

Low Burdens For Alaska

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Mary Donaldson/KMXT

In one instance, Alaska is at the bottom of the barrel, and that's not a bad thing. A recent Tax Foundation special report says Alaska ranks last in tax burdens out of all fifty states. Mary Donaldson has more.

On Thursday, Gerald Prante, the senior economist for the Tax Foundation in Washington D.C. released a report titled "State-Local Tax Burdens Dip As Income Growth Outpaces Tax Growth". In his report, Prante finds that Alaska ranks lowest in state tax burdens.

(Prante 4 :13s "at 11.8 percent.")

Prante says the calculations are based on what taxes residents pay in each state, divided by the total income for that state. He says his company is not trying to answer the question of how much the state and local governments collect but rather wants to answer the question of what percentage of taxpayer's income they are paying in state and local taxes, or burdens.

(Prante 1 :26s "does not fall on Alaskans only.")

For example, if a resident from Alaska spends money and it is taxed in Las Vegas, the report adds it to the calculation of the overall tax burden of Alaska residents.

He says the national average for tax burdens fell slightly from last year.

(Prante 2 :22s "as fast as income.")

He says income growth is outpacing tax growth because governments aren't collecting taxes as fast as incomes are growing nationwide.

(Prante 3 :26s "rise as fast as income.")

Prante says calculating this annual tax burden report allows state governments and the public to see which states

residents are most burdened by state and local taxes.

The Tax Foundation is a nonpartisan, nonprofit organization that monitors fiscal policy on the federal, state and local levels and has been running since 1937.

l’m Mary Donaldson.

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For a link to this report, click here .