



## States Paying Highest Federal Taxes Identified in MoneyRates.com Study

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*District of Columbia and Connecticut pay highest federal taxes per capita and as percent of income, while Florida residents endure a 41% increase in taxes vs five years ago*

**Foster City, CA – March 17, 2020** – Personal finance resource [MoneyRates.com](https://www.moneyrates.com) just released a report examining [federal tax contributions by state](#) on a total, per capita, and percentage basis. Although residents in all states and the District of Columbia are subject to the same federal tax laws, significant differences exist in the amount of federal taxes paid by people in different states.

This study evaluates tax burdens in four ways:

- The most total federal income taxes paid by the adult residents of each state
- The highest per capita taxes paid by the adult residents of each state
- The highest tax burden as a percentage of income paid by the residents of each state
- The biggest increase in per capita tax burden since this study was first conducted five years ago

Examples of state-to-state differences include:

- Connecticut pays the most per adult resident of any state, at \$10,364. That's more than three times the average of \$2,883 paid by Mississippi residents, but not quite as much as the \$10,518 paid by people living in the District of Columbia.
- Residents of Washington, DC also pay the highest percentage of their income in federal taxes, at an average of 17.40%. That's a rate more than 60% higher than the average 10.67% in federal taxes paid by residents of Mississippi.
- Over the five years since this study was first conducted, Florida saw the biggest increase in federal tax burden paid per adult with a rise of 41.21%. In contrast, the average tax burden paid by people in North Dakota shrank by 15.32% over that same period.

"People may think that federal tax laws affect everybody across the country the same way," says Richard Barrington, Senior Financial Analyst for MoneyRates.com. "However, the way you earn your income and what kind of deductions you have can make a big difference. Those characteristics affect residents of some states more than others."

### Per Capita Federal Income Taxes Paid by State

1. **District of Columbia**, \$10,518 in federal income taxes per adult
2. **Connecticut**, \$10,364
3. **Massachusetts**, \$9,793
4. **New York**, \$9,078
5. **New Jersey**, \$9,028
6. **Washington**, \$7,677
7. **California**, \$7,671
8. **New Hampshire**, \$7,183
9. **Maryland**, \$7,002
10. **Wyoming**, \$6,936

### Biggest 5-year Percent Increase in Federal Income Taxes

1. **Florida**, 41.21%
2. **Washington**, 36.49%
3. **Oregon**, 36.25%
4. **Hawaii**, 35.88%
5. **California**, 33.43%
6. **New York**, 31.95%
7. **Massachusetts**, 31.47%
8. **South Carolina**, 30.23%
9. **Georgia**, 29.39%
10. **New Hampshire**, 28.77%

"It's tax season, so everyone is thinking about filing last year's returns," said Barrington. "The truth is, the sooner you start thinking about next year's taxes, the better."

The MoneyRates.com study is based on the U.S. Census and state-by-state tax receipts as compiled by the IRS.

See the full article here: [States Paying the Most Federal Taxes](#)

Richard Barrington is available to discuss how tax-payers can reduce their tax burden by contributing to retirement accounts, including “catch up” contributions, and more.

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Since 1998, [MoneyRates.com](#) has served as a personal finance resource designed to help readers make the most of their money. In addition to a variety of financial calculators, MoneyRates.com researches and tracks CD, savings, and money market rates offered from over 400 financial institutions across the country to offer expert advice on banking, investing and retirement planning.

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