Progressive Local Income Tax - Representative Taxpayer Examples for Anne Arundel County

Progressive Senario 3: Increase top two brackets, decrease bottom bracket

Senate Bill 133 / House Bill 319

Taxable Income: $50,000 **Status Quo Tax Amount: $1,405**

Tax Bracket	Income Subject to Tax	Marginal Tax Rate	Tax Amount	Effective Tax Rate
$0 - $29,999	$29,999	2.65%	$795	
$30,000 - $99,999	$20,001	2.81%	$562	
Total	**$50,000**		**$1,357**	**2.71%**
Over (Under) Status Quo			*($48)*	

Taxable Income: $100,000 **Status Quo Tax Amount: $2,810**

Tax Bracket	Income Subject to Tax	Marginal Tax Rate	Tax Amount	Effective Tax Rate
$0 - $29,999	$29,999	2.65%	$795	
$30,000 - $99,999	$70,000	2.81%	$1,967	
$100,000 - $199,999	$1	2.81%	$0	
Total	**$100,000**		**$2,762**	**2.76%**
Over (Under) Status Quo			*($48)*	

Taxable Income: $250,000 **Status Quo Tax Amount: $7,025**

Tax Bracket	Income Subject to Tax	Marginal Tax Rate	Tax Amount	Effective Tax Rate
$0 - $29,999	$29,999	2.65%	$795	
$30,000 - $99,999	$70,000	2.81%	$1,967	
$100,000 - $199,999	$100,000	2.81%	$2,810	
$200,000 - $499,999	$50,001	2.90%	$1,450	
Total	**$250,000**		**$7,022**	**2.81%**
Over (Under) Status Quo			*($3)*	

Taxable Income: $750,000 **Status Quo Tax Amount: $21,075**

Tax Bracket	Income Subject to Tax	Marginal Tax Rate	Tax Amount	Effective Tax Rate
$0 - $29,999	$29,999	2.65%	$795	
$30,000 - $99,999	$70,000	2.81%	$1,967	
$100,000 - $199,999	$100,000	2.81%	$2,810	
$200,000 - $499,999	$300,000	2.90%	$8,700	
> $500,000	$250,001	3.15%	$7,875	
Total	**$750,000**		**$22,147**	**2.95%**
Over (Under) Status Quo			*$1,072*	

Note: The marginal tax rate only applies to income that falls within each applicable bracket.
The "status quo" tax in Anne Arundel County is a flat 2.81%.