

# Tax Facts & Comparisons Maine

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Maine is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Maine scores.



## Tax Foundation Rankings of Maine

### State Business Tax Climate Index

**33<sup>rd</sup>**  
best

Maine ranks 33rd out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Maine ranked 29th.

Maine's individual income tax ranks 22nd best, its corporate income tax ranks 45th best, its sales tax ranks 9th best, its property tax ranks 40th best, and its unemployment insurance tax ranks 42nd best.

Neighboring states' ranks: New Hampshire (7th), Massachusetts (24th), Vermont (46th),

### State-Local Tax Burdens Rank

**14<sup>th</sup>**  
highest

Estimated at 10.2% of income, Maine's 2011 state-local tax burden ranks 14th highest nationally, above the national average of 9.8%. Maine taxpayers pay \$3,836 per capita in state and local taxes.

Neighboring states' ranks: New Hampshire (44th), Massachusetts (11th), Vermont (9th),

### Tax Freedom Day®

**2015**  
**April**  
**14**

In 2014, Maine taxpayers worked 104 days into the year until April 14 to pay their total tax bill, ranking 11th highest nationally.

That's 10 days before national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

More at [taxfoundation.org/publications](http://taxfoundation.org/publications)

# Maine Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Maine structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

General Info	Rank	Nat. Avg.
Income per capita	\$37,701 32nd	\$43,735
Federal aid as % of gen. revenue	35% 10th	32.8%
State debt per capita	\$6,504 38th	\$3,678

Individual Income Tax	
Number of brackets	2
Bottom income bracket rate	6.50%
Bottom bracket kick in	\$5,199
Top income tax rate	7.95%
Top bracket kick in	\$20,899
Collections per capita (2012)	\$1,086
Collections rank (2012)	16th

Property Tax	
Collections per capita (2012)	\$1,789
Collections rank (2012)	11th
Property taxes paid as share of owner-occupied housing value (2013)	1.28%
Property taxes paid percent rank (2013)	17th

## Sources of State & Local Tax Collections

	Maine	All States.
Property Tax	39%	32%
Sales Tax	17%	23%
Corporate Income Tax	4%	4%
Individual Income Tax	24%	22%
Other	17%	20%

Corporate Income Tax	
Number of brackets	4
Top corporate tax rate	8.93%
Collections per capita (2012)	\$175
Collections rank (2012)	12th

Sales Tax	
State rate	5.50%
State + average local rate	5.50%
State + average local rank	42nd
Collections per capita (2011)	\$801
Collections rank (2011)	35th

Excise Taxes	Rate	Rank
Gasoline taxes and fees	30.0¢ per gallon	18th
Cigarette taxes	\$2.00 per pack	11th
Spirits taxes	\$5.79 per gallon	24th
Beer taxes	\$0.35 per gallon	17th
Cell phone taxes	7.31%	41st

Other Taxes	Rate	Exemption
Gross receipts tax	None	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	8-12%	\$2,000,000

## About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

More at [taxfoundation.org](http://taxfoundation.org)