



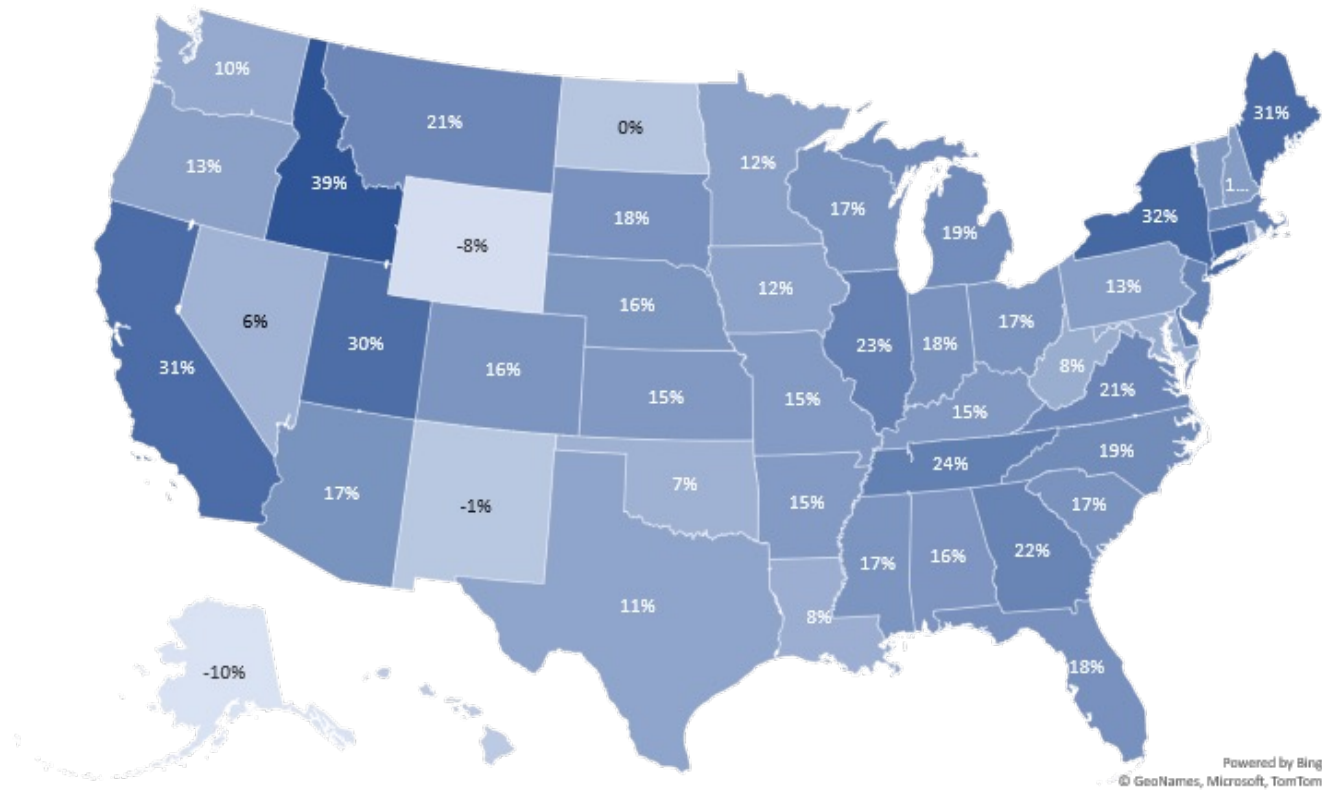
PRINCIPLED
INSIGHTFUL
ENGAGED

State Tax Changes And Emerging Trends

Jared Walczak, Tax Foundation

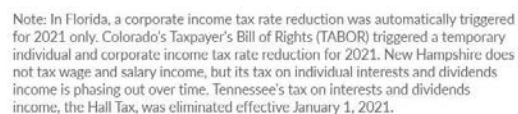
jmw@taxfoundation.org

Tax Revenue Growth Between 2019 and 2021 (Nominal)



Powered by Bing
© GeoNames, Microsoft, TomTom

As of July 13, 2022



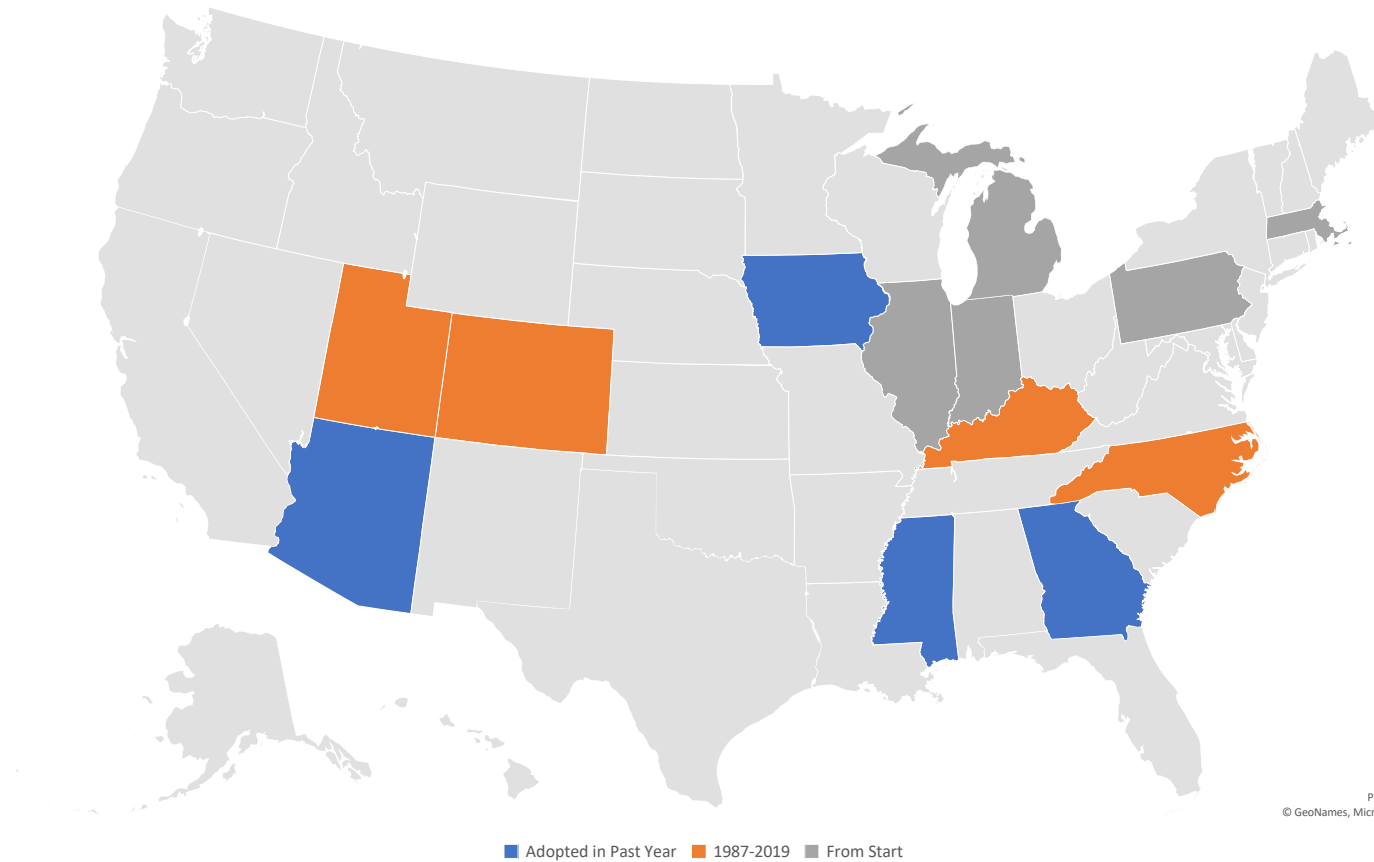
■ Individual Income Tax Reduction
■ Corporate Income Tax Reduction
 * Rate reduction enacted/implemented in 2021
 † Rate reduction enacted/implemented in 2022

Twenty-Seven States Have Cut Major Tax Rates Since January 1, 2021

Notes: Reflects states that have enacted or implemented rate reductions January 1, 2021 to present. Table only includes rate reductions, not other tax cuts (e.g., increased deductions and exemptions, expanded EITC, etc.), and only considers income, sales, and major excise taxes. Individual income tax cuts in New Hampshire and Tennessee, which have never taxed wage income, are reductions in and elimination of the taxation of interest and dividend income. Florida's triggered income tax reduction was for tax year 2021 only. New York cut lower income tax brackets but also raised top rates during period.

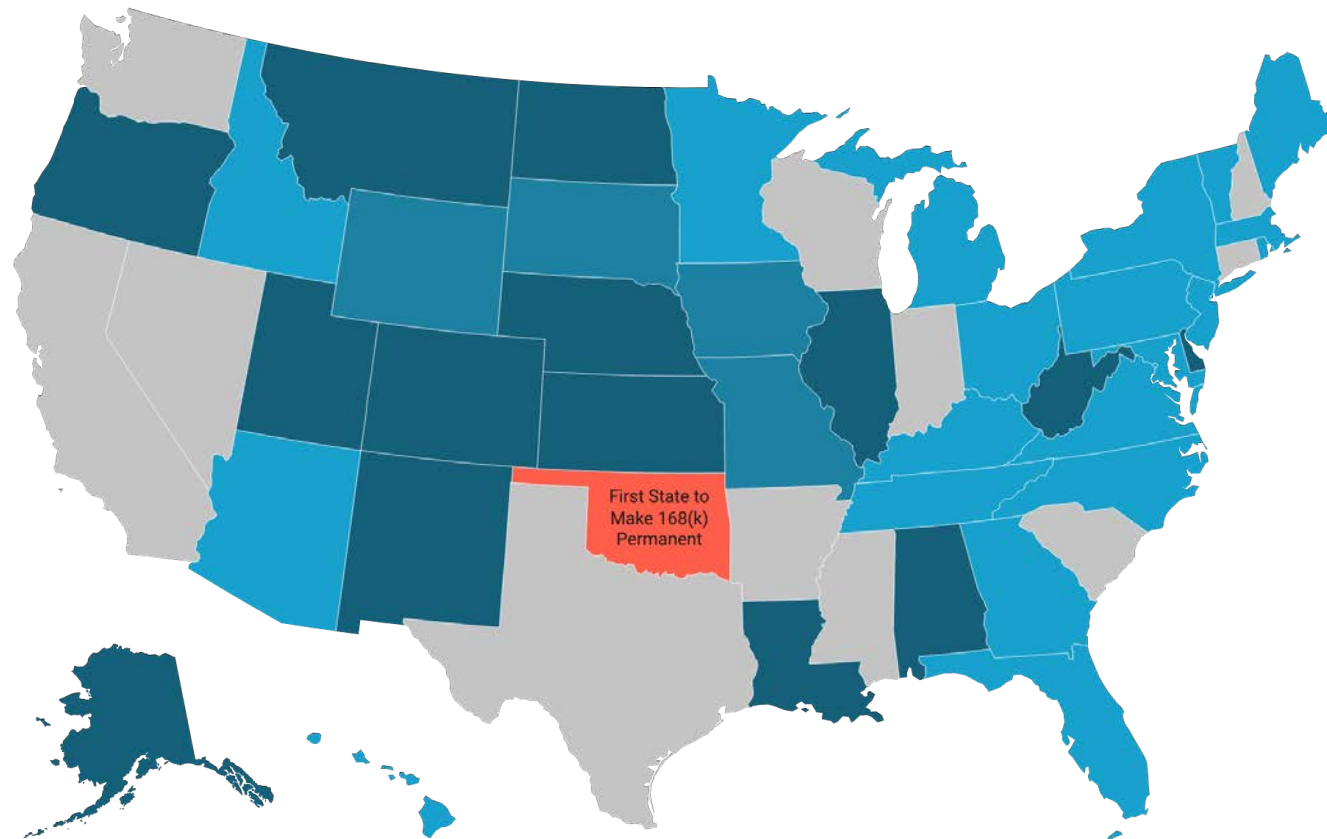
@TaxFoundation

Flat Income Taxes Are on the Rise



State Conformity to 168(k) and 163(j)

■ 168(k) and 163(j) ■ 168(k) Only ■ 163(j) Only ■ Permanent Expensing ■ Decouples from Both



Created with Datawrapper

TAX FOUNDATION

@TaxFoundation



KASTLE BACK TO WORK BAROMETER

Weekly Occupancy Report from Kastle Access Control System Data

10.17.22

OCCUPANCY OVER TIME - MARCH 4, 2020 TO OCTOBER 12, 2022



*On March 22, 2021, Kastle moved from daily to weekly data reporting to provide a more robust and comprehensive picture of office occupancy. We have also recalculated data back to the start of the time series for consistency. This has only a marginal impact on most cities and the national average.

To learn more about KastleSafeSpaces visit: www.kastle.com/kastlesafespaces/



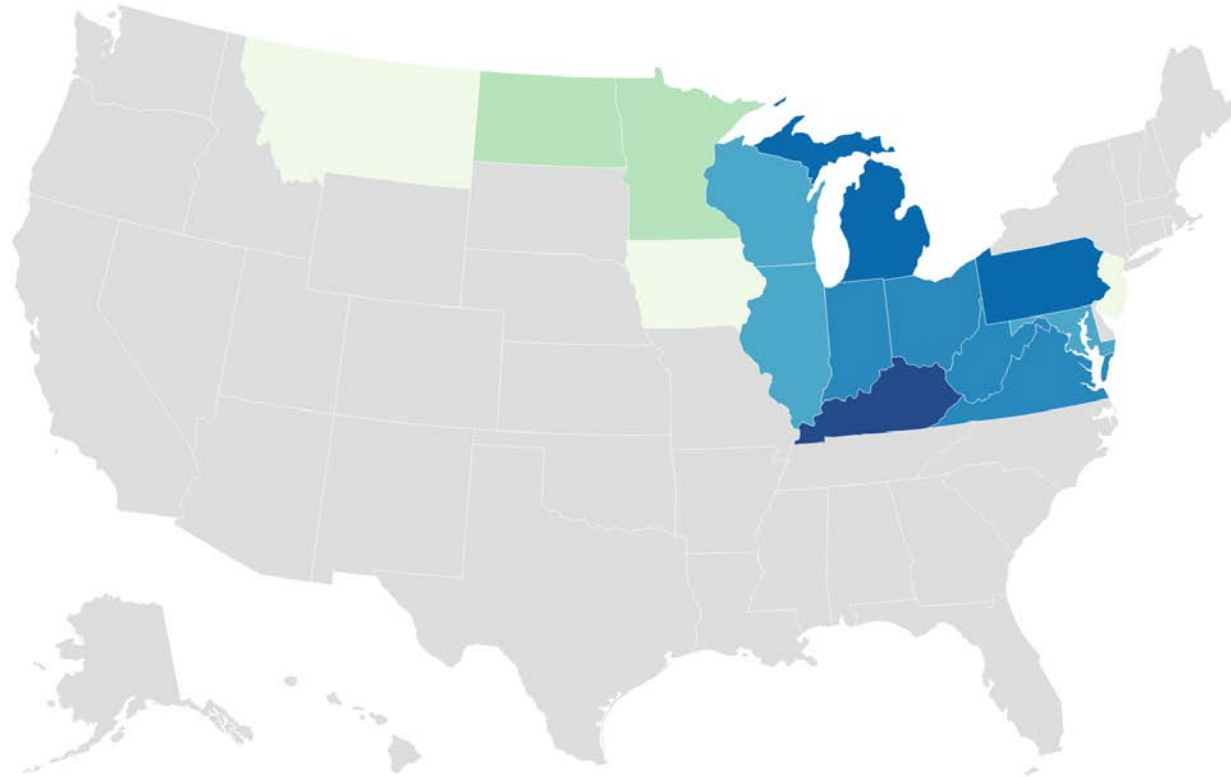
TAX FOUNDATION

@TaxFoundation

Filing and Withholding Thresholds

State	Day Threshold	Income Threshold
Arizona	60	\$0
California	1	\$1,500
Connecticut	15	\$0
Georgia	23	\$5,000
Hawaii	60	\$0
Idaho	1	\$1,000
Illinois	30	\$0
Louisiana	25	\$0
Maine	12	\$3,000
Minnesota	1	\$12,500
New Mexico	16	\$0
New York	14	\$0
North Dakota	21	\$0
Oklahoma	1	\$1,200
Utah	60	\$0
West Virginia	30	\$0
Wisconsin	1	\$1,500

State Tax Reciprocity Agreements



Created with Datawrapper

TAX FOUNDATION

@TaxFoundation



TAX FOUNDATION



@TaxFoundation

Areas of Concern

- Digital advertising taxes
- Data taxes
- Financial transaction taxes
- Excess compensation taxes
- Wealth taxes
- Marketplace facilitator expansion
- P.L. 86-272 dillution

Maryland's Digital Advertising Tax Defeated

Tuesday, October 18, 2022

A Maryland circuit court judge has struck down Maryland's first-in-the-nation digital advertising tax ("Digital Ad Tax"). On Oct. 17, 2021, ruling from the bench, the judge held that the law violates the federal Internet Tax Freedom Act (ITFA), the Commerce Clause of the U.S. Constitution, and the First Amendment. This GT Alert provides some observations on this consequential taxpayer victory.

1. The Decision is Unsurprising, but Significant

In 2020 the Maryland General Assembly passed laws that allowed Maryland to become the first state in the nation to impose a tax on revenues that certain businesses derive from providing advertising services on a digital interface, including banner advertising, search engine advertising, interstitial advertising and other comparable advertising services ("digital advertising services").¹ In 2021, the Maryland General Assembly amended the Digital Ad Tax, notably by adding a provision that prohibited businesses from directly passing on the cost of the tax to customers through a separate fee, surcharge, or line