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How Does Pennsylvania's Tax Burden Compare?

Pennsylvania currently has the 15th highest state and local tax burden in the country. Yet Gov. Wolf proposed historic tax hikes last year and continues to press for tax increases. Here's an overview of Pennsylvania's tax burden.

Tax Burden

Pennsylvania has the **15th highest state and local tax burden at 10.2%** according to the [latest analysis](#) from the Tax Foundation.

- The commonwealth's state and local tax burden is more than \$18,000 per family of four—\$18,354 to be exact, or a whopping **\$4,588 per capita**.
- The national average tax burden is 9.9%.

Pennsylvania	Per-Capita	Rank	Fiscal Year
State Tax Collections	\$2,660	22	2013
State and Local Tax Collections	\$4,472	18	2012
State Debt	\$3,682	20	2013

Source: Tax Foundation

High tax burdens correlate with slow economic growth and slow wage growth.

- From 1991 to 2014, Pennsylvania ranked a dismal 45th in job growth, 47th in personal income growth, and 48th in population growth.

State Taxes are High

Governor Wolf proposed historic tax increases in his first budget address and has committed to additional tax hikes for the next fiscal year. Yet Pennsylvania tax rates already rank as some of the highest in the country in most categories.

- Pennsylvania has the 2nd highest Corporate Income Tax rate in the U.S. (combined with the federal tax rate, this is the **2nd highest rate in the world**).
- Pennsylvania also has the highest gasoline tax rate, the highest unemployment insurance taxes, and the 8th highest state and local cell phone tax rate.
- Pennsylvania's relatively low and flat personal income tax is one bright spot for taxpayers. Fifteen states have lower income taxes, including seven states that don't levy a personal income tax.

Taxes	Rate	Rank	Per-Capita	Rank	Fiscal Year
State Corporate Income Tax	9.99%	2	\$173	12	2013
State Personal Income Tax	3.07%	35	\$844	30	2013
State and Local Income Taxes			\$1,120	14	2012
State General Sales Tax	6.00%	16	\$724	29	2013
State and Local Sales Taxes			\$770	36	2012
State & Local Excise Taxes			\$671	11	2012
State Cigarette Tax	\$1.60 per pack	21			
State Gasoline Tax	\$0.505 per gallon	1			
State Spirits Taxes	\$7.20 per gallon	18			
State Beer Taxes	\$0.08 per gallon	45			
State & Local Cell Phone Taxes	14.05%	8			
State & Local Property Taxes			\$1,338	25	2012
Source: Tax Foundation					

Tax Freedom Day

Tax Freedom Day is another way to measure the tax burden. This is the day of the calendar year when Americans have finally earned enough money to pay all of their federal, state, and local taxes.

- In 2015, **Pennsylvanians worked 115 days**—January 1 to April 25—to pay their tax bill.
- Only 13 states have a later **Tax Freedom Day** than Pennsylvania.
- Overall, Pennsylvanians will spend more of their income on taxes than they will on **food, clothing, and housing combined**.

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For more information on **Taxation and the Pennsylvania State Budget**, visit
CommonwealthFoundation.org.