

Utah vs. Idaho Individual Income Taxes

UTAH		IDAHO
Old Law	New Law	
Federal Adjusted Gross Income		
<Exemptions>		<Exemptions>
<Deductions>		<Deductions>
STARTING POINT:		
Federal Taxable	Federal AGI	Federal Taxable
ADDITIONS TO INCOME:		
+Muni bond interest	+Muni bond interest	+Muni bond interest
+25% of Exemptions		
+State income tax deducted		+State income tax deducted
SUBTRACTIONS FROM INCOME:		
<50% federal tax>		
<State tax refund in fed. AGI>	<State tax refund in fed. AGI>	<State tax refund in fed. AGI>
<Retirement exemption>		<Taxable Soc. Sec.>
<Railroad retirement>	<Railroad retirement>	<Railroad retirement>
<U.S. Gov't Interest>	<U.S. Gov't Interest>	<U.S. Gov't Interest>
<Medical Savings Acct.>		<Medical Savings Acct.>
<College Savings Acct.>		<College Savings Acct.>
<Health insurance>		<Health insurance>
<L-T care insurance>		<L-T care insurance>
<Adoption expenses>		<Adoption expenses>
<Native American income>	<Native American income>	<Native American income>
<Military pay>		<Military pay outside ID>
<Capital Gains>		<60% Capital Gains>
		<Energy Efficiency>
		<Alternative Energy>
		<Child Care>
		<Technology donation>
		<Lottery <\$600>
		<Workers' Comp>
STATE TAXABLE INCOME		
(STARTING POINT + ADDITIONS - DEDUCTIONS)		

UTAH		IDAHO
Old Law	New Law	
STATE TAXABLE INCOME (STARTING POINT + ADDITIONS - DEDUCTIONS)		
Graduated rates to 7%	Flat 5% rate	Graduated rates to 7.4%

CREDITS:

Income tax paid another state	Income tax paid another state	Income tax paid another state
Organ donations	Organ donations	Organ donations
Energy, enterprise zones, low-income housing, recycling, research, etc.	Energy, enterprise zones, low-income housing, recycling, research, etc.	50% ID edu donations
		50% ID youth donations
		3% Investment Tax Cr.
		Other business credits
	Deductions & 75% Exemptions * 6% PHASE OUT	
	6% Retirement Tax Cr PHASE OUT	
	Former Subtractions * 5% Nonrefundable & limited	
	5% Capital Gain* Nonrefundable	

*Capital gain transactions credit is for the short-term and long-term capital gain on a transaction only if at least 70 percent of the gross proceeds of the transaction are used to buy stock in a qualified Utah small business corporation within 12 months from when the capital gain transaction occurred, and you did not have an ownership interest in the corporation at the time of investment.

Tax Comparison

	<u>Utah</u>	<u>Idaho</u>
Income Taxes:		
Individual rate	5.0%	1.6% - 7.4%
Graduated brackets	No	Yes
Taxable base	AGI	TI
Exemption	\$2,963	\$3,950
Corporate rate	5.0%	7.4%
Investment Tax Credit	No	Yes
Capital Gains Exclusion	If gross proceeds invested in Utah corp	60%
 Sales Taxes:		
State rate	4.7%	6.0%
Local rates	1.25%-3.05%	Revenue sharing
Sales tax on food	3.0%	6.0%
Grocery tax credit	No	\$100/person
 Property Taxes:		
Personal Property Tax	Yes	>\$100,000
Property tax per capita	\$913	\$867
 Transportation Taxes:		
Fuel tax	29.5¢+ inflation	32¢
Auto registration	3X	
 Overall St & Loc taxes/person	 \$3,304	 \$3,189
	23rd nationally	24th nationally
Tax Freedom Day	17-Apr	11-Apr