

# Hawai'i

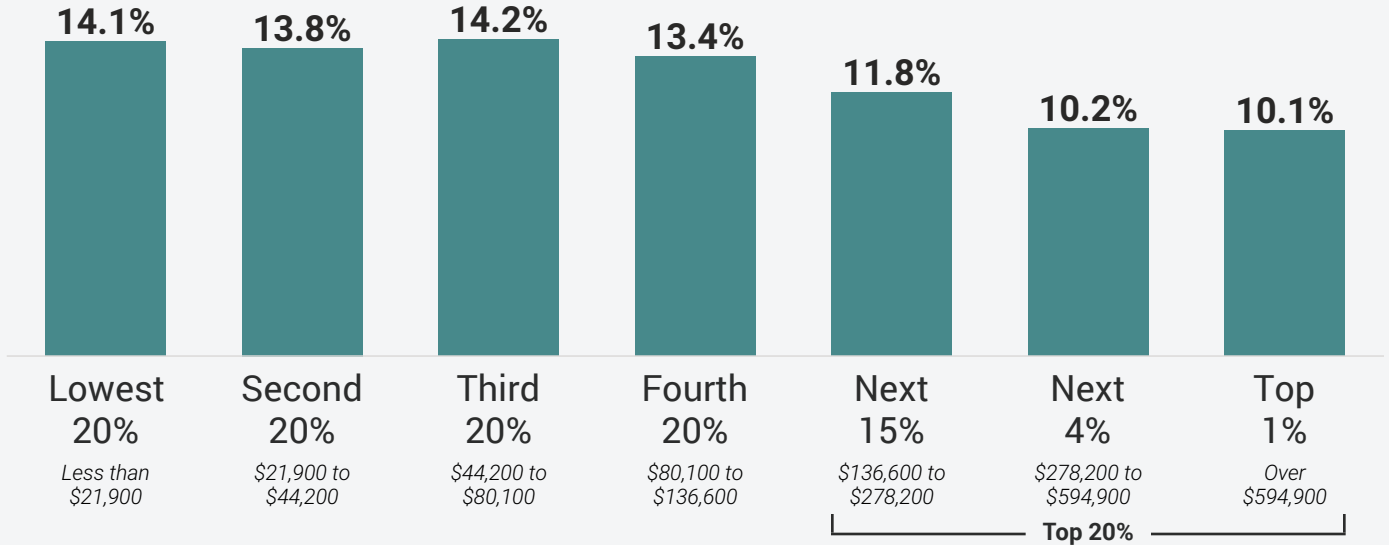
## State and local tax shares of family income

### Total Tax

Share of family income

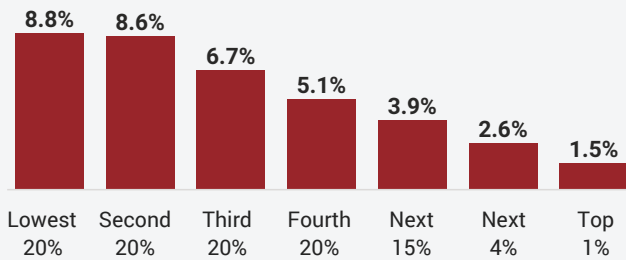


REGRESSIVE



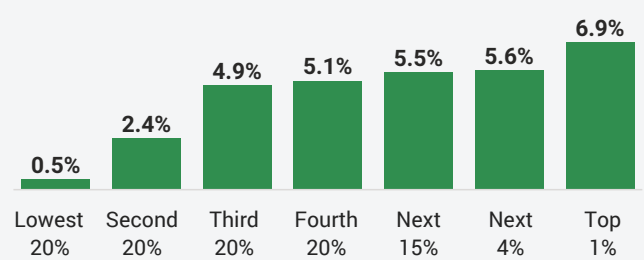
### Sales & Excise Tax

Share of family income



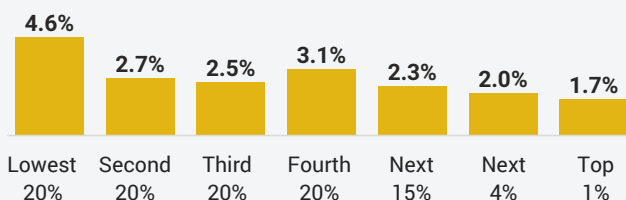
### Personal Income Tax

Share of family income








### Property Tax

Share of family income



Note: Figures show 2024 tax law in Hawai'i, presented at 2023 income levels. Tax units ages 65 and over are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.5 percent) of state and local tax revenue collected in Hawai'i.

# Hawai'i State and local tax (cont.)

Income Group	Top 20%						
	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
<b>Income Range</b>	Less than \$21,900	\$21,900 to \$44,200	\$44,200 to \$80,100	\$80,100 to \$136,600	\$136,600 to \$278,200	\$278,200 to \$594,900	Over \$594,900
<b>Average Income in Group</b>	\$12,200	\$33,500	\$61,700	\$107,600	\$175,900	\$367,700	\$1,201,100
 <b>Sales &amp; Excise Taxes</b>	<b>8.8%</b>	<b>8.6%</b>	<b>6.7%</b>	<b>5.1%</b>	<b>3.9%</b>	<b>2.6%</b>	<b>1.5%</b>
General Sales—Individuals	4.8%	5.6%	4.4%	3.2%	2.3%	1.3%	0.5%
Other Sales & Excise—Ind.	2.3%	1.3%	0.8%	0.6%	0.4%	0.3%	0.1%
Sales & Excise on Business	1.8%	1.7%	1.5%	1.3%	1.2%	1.1%	0.9%
 <b>Property Taxes</b>	<b>4.6%</b>	<b>2.7%</b>	<b>2.5%</b>	<b>3.1%</b>	<b>2.3%</b>	<b>2.0%</b>	<b>1.7%</b>
Home, Rent, Car—Individuals	3.8%	1.9%	1.8%	2.4%	1.7%	1.1%	0.4%
Other Property Taxes	0.9%	0.8%	0.7%	0.7%	0.7%	0.9%	1.3%
 <b>Income Taxes</b>	<b>0.5%</b>	<b>2.4%</b>	<b>4.9%</b>	<b>5.1%</b>	<b>5.5%</b>	<b>5.6%</b>	<b>6.9%</b>
Personal Income Tax	0.5%	2.3%	4.9%	5.0%	5.5%	5.5%	6.8%
Corporate Income Tax	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
 <b>Other</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.0%</b>
 <b>TOTAL TAXES</b>	<b>14.1%</b>	<b>13.8%</b>	<b>14.2%</b>	<b>13.4%</b>	<b>11.8%</b>	<b>10.2%</b>	<b>10.1%</b>

## ITEP Tax Inequality Index

ITEP's Tax Inequality Index measures the effects of each state's tax system on income inequality. According to this measure, Hawai'i has the 22nd most regressive state and local tax system in the country. Income disparities are larger in Hawai'i after state and local taxes are collected than before. (See Appendix ? for state-by-state rankings and the report methodology for additional detail.)

## Tax features driving the data in Hawai'i

PROGRESSIVE

Refundable dependent care tax credit

Graduated rate structure for the real estate transfer tax

Requires combined reporting for the corporate income tax

Levies a state estate tax

Graduated personal income tax structure

Limits itemized deductions for upper-income taxpayers

Personal exemption phases out for upper-income taxpayers

Refundable Earned Income Tax Credit (EITC)

REGRESSIVE

Preferential income tax rates for income from capital gains

Partial income tax deduction for state income taxes paid

No Child Tax Credit (CTC)

Comparatively high reliance on sales and excise taxes

State and local sales tax bases include groceries