Oregon	\$287	18	Kansas	0.9%
19	Wisconsin	\$281	19	Florida	0.9%
20	California	\$280	20	Rhode Island	0.9%
21	Florida	\$274	21	Maine	0.9%
22	Louisiana	\$268	22	Delaware	0.9%
23	Kansas	\$266	23	Washington	0.8%
24	Maine	\$256	24	North Dakota	0.8%
25	Vermont	\$255	25	Minnesota	0.8%
26	Michigan	\$255	26	Ohio	0.8%
27	Maryland	\$252	27	Michigan	0.8%
28	Ohio	\$251	28	Vermont	0.8%
29	North Dakota	\$247	29	California	0.8%
30	Texas	\$239	30	Texas	0.8%
31	South Carolina	\$235	31	West Virginia	0.8%
32	Missouri	\$234	32	Missouri	0.8%
33	New Mexico	\$226	33	Montana	0.8%
34	Virginia	\$226	34	Utah	0.7%
35	Montana	\$213	35	New Jersey	0.7%
36	West Virginia	\$197	36	Alabama	0.7%
37	Alabama	\$194	37	Mississippi	0.7%
38	South Dakota	\$194	38	Arizona	0.7%
39	Indiana	\$188	39	Maryland	0.6%
40	Arizona	\$188	40	Virginia	0.6%
41	Utah	\$186	41	Idaho	0.6%
42	Idaho	\$169	42	Indiana	0.6%
43	Mississippi	\$165	43	South Dakota	0.6%
44	Oklahoma	\$158	44	Arkansas	0.6%
45	North Carolina	\$155	45	Oklahoma	0.6%
46	Iowa	\$152	46	North Carolina	0.5%
47	Wyoming	\$151	47	Tennessee	0.5%
48	Tennessee	\$150	48	Iowa	0.5%
49	Arkansas	\$150	49	Nebraska	0.5%
50	Nebraska	\$148	50	Wyoming	0.4%
51	Georgia	\$119	51	Georgia	0.4%
	National Average	\$273		National Average	0.8%

Table 29

State and Local Debt Outstanding, FY 2005

			Debt Per \$1,000 of State Personal Income		
Rank	State	Per Capita	Rank	State	Income
1	Alaska	\$13,208	1	Alaska	\$390
2	Massachusetts	\$12,123	2	New York	\$315
3	New York	\$12,068	3	Massachusetts	\$292
4	District of Columbia	\$10,326	4	Kentucky	\$270
5	Connecticut	\$8,870	5	South Carolina	\$264
6	Washington	\$8,431	6	Pennsylvania	\$243
7	Colorado	\$8,385	7	Washington	\$243
8	New Jersey	\$8,375	8	Colorado	\$239
9	Illinois	\$8,123	9	Rhode Island	\$236
10	Pennsylvania	\$8,109	10	Oregon	\$235
11	Rhode Island	\$8,103	11	Utah	\$233
12	California	\$7,847	12	Illinois	\$233
13	Nevada	\$7,665	13	Nevada	\$230
14	Delaware	\$7,401	14	Hawaii	\$226
15	Hawaii	\$7,296	15	California	\$224
16	Kentucky	\$7,237	16	Texas	\$217
17	New Hampshire	\$7,109	17	Michigan	\$216
18	Oregon	\$7,106	18	Delaware	\$213
19	Minnesota	\$7,073	19	Wisconsin	\$211
20	South Carolina	\$7,044	20	New Mexico	\$210
21	Michigan	\$6,813	21	Kansas	\$207
22	Wisconsin	\$6,680	22	District of Columbia	\$206
23	Texas	\$6,569	23	Louisiana	\$202
24	Kansas	\$6,386	24	New Jersey	\$202
25	Florida	\$6,231	25	Arizona	\$199
26	Utah	\$5,955	26	Montana	\$197
27	Virginia	\$5,888	27	Minnesota	\$197
28	Vermont	\$5,848	28	New Hampshire	\$197
29	Arizona	\$5,515	29	Florida	\$196
30	Louisiana	\$5,491	30	Connecticut	\$195
31	Montana	\$5,453	31	West Virginia	\$184
32	New Mexico	\$5,421	32	Vermont	\$184
33	Missouri	\$5,404	33	Missouri	\$180
34	Ohio	\$5,287	34	Alabama	\$178
35	Maine	\$5,280	35	North Dakota	\$177
36	North Dakota	\$5,222	36	Maine	\$176
37	Maryland	\$5,002	37	Ohio	\$172
38	South Dakota	\$4,956	38	Virginia	\$166
39	Alabama	\$4,947	39	Indiana	\$164
40	Indiana	\$4,871	40	North Carolina	\$163
41	Nebraska	\$4,869	41	South Dakota	\$161
42	North Carolina	\$4,717	42	Arkansas	\$158
43	West Virginia	\$4,649	43	Nebraska	\$154
44	Tennessee	\$4,294	44	Tennessee	\$146
45	Georgia	\$4,152	45	Mississippi	\$146
46	Oklahoma	\$4,067	46	Oklahoma	\$144
47	Arkansas	\$4,035	47	Georgia	\$143
48	Iowa	\$3,928	48	Iowa	\$129
49	Wyoming	\$3,732	49	Maryland	\$127
50	Mississippi	\$3,504	50	Wyoming	\$107
51	Idaho	\$2,784	51	Idaho	\$104
	National Average	\$6,970		National Average	\$213

Table 30

State Fiscal Capacity and Effort, FY 2002

Rank	State	Tax Capacity Index	Rank	State	Tax Effort Index
1	Connecticut	130	1	New York	134
2	Delaware	129	2	Maine	118
3	Massachusetts	126	3	Rhode Island	115
4	Alaska	125	4	Maryland	114
5	Wyoming	123	5	Wisconsin	113
6	New Hampshire	122	6	West Virginia	111
7	New Jersey	118	7	New Jersey	110
8	Nevada	117	8	Ohio	109
9	Colorado	115	9	Connecticut	107
10	New York	111	10	Minnesota	107
11	California	110	11	Pennsylvania	105
12	Minnesota	110	12	Louisiana	104
13	Hawaii	108	13	Kansas	103
14	Florida	104	14	Illinois	102
15	Washington	104	15	Nebraska	102
16	Illinois	103	16	Hawaii	101
17	Vermont	103	17	Mississippi	101
18	Maryland	102	18	Michigan	100
19	Oregon	100	19	Arkansas	99
20	Virginia	100	20	California	99
21	North Dakota	99	21	Vermont	99
22	Michigan	97	22	Washington	99
23	Iowa	96	23	Oklahoma	98
24	Montana	96	24	Virginia	97
25	Nebraska	96	25	Georgia	96
26	South Dakota	96	26	New Mexico	96
27	Wisconsin	96	27	Texas	96
28	Maine	95	28	Iowa	95
29	Rhode Island	95	29	Indiana	94
30	Kentucky	94	30	Massachusetts	94
31	Missouri	94	31	Utah	94
32	Georgia	93	32	Wyoming	94
33	Indiana	93	33	Arizona	93
34	North Carolina	93	34	North Carolina	93
35	Ohio	93	35	Idaho	91
36	Pennsylvania	92	36	South Carolina	91
37	Arizona	91	37	Missouri	90
38	Kansas	90	38	Kentucky	89
39	Texas	90	39	North Dakota	88
40	Tennessee	89	40	Colorado	86
41	New Mexico	88	41	Alabama	85
42	Utah	88	42	Florida	83
43	Idaho	86	43	Alaska	82
44	Louisiana	83	44	Delaware	82
45	South Carolina	83	45	Nevada	82
46	Alabama	82	46	Oregon	82
47	Oklahoma	82	47	South Dakota	81
48	Arkansas	76	48	Tennessee	81
49	West Virginia	74	49	Montana	78
50	Mississippi	72	50	New Hampshire	75
	National Average	100		National Average	100

Sources and Explanations

ECONOMIC INDICATORS

Personal Income and Per Capita Income

Personal income represents income from all sources (government and nongovernment). It consists of wage and salary disbursements, other labor income, proprietors' income, rental income of persons, personal dividend income, personal interest income, and transfer payments less personal contributions for social insurance. Per capita income equals total state personal income divided by a state's population estimate from the Bureau of the Census.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis (BEA), Regional Economic Information System. Web site is <http://www.bea.gov/regional/spi/>. Personal income data are also published by the U.S. Bureau of Economic Analysis in its *Survey of Current Business*.

Median Household Income

Data for 2006 were collected from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) conducted by the Bureau of the Census. The survey samples about 100,000 households nationwide. Income estimates are based on money income before taxes and do not include capital gains and noncash benefits, such as food stamps.

Sources: U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, *Income, Poverty, and Health Insurance Coverage in the United States: 2006*, Current Population Reports, Consumer Income, Series P60, No. 233, U.S. Government Printing Office, Washington, DC, 2006. <http://www.census.gov/prod/2007pubs/p60-233.pdf>
<http://www.census.gov/hhes/www/income/histinc/h08.html> (1996 and 2006 data).

Gross Domestic Product by State

Gross domestic product by state is the “market value of the goods and services attributable to labor and property located in a state. It is the state counterpart of the nation's gross domestic product” (*Survey of Current Business*, December 1991, page 43). The Bureau of Economic Analysis (BEA) prepares GSP estimates on an industry-by-industry basis.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.
<http://www.bea.doc.gov/bea/regional/gsp/>.

Jobs (the number of part-time and full-time positions)

Job data represent the number of full- and part-time positions on an industry-by-industry basis. This is not the number of persons employed. Many people have more than one job, so the number of positions will exceed the number of employed persons. The data include employers covered by unemployment insurance, military personnel, agricultural employees, and self-employed persons.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System. <http://www.bea.gov/regional/spi/>.

Employed Persons and Unemployment Rates

The number of employed persons and unemployment rates are derived from the CPS, a nationwide monthly survey of about 50,000 households conducted by the Bureau of the Census for the Bureau of Labor Statistics (BLS). In addition, the Current Employment Statistics (CES) survey provides information from a sample of over 400,000 establishments on nonfarm wage and salary employment and other related information.

Unemployed persons are people age 16 and older, excluding the military, who do not have jobs, have actively looked for work in the prior four weeks, and are available for work. The number of employed persons and unemployment rates are by state of residence.

Because of larger sample sizes, in most cases, estimates of employed persons and unemployment rates for high-population states have less probability of error than do those for low-population states.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics database.

DEMOGRAPHICS AND POVERTY RATES

Population by Age and Sex

The population data are annual estimates based on decennial census data.

Source: U.S. Department of Commerce, Bureau of the Census.
http://www.census.gov/popest/archives/1990s/st_age_sex.html (1996 data).
http://www.census.gov/popest/states/asrh/files/SC_EST2006_AGESEX_RES.csv (2006 data).

Poverty Rates by Age and Sex

The poverty rate represents the percentage of persons in the United States below the poverty threshold level. The poverty rate is based on money income thresholds that increase with family size. The thresholds are greater for persons under age 65 than for persons age 65 and older. The poverty definition is based on pre-tax money income only, excluding capital gains, and does not include the value of noncash benefits, such as food stamps.

These poverty statistics exclude persons living in institutions (such as jails), armed forces personnel living on military bases, and unrelated individuals under 15 years of age. Poverty thresholds are updated every year to reflect changes in the Consumer Price Index (CPI-U).

The official poverty rate for the United States is calculated from data in the Current Population Survey Annual Social and Economic Supplement (CPS ASEC). However, state data are from the Census Bureau's American Community Survey (ACS) because the sample size is adequate to produce annual estimates on poverty rates by age and sex for each state.

Source: U.S. Department of Commerce, Bureau of the Census, 2006 American Community Survey Summary Tables, Table P114 (*Poverty Status in the Past 12 Months by Sex by Age*).
http://factfinder.census.gov/servlet/DTSUBJECTKEYWORDSERVLET?_ts=212431807588

PERCENTAGE DISTRIBUTION OF HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER

Data on the distribution of household income by age of householder now come from the Census Bureau's American Community Survey (ACS) because the sample size is adequate to produce annual estimates on household income by age of householder for each state.

Source: U.S. Department of Commerce, Bureau of the Census, Census 2006 American Community Survey Summary Tables, Table P072, *Age of Householder by Household Income in the Past 12 Months (in 2006 adjusted inflation-adjusted dollars)*.
http://factfinder.census.gov/servlet/DTSUBJECTKEYWORDSERVLET?_ts=212432037155

FISCAL AND TAX RATE DATA

State and Local Revenues and Expenditures and Debt Outstanding

The U.S. Bureau of the Census conducts annual surveys of state and local government finances on revenues, expenditures, debt, and assets. The data presented in this book cover major revenue and expenditure sources.

For expenditure programs, such as Medicaid, figures are not reported separately and therefore are not shown separately in the handbook. In the expenditure table, payments to the federal government consist of refunds of overpayments of categorical aid or supplemental payments to the federal government to increase the basic cash grants to individuals.

Long-term debt outstanding represents debt payable more than one year after the date of issue. It includes general-obligation bonds that are guaranteed by the taxing power of governments, as well as nonguaranteed indebtedness, such as industrial revenue debt. Short-term debt outstanding represents interest-bearing debt payable within one year from the date of issue, such as bond anticipation notes and tax anticipation notes.

As for revenues, the handbook describes only general fund revenues; it does not include special revenue funds, such as utility and liquor store revenues.

Sources: U.S. Department of Commerce, Bureau of the Census.
<http://www.census.gov/govs/www/estimate95.html> (1995 data)
<http://www.census.gov/govs/www/estimate05.html> (2005 data)

State and Local Tax Rates

Tax rates were obtained from a survey of various state and local tax officials as well as annual tax rate data reported by the Federation of Tax Administrators (FTA).
http://www.taxadmin.org/fta/rate/tax_stru.html.

Property Tax Relief Programs

Circuit breakers, homestead exemptions, homestead credits, and deferral property tax relief programs are described as follows:

- **Circuit breakers:** Circuit breaker programs are tax credits or homestead exemptions that increase as income decreases. The program in most cases is targeted to low- and moderate-income homeowners and renters. Circuit breakers usually relieve the property tax burden by setting income thresholds (usually some percentage of income) that property taxes cannot exceed. Homeowners or renters whose property taxes are above the threshold receive a rebate of some or all of their property taxes.
- **Homestead programs:** Homestead exemptions are reductions in the amount of assessed property value subject to taxation, and homestead credits are tax credits for property taxes owed. Unlike circuit breakers, they do not benefit renters. In addition, although income may be a criterion for eligibility, benefits are not related to income.

- **Deferral programs:** Property tax deferral programs allow elderly and/or disabled homeowners to defer payment of all or a portion of their property taxes until the sale of the property or death. The deferred property taxes plus interest are a lien against the value of the home.

Source: David Baer, AARP, *State Programs and Practices for Reducing Residential Property Taxes*, May 2003. <http://www.aarp.org/research/economy/taxation/Articles/aresearch-import-263-2003-04.html> and survey of state and local tax officials.

Tax Capacity and Tax Effort Indexes

Tax capacity represents the amount of revenue each state would raise if it applied a national average set of tax rates to 27 commonly used tax bases. Since the average rate is applied for each state, a high tax capacity index means that a state has a higher aggregate tax base for a given tax and will receive more revenue than the national average.

A state with a high tax capacity likely has a relatively healthier economy and will probably not be under as much pressure to raise tax rates, expand its tax base, or reduce its expenditures compared with states having relatively low tax capacities. Table 30 provides per capita tax capacity indexes for each state. These are derived by dividing each state's per capita tax capacity by the per capita tax capacity average for all states. The average is defined as 100.

A state per capita tax capacity index of 110 means a state's per capita revenue-raising capacity is 10 percent above the national average. A low tax capacity index may suggest a relatively narrow tax base (e.g., no taxation of services) and/or a weak economic base.

Tax effort represents the ratio of a state's actual tax collections to its tax capacity. High tax effort states tend to have higher tax rates compared to the national average. Tax effort is another tax burden measure, like state taxes as a percentage of state personal income.

Tax effort indexes, similar to tax capacity indexes, are derived by dividing the state's tax effort by the average tax effort for all states. The interpretation of tax effort indexes is similar to the interpretation of tax capacity indexes. For example, an index of 110 means the state's tax effort is 10 percent above the national average.

One application of tax capacity and tax effort indexes can be shown using the state of Alabama as an example. For 1999, Alabama had a per capita tax capacity index of 82 and a tax effort index of 82. The per capita tax capacity index of 82 suggests that Alabama's tax base was 18 percent lower than the national average for the combined total of all 27 commonly used tax bases.

When a state such as Alabama has a low per capita tax capacity index because of a narrow tax base, it may have to raise tax rates above the national average in order to raise revenue amounts comparable to those of other states. However, Alabama had an overall tax effort of only 85, suggesting that its tax rates also were low compared to the national average. The low capacity and low tax effort resulted in lower per capita revenue in Alabama compared with other states.

Source: Robert Tannenwald, Kim Rueben, Sonya Hoo, Matthew Nagowski, and Yesim Yilmaz, “Measuring Fiscal Disparities Across the U.S. States: A Representative Revenue System/ Representative Expenditure System Approach, Fiscal Year 2002,” NEPPC Working Paper 06-2, *Federal Reserve Bank of Boston*, pages 74–75.

PUERTO RICO

Most of the data from Puerto Rico come from the U.S. Department of Commerce, Bureau of the Census, the Puerto Rico Department of the Treasury, and the Puerto Rico Planning Board, Area of Economic and Social Planning, Bureau of Economic Analysis, as shown below.

Per Capita Income

Source: Puerto Rico’s Department of the Treasury, *Commonwealth of Puerto Rico: Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2001* (1995 data).

Source: Puerto Rico’s Department of the Treasury, *Commonwealth of Puerto Rico: Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2006* (2005 data).

Median Household Income

Source: U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, *1990 Census of Population Social and Economic Characteristics, Puerto Rico*, CP-2-53, U.S. Government Printing Office, Washington, DC (1989 data).

Source: U.S. Department of Commerce, Bureau of the Census, Census 2000 Summary File 3 (SF 3), http://factfinder.census.gov/servlet/DatasetMainPageServlet?_ds_name=DEC_2000_SF3_U&_program=DEC&_lang=en (1999 data).

Employment, Unemployment Rate, and Gross Product Data

Sources: U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics database for employment and unemployment data; Puerto Rico Planning Board for gross product data (found in Puerto Rico’s Department of the Treasury, *Commonwealth of Puerto Rico: Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 1999 and June 30, 2006*).

Population by Age and Sex

Sources: Source for 1990 data is U.S. Department of Commerce, Bureau of the Census, Economics and Statistics Administration, *1990 Census of Population, General Population Characteristics*, CP-1-53, October 1992. Source for 2000 data is U.S. Department of Commerce, Bureau of the Census, Census 2000 Summary File 1 (SF 1), http://factfinder.census.gov/servlet/DTGeoSearchByListServlet?ds_name=DEC_2000_SF1_U&_lang=en&_ts=81693787211.

Poverty Rate by Age and Sex

We now report poverty rates by age and sex from the Census Bureau's American Community Survey (ACS) similar to what we do for the 50 states.

Source: U.S. Department of Commerce, Bureau of the Census, 2006 American Community Survey Summary Tables, Table P114 (*Poverty Status in the Past 12 Months by Sex by Age*). http://factfinder.census.gov/servlet/DTSUBJECTKEYWORDSERVLET?_ts=212431807588

PERCENTAGE DISTRIBUTION OF HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER

Data on the distribution of household income by age of householder now come from the Census Bureau's American Community Survey (ACS) similar to what we report for the 50 states.

Source: U.S. Department of Commerce, Bureau of the Census, Census 2006 American Community Survey Summary Tables, Table P072, *Age of Householder by Household Income in the Past 12 Months (in 2006 adjusted inflation-adjusted dollars)*. http://factfinder.census.gov/servlet/DTSUBJECTKEYWORDSERVLET?_ts=212432037155

Government Fund and Expenditure Data

Source: Puerto Rico's Department of the Treasury, *Commonwealth of Puerto Rico: Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 1999* (1996 data).

Source: Puerto Rico's Department of the Treasury, *Commonwealth of Puerto Rico: Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2006* (2006 data).

Tax Data

Sources: Income tax data came from the 2006 income tax booklet.

VIRGIN ISLANDS

Most of the data came from the Virgin Island's Department of Economic Development and Agriculture, U.S. Bureau of Economic Research, and the U.S. Bureau of the Census.

Per Capita Income

Source: U.S. Department of Commerce, Bureau of the Census, *1990 Census of Population Social and Economic Characteristics, Virgin Islands of the United States*, 1990 CP-2-55, U.S. Government Printing Office, Washington, DC (1989 data).

Source: U.S. Department of Commerce, Bureau of the Census, U.S. Virgin Islands Summary File (1999 data), http://factfinder.census.gov/servlet/DTTable?_ts=81097396310.

Median Household Income and Poverty Rate

Source: U.S. Department of Commerce, Bureau of the Census, *1990 Census of Population Social and Economic Characteristics, Virgin Islands of the United States*, 1990 CP-2-55, U.S. Government Printing Office, Washington, DC (1989 data).

Source: U.S. Department of Commerce, Bureau of the Census, U.S. Virgin Islands Summary File (1999 data), http://factfinder.census.gov/servlet/DatasetMainPageServlet?_ds_name=DEC_2000_SF3_U&_program=DEC&_lang=en.

Employment, Unemployment Rate, and Gross Product Data

Source: United States Virgin Island's Bureau of Economic Research, Office of the Governor, *U.S. Virgin Islands Annual Economic Indicators*, <http://www.usviber.org>.

Population by Age and Sex

Source: U.S. Department of Commerce, Bureau of the Census, Economics and Statistics Administration, *1990 Census of Population, General Population Characteristics*, CP-1-55, September 1992 (1990 data).

Source: U.S. Department of Commerce, Bureau of the Census, U.S. Virgin Islands Summary File, http://factfinder.census.gov/servlet/DatasetMainPageServlet?_ds_name=DEC_2000_SF3_U&_program=DEC&_lang=en (2000 data).

Percentage Distribution of Household Income by Age of Householder

Source: U.S. Department of Commerce, Bureau of the Census, U.S. Virgin Islands Summary File, http://factfinder.census.gov/servlet/DatasetMainPageServlet?_ds_name=DEC_2000_SF3_U&_program=DEC&_lang=en (1999 data).

Revenue Data

Source: United States Virgin Islands, Office of the Governor, Office of Management and Budget, *Executive Budget*, <http://www.vica.gov.vi/PDF/FY2006BudgetDocument.pdf>.

Tax Data

Sources: U.S. Internal Revenue Service (income tax data) and the Virgin Islands Bureau of Internal Revenue (miscellaneous tax data).

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