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The SALT Cap: Overview and Analysis

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The SALT Cap: Overview and Analysis

Taxpayers who itemize their deductions may reduce their federal income tax liabilities by claiming a deduction for certain state and local taxes (SALT) paid, often called the "SALT deduction." The 2017 tax revision (P.L. 115-97, commonly referred to as the Tax Cuts and Jobs Act or TCJA) made a number of changes to the SALT deduction. Most notably, the TCJA established a limit, or "SALT cap," on the amounts claimed as SALT deductions for tax years 2018 through 2025. The SALT cap is $5,000 for married taxpayers filing separately and $10,000 for all other filers.

SUMMARY

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The changes enacted in the TCJA have considerably affected SALT deduction activity. The increased value of the standard deduction (roughly doubling from its pre-TCJA value for tax years 2018 through 2025), along with increased limitations on SALT and other itemized deductions, have significantly reduced the number of SALT deduction claims. The percentage of tax returns with any SALT claim decreased from 31% in tax year 2017 (the last year before the SALT cap became effective) to 9% of all returns in tax year 2022. The Joint Committee on Taxation (JCT) projects that following the SALT cap's scheduled expiration, federal revenue losses attributable to SALT will increase from $23 billion in FY2025 to $197 billion in FY2027.

The SALT deduction shifts some of the burden of state and local taxes from taxpayers to the federal government. By reducing the deduction's value, the SALT cap increases the cost of state and local taxes to taxpayers. That may affect state and local tax and spending behavior, as reductions in state and local revenues from increased sensitivity to SALT-eligible tax rates must be offset by reductions in outlays or increases in other revenues to maintain budget outcomes. The estimated reduction in federal revenues from the SALT deduction declined from 7.7% of all state and local government tax collections from SALT-eligible taxes in 2017 to 1.3% in 2022.

Following enactment of the TCJA, several states proposed or passed legislation that provided possible avenues to reduce the SALT cap's effect on taxpayers without reducing their state or local tax burdens. A 2020 Internal Revenue Service (IRS) regulation clarified that pass-through businesses may claim SALT deductions in states where the tax burden is shifted from individual owners to the business as an entity, essentially excluding that income from the SALT cap in states using this "pass-through workaround." Prior IRS guidance had eliminated state and local use of charitable donations tax rules that could otherwise shield residents from the SALT cap.

The effect of the SALT cap on the SALT deduction's value is in part a function of state and local tax policies. Nationwide, there is considerable variation in both the combined level of income and sales taxes levied by states and the property taxes and other charges levied by local governments. Differences in incomes and price levels that serve as the bases for those taxes are another source of disparity in SALT cap exposure. IRS data from 2022 showed that the nationwide difference between eligible SALT taxes (before the cap was applied) was about $16,600 higher, on average, than the value of the (after-cap) SALT deduction. That average, however, belies considerable variation across geographic areas: the comparable value in the state with the greatest difference (New York, $43,200) was more than 20 times that in the state with the lowest difference (Alaska, $1,900).

The SALT cap predominantly affects high-income taxpayers. State and local tax payments tend to increase with income, both as a direct function of the income tax structure and because higher incomes lead to increased consumption and thus sales and property tax payments. Increased income, therefore, makes higher-income taxpayers more likely to make SALT-eligible tax payments in amounts exceeding the SALT cap. The benefit of SALT deductions in terms of tax savings is also larger for taxpayers with higher incomes because a federal tax deduction's value is proportional to the taxpayer's marginal income tax rate. JCT estimates that taxpayers with incomes of $200,000 or more will represent 12% of all tax units and receive 65% of the SALT deduction's tax benefits in 2024, while individuals and couples with incomes under $50,000 represent 53% of all tax units and claim less than 1% of SALT benefits. Areas that are most affected by the SALT cap generally also tend to have larger SALT cap effects on middle-income taxpayers.

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Introduction

Taxpayers who itemize their deductions may reduce their federal income tax liabilities by claiming a deduction for certain state and local taxes (SALT) paid, often called the "SALT deduction." The 2017 tax revision (P.L. 115-97, commonly referred to as the Tax Cuts and Jobs Act or TCJA) established a temporary limit, or "SALT cap," on annual SALT deduction claims of $5,000 for married taxpayers filing separately and $10,000 for all other filers. By limiting the SALT deduction, the SALT cap increases the tax liabilities of certain taxpayers, which increases federal tax revenues relative to what otherwise would have been collected without a limitation in place.

The SALT cap's effect on tax liability varies significantly with taxpayer income and with state and local tax rates. With the SALT cap and other temporary TCJA provisions scheduled to expire at the end of 2025, there has been substantial discussion regarding the merits of keeping or modifying the cap. This report discusses the SALT cap's mechanics; analyzes its potential impact for different taxpayers, states, and localities; and summarizes recent legislative and regulatory developments pertinent to the SALT cap.

A snapshot of SALT deduction and SALT cap activity across congressional districts in tax year 2022 can be found in **Table A-1** of the **Appendix**.

SALT Cap Mechanics and Revenue Effects

Under current law, taxpayers itemizing deductions (in lieu of claiming the standard deduction) may reduce their taxable incomes by claiming the SALT deduction for certain state and local taxes paid during the tax year. The state and local taxes eligible for the SALT deduction are income taxes, general sales taxes (claimed in lieu of income taxes), personal property taxes, and certain real property taxes not paid in the carrying on of a trade or business.[1]

For taxpayers who would have itemized their deductions without access to the SALT deduction, it generates tax savings equal to the amount deducted multiplied by the taxpayer's marginal income tax rate. For example, a taxpayer with $6,000 of eligible state and local taxes and a top marginal tax rate of 37% would save $2,220 from the SALT deduction (i.e., $6,000*0.37). For taxpayers who would have claimed the standard deduction without access to the SALT deduction, it generates tax savings equal to the difference between their tax liability if they had claimed the standard deduction and their total tax liability with itemized deductions (including the SALT deduction).[2]

The TCJA established a temporary SALT cap for tax years 2018 through 2025. The SALT cap is set to $10,000 for all taxpayers except married taxpayers filing separately, for which it is $5,000. By limiting the SALT deduction available to certain taxpayers, the SALT cap decreases the tax savings associated with the deduction, thereby increasing federal revenues.

The TCJA also changed a number of tax code features (e.g., standard deduction amounts, marginal tax rates) that indirectly affect SALT deduction eligibility and the value of the tax savings it generates. The TCJA roughly doubled the standard deduction and limited other

[1] More detail on the SALT deduction is available in CRS Report RL32781, *Federal Deductibility of State and Local Taxes*, by Grant A. Driessen. Real property taxes are taxes on property that is permanently affixed to land.

[2] Throughout this report, the *tax savings* attributable to the SALT deduction is also referred to as the *benefit* from the deduction.

itemized deductions. The TCJA also prohibited SALT deduction claims on taxes paid on foreign real property for tax years 2018 through 2025.[3]

The SALT cap, the increased value of the standard deduction, and other tax changes enacted by the TCJA have both (1) reduced the number of taxpayers claiming the SALT deduction; and (2) reduced the total tax benefit provided to taxpayers who claim a SALT deduction. **Table 1** shows the most recent estimates of reductions in federal revenues attributable to the SALT deduction from FY2024 through FY2028.[4] (Because fiscal years run from October 1 of the previous calendar year to September 30 of the given year, FY2027 is the first full fiscal year after the SALT cap and other temporary TCJA provisions are scheduled to expire.)[5] Revenue losses from the SALT deduction in FY2027 are projected to be $197 billion, more than eight times the projected revenue loss in FY2025 ($23 billion), the last full fiscal year for which the SALT cap is in effect. Internal Revenue Service (IRS) data show that only 9% of all taxpayers claimed a SALT deduction in tax year 2022, less than one-third the share from 2017 (31%), the final year before the SALT cap took effect.[6]

Table 1. Projected Revenue Losses from the SALT Deduction

(in billions of dollars)

FY2024	FY2025	FY2026	FY2027	FY2028
21.7	22.6	144.7	197.1	208.5

Source: U.S. Congress, Joint Committee on Taxation, *Estimates of Federal Tax Expenditures for Fiscal Years 2024-2028*, Joint committee print, JCX-48-24, 118th Congress (GPO, 2024).

Effect on State and Local Governments

The SALT deduction provides state and local governments with an increased ability to levy taxes by "discounting" (reducing the after-federal-tax cost of) state and local taxes to taxpayers. By limiting the deduction's benefits, the SALT cap increases the cost (or "price") of state and local taxes for affected taxpayers.

For example, consider a taxpayer with itemized deductions, a 35% marginal tax rate, and $20,000 in eligible SALT payments. Without the SALT cap, the net price of those taxes for the taxpayer would be $13,000 (or $20,000*[1-0.35]), as the taxpayer can use the SALT deduction to reduce their federal taxes by $7,000. When a $10,000 SALT cap is imposed, the final price of those taxes rises to $16,500 (or $10,000 + [$10,000*(1-0.35)]).

State and local governments raised a combined $1.8 trillion in individual income taxes, general sales taxes, and property taxes in 2022, an average of about $11,600 per federal income taxpayer.[7]

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[3] For more information on the changes made through P.L. 115-97, see CRS Report R45092, *The 2017 Tax Revision (P.L. 115-97): Comparison to 2017 Tax Law*. For more on the temporary components of the TCJA, see CRS Report R47846, *Reference Table: Expiring Provisions in the "Tax Cuts and Jobs Act" (TCJA, P.L. 115-97)*.

[4] These revenues losses include the direct effect of the SALT cap and the indirect effect of other TCJA changes (e.g., standard deduction, marginal rates) to the tax code.

[5] For example, FY2025 encompasses October 1, 2024, through September 30, 2025. The SALT cap is in effect through December 31, 2025.

[6] Department of the Treasury, Internal Revenue Service (IRS), Statistics of Income Division, *Individual Income Tax Returns, various years*, Publication 1304, 2025.

[7] IRS, *2022 Statistics of Income*, Historic Table 2, https://www.irs.gov/statistics/soi-tax-stats-historic-table-2; and U.S. Census Bureau, *2022 State & Local Government Finances*, https://www.census.gov/data/datasets/2022/econ/local/ (continued...)

State governments collected $1.0 trillion (56%) of that total, including the majority of the income and sales taxes. Local governments collected the remaining $0.8 trillion (44 %), including the majority of property taxes.[8] There is considerable geographic variation in the rates at which taxes are levied, and in the incomes and prices to which those taxes apply.

Aggregate data suggest that the SALT cap and other TCJA changes had a considerable effect on the nationwide discount that the SALT deduction provides to state and local taxes. The JCT estimated that in FY2017, the last year before the SALT cap and TCJA took effect, the SALT deduction reduced federal revenues by $101 billion, or 7.7% of all state and local government tax collections from general sales, individual income, and property taxes in the 2017 tax year.[9] In 2022, the $23 billion reduction in federal revenues attributable to the SALT deduction represented 1.3% of the comparable total from those tax sources.[10]

The basic economic law of demand—there is an inverse relationship between the price of a good and the quantity demanded—suggests that by increasing the price of state and local taxes, the SALT cap causes a decline in demand for state and local government activity. The size of the decline is a function of the sensitivity of public desire for state and local services, paid for by taxes, to changes in the prices of those services (i.e., the elasticity of demand). Research has found that state and local governments respond to federal tax changes with shifts in their own tax and spending practices.[11]

Response to the SALT cap could also be a function of its salience*,* or the public awareness of its effect on tax liability.[12] SALT cap salience may depend on awareness of the state and local taxes themselves, which can vary significantly across tax system features.[13] Salience may be particularly low for taxpayers who take the standard deduction, but who would be better off itemizing their deductions if not for the SALT cap, as the SALT cap's effects may not be apparent in tax filing software. Taxpayers could also have difficulty differentiating SALT cap-related liability changes from other changes enacted through the TCJA.

State and local governments are generally limited in their ability to respond to shifts in demand for government services through changes in fiscal outcomes (i.e., increased deficits or reduced surpluses). Unlike the federal government, which has no enforceable balanced-budget requirement, most state and local governments are statutorily required to balance operating

public-use-datasets.html#; and CRS calculations. The total of $1.81 trillion is for state FY2022; state fiscal years are typically from July 1 through June 30 and thus do not align precisely with the 2022 federal tax year.

[8] Census Bureau, *2022 State & Local Government Finances*.

[9] Joint Committee on Taxation (JCT), *Estimates of Federal Tax Expenditures for Fiscal Years 2017-2021*, May 2018, JCX-34-18; and U.S. Census Bureau, *2017 Annual Survey of State & Local Government Finances*, https://www.census.gov/data/datasets/2017/econ/local/public-use-datasets.html. The sum of property, general sales, and individual income taxes does not represent the true tax base for the SALT deduction, as (1) taxpayers can only claim one of income or general sales taxes to deduct; (2) deductions for general sales taxes are claimed using a formula that does not match actual sales taxes paid; and (3) some taxes listed as corporate income may be eligible for the (individual) SALT deduction. These data cover the 2017 federal fiscal year, which does not align precisely with most state and local fiscal years.

[10] JCT, *Estimates of Federal Tax Expenditures for Fiscal Years 2022-2026*, December 2022, JCX-22-22, and U.S. Census Bureau, *2022 Annual Survey of State & Local Government Finances*, 2025.

[11] Bradley Heim and Yulianti Abbas, "Does Federal Deductibility Affect State and Local Revenue Sources?" *National Tax Journal*, vo. 68, no. 1 (2015), p. 33.

[12] Research has demonstrated evidence of behavioral responses to changes in tax salience. See, for example, Amy Finkelstein, "*E-Z Tax*: Tax Salience and Tax Rates," *Quarterly Journal of Economics*, vol. 124, no. 3, (2009), p. 969.

[13] For more on how features of the tax system affect tax salience, see William Congdon et al., *Policy and Choice: Public Finance through the Lens of Behavioral Economics* (Brookings Institution Press, 2011).

revenues and operating expenses over a one- or two-year period.[14] Governments with a binding balanced-budget requirement would therefore need to match any reduction in SALT revenues with reductions in spending or increases in other revenue sources.

Relevant State and Local Actions Since 2018

State and local responses to the SALT cap have varied across units of government. Some governments changed their tax codes to reduce the SALT cap's effects on their taxpayers, while others have taken legal action against the federal government. Federal and legal responses to those actions upheld the legality of the SALT cap and prohibited use of the "charitable workaround" that was designed to reduce SALT cap exposure, but allowed the "pass-through workaround" as a means of reducing the effects of the SALT cap.

The "charitable workaround" describes laws enacted in certain states that provided taxpayers a credit against state taxes for charitable donations to state entities, which would then be eligible for the federal charitable deduction under Section 170 of the Internal Revenue Code. The IRS has since issued a final ruling limiting the availability of Section 170 charitable deductions in such a way that would render the new charitable activity ineligible.[15]

Several states also took legal action related to the SALT cap following TCJA enactment, filing suit against the U.S. government in July 2018 and challenging the cap's constitutionality.[16] A September 2019 federal district court ruling upheld the SALT cap's constitutionality, asserting that it did not unconstitutionally penalize certain jurisdictions.[17]

Other state actions to provide a so-called "pass-through workaround" more effectively reduced SALT cap exposure. The SALT cap does not limit SALT deductions associated with the carrying on of a trade or business, so taxpayers whose SALT tax payments are based on pass-through business income (including income from S corporations and partnerships) may not be subject to the SALT cap in the same manner as other taxpayers.[18] Certain state governments have adjusted for this activity by enacting laws that levy or raise *taxes on the pass-through business entity itself* that are offset (holding total tax revenues constant) by tax reductions for the individual income liabilities of *pass-through business owners subject to the business entity tax increase*.

A 2020 IRS notice clarified that pass-through entity businesses may claim SALT deductions in states where the tax burden is shifted from pass-through business owners to business entities, essentially excluding such income from the $10,000 limitation for affected individual owners.[19] A

[14] See National Conference of State Legislatures, *NCSL Fiscal Brief: State Balanced Budget Provisions*, October 2010, http://www.ncsl.org/research/fiscal-policy/state-balanced-budget-requirements-provisions-and.aspx.

[15] Department of the Treasury, "Treasury Issues Final Regulations on Charitable Contributions and State and Local Tax Credits," press release, June 11, 2019, https://home.treasury.gov/news/press-releases/sm705.

[16] Jesse McKinley, "New York and New Jersey File Suit Against Trump Tax Plan," *The New York Times*, July 17, 2018, https://www.nytimes.com/2018/07/17/nyregion/salt-taxes-deduction-lawsuit-trump-cuomo.html.

[17] Ben Casselman, "Tax Law's Cap on State and Local Deductions Is Upheld by Court," *The New York Times*, September 30, 2019, https://www.nytimes.com/2019/09/30/business/economy/state-local-tax.html.

[18] An S corporation is a corporation that elects to pass corporate income, losses, deductions, and credits through to its shareholders. C corporations, in contrast, form legal business entities that are taxed separately from their owners. The SALT cap applies to state and local *corporate income taxes* that are paid by non-pass-through businesses. Certain types of business entities, such as sole proprietorships and single-member LLCs, are generally excluded from eligibility for the pass-through workaround.

[19] IRS, "Forthcoming regulations regarding the deductibility of payments by partnerships and S corporations for certain state and local income taxes," November 9, 2020, Notice 2020-75.

2024 review of state activity indicated that 36 of the 41 states with pass-through entity income taxes had enacted legislation intending to limit the SALT cap exposure of such tax payments.[20]

Distributional Effects

This section explores features of localities and households that influence the distribution and intensity of SALT cap effects on tax liability.[21] Available data indicate that the SALT cap's effects vary significantly across state and local jurisdictions and household income.

Distribution Across States and Localities

The SALT cap's effect is in part a function of state and local tax policies. For example, higher effective rates for taxes that qualify for the deduction (income taxes, general sales taxes, real and personal property taxes) would increase the amount of SALT-eligible tax payments for a taxpayer, and therefore increase the probability that they will have SALT deductions that exceed the cap. State and local tax rates could thus affect both the *number* of taxpayers with higher tax liability due to the SALT cap and the *amount* of taxes paid above the cap.

Differences in local incomes and price levels are another determinant of the SALT cap's effect. Wages and prices are the bases against which state and local governments levy SALT-eligible income, sales, and property taxes. Consider two households that are in separate localities and have different incomes but the same tax rates and the same purchasing power (i.e., the same "real" income). In other words, adjusting for their local price levels, each household is able to purchase the same amounts of goods and services. Although each household faces the same set of purchasing options on the public and private markets, the higher-income household facing higher price levels is more likely to have SALT payments in excess of the SALT cap.

The effect of the SALT cap will also vary based on the degree to which states are dependent on a single revenue source or multiple sources. This is because taxpayers may deduct either their income tax payments *or* their sales tax payments, but not both. For example, a single individual who pays $8,000 of state income taxes and $8,000 of state sales taxes can deduct $8,000 when paying his or her federal income taxes. By contrast, an individual who pays the same amount of state and local taxes ($16,000) over the course of a year but pays that amount only in the form of income taxes or sales taxes would have $16,000 of SALT-eligible tax payments. The SALT cap will therefore have a more significant effect in states exclusively dependent on income taxes or on sales taxes rather than on both forms of revenue.

A snapshot of the state-level variation of the SALT cap's effects can be seen in **Table 2**. The rightmost column of that table shows the difference in the average SALT-eligible taxes claimed by filers taking the deduction before the cap was applied and the final value of the SALT deduction claim; this is a proxy for the SALT cap's effect on average SALT deduction levels.[22] (This difference is measuring changes in taxable income rather than the final tax benefit.) Nationwide, that difference was about $16,600 per SALT claimant in tax year 2022, but there was

[20] American Institute of Certified Public Accountants, "State Pass-Through Entity (PTE) Level Approach," May 1, 2024, https://us.aicpa.org/content/dam/aicpa/advocacy/tax/downloadabledocuments/56175896-pte-map.pdf.

[21] No assumptions are made concerning the presence and intensity of state and local government responses to the SALT cap.

[22] Final SALT deduction values will also include tax changes from other tax years and other relatively small factors that do not contribute to the SALT-eligible taxes total. This value also inherently does not capture any effects of the SALT cap on taxpayers who claimed the standard deduction in tax year 2022 but who would have itemized their deductions and claimed a SALT deduction if the SALT cap were not in effect for that tax year.

considerable variation in the value across states, with the highest state value (New York, at $43,200) being more than 20 times greater than the lowest state value (Alaska with $1,900). More generally, **Table 2** shows great state-level variation in the share of filers claiming the SALT deduction across states, with the share in the highest area (DC at 20.4%) almost five times as large as the share in the lowest area (South Dakota at 4.4%).

Table 2. SALT Deduction Activity by State, Tax Year 2022

State	Average Income, All Filers	% of All Filers with SALT Claim	SALT-Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
NY	$105,300	10.2%	$52,600	$9,400	$43,200
CT	$119,900	11.5%	$39,900	$9,300	$30,600
CA	$107,900	15.4%	$36,500	$9,100	$27,400
DC	$136,100	20.4%	$33,000	$8,700	$24,300
NJ	$110,000	13.4%	$31,200	$9,200	$22,000
MA	$119,500	12.2%	$28,400	$8,900	$19,500
VT	$81,100	5.8%	$27,600	$8,500	$19,200
U.S. Average	**$93,200**	**9.5%**	**$25,000**	**$8,300**	**$16,600**
MN	$92,800	9.0%	$24,800	$8,400	$16,400
IL	$95,700	8.7%	$23,800	$8,600	$15,100
AR	$74,600	5.8%	$22,200	$7,100	$15,100
ME	$77,500	5.8%	$22,900	$8,400	$14,600
OR	$86,800	12.4%	$22,600	$8,700	$13,900
KS	$83,600	6.7%	$21,800	$8,100	$13,700
WY	$105,700	5.2%	$19,700	$6,000	$13,700
MT	$82,700	8.0%	$21,300	$7,900	$13,400
IN	$76,600	5.2%	$20,100	$7,700	$12,400
VA	$99,400	13.5%	$20,600	$8,500	$12,200
PA	$87,700	6.9%	$20,100	$8,300	$11,800
OH	$77,700	5.2%	$19,600	$7,900	$11,800
RI	$85,200	8.1%	$20,100	$8,500	$11,500
WI	$83,000	6.1%	$19,600	$8,100	$11,500
NC	$84,300	8.0%	$18,900	$7,800	$11,200
MD	$96,300	20.0%	$19,600	$8,600	$11,000
CO	$101,200	11.5%	$19,000	$8,000	$10,900
HI	$81,800	11.8%	$18,800	$7,900	$10,800
KY	$71,000	5.5%	$18,600	$8,000	$10,600
UT	$93,900	13.9%	$19,000	$8,400	$10,600
MO	$78,900	6.2%	$18,100	$7,800	$10,200

State	Average Income, All Filers	% of All Filers with SALT Claim	SALT-Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
DE	$85,000	9.3%	$17,700	$7,700	$10,000
MI	$78,600	5.9%	$18,000	$8,200	$9,800
FL	$101,200	7.6%	$17,100	$7,200	$9,800
WV	$65,800	3.4%	$17,600	$7,800	$9,800
ID	$84,600	8.4%	$17,300	$7,700	$9,700
GA	$83,100	11.4%	$17,300	$7,800	$9,500
SC	$77,300	7.5%	$17,200	$7,700	$9,500
IA	$83,300	6.3%	$17,100	$7,700	$9,400
ND	$92,800	4.6%	$15,500	$6,300	$9,100
NV	$94,300	8.3%	$15,000	$6,400	$8,600
AZ	$85,800	8.7%	$15,500	$7,000	$8,500
LA	$72,400	6.0%	$14,300	$6,800	$7,500
NH	$105,900	7.5%	$15,700	$8,300	$7,300
OK	$73,900	6.6%	$13,900	$7,100	$6,800
NE	$85,800	6.2%	$14,200	$8,100	$6,100
NM	$66,400	5.9%	$13,300	$7,200	$6,100
AL	$74,700	7.1%	$12,800	$6,800	$6,000
MS	$63,200	6.4%	$12,100	$6,500	$5,600
TX	$92,400	7.6%	$13,400	$8,000	$5,500
WA	$111,900	11.6%	$12,200	$7,900	$4,200
SD	$88,400	4.4%	$10,500	$6,400	$4,200
TN	$83,100	5.6%	$9,900	$6,200	$3,700
AK	$87,600	5.2%	$8,400	$6,500	$1,900

Source: IRS, *SOI Income Tax Stats*, Historic Table 2. Calculations performed by CRS.

Notes: Dollar amounts reflect taxable income, not tax liability. “Average Income” reflects an adjusted gross income (AGI) concept. Calculations exclude taxpayers with negative incomes. ‘U.S. Average’ entry reflects average across nationwide tax units. Dollar amounts rounded to the nearest hundred.

Distribution Across Income Levels

As with other tax deductions, the SALT deduction benefits high-income taxpayers more than low-income taxpayers. Three factors explain this pattern: (1) higher incomes lead to more state and local income taxes, and are correlated with higher sales and property tax payments stemming from higher spending; (2) filers with higher incomes tend to benefit more from other itemized deductions, making itemization (and SALT deduction eligibility) more likely; and (3) taxpayers with higher incomes are subject to higher marginal tax rates, so each dollar deducted from tax liability results in greater tax savings.

Table 3 includes some of the same SALT deduction concepts shown in **Table 2**, but instead focuses on how those measures change across levels of taxpayer income. The difference between SALT-eligible taxes claimed before application of the SALT cap and the final SALT deduction taken was $47,900 for the average SALT claimant with adjusted gross income (AGI) above $200,000 in tax year 2022. This is more than 15 times as high as that of the average claimant with AGI between $50,000 and $200,000 ($2,700) and more than 50 times as high as the average claimant with AGI of less than $50,000 ($800).[23] Similarly, the share of all taxpayers in each income category claiming a SALT deduction increased with income, from 2% of filers with less than $50,000 of AGI to 39% for filers with $200,000 or more.

Table 3. SALT Deduction Activity by Adjusted Gross Income (AGI), Tax Year 2022

Adjusted Gross Income (AGI) Category	% of All Filers with SALT Claim	SALT-Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
Less than $50,000	2.2%	$6,000	$5,200	$800
$50,000-$199,999	13.0%	$10,800	$8,100	$2,700
More than $199,999	38.6%	$57,800	$9,900	$47,900

Source: IRS, *SOI Income Tax Stats*, Historic Table 2. Calculations performed by CRS.

Notes: Dollar amounts reflect taxable income, not tax liability. Calculations exclude taxpayers with negative incomes. Dollar amounts rounded to the nearest hundred.

Table 4 shows the JCT projections of SALT deduction tax benefits (rather than the deduction amounts provided in **Table 3**) by income class in tax years 2017 (the last year before the TCJA took effect) and 2024. Taxpayers with more than $200,000 of AGI received the majority of SALT benefits in both 2017 (71%) and 2024 (65%), though taxpayers with income between $50,000 and $200,000 received a larger share of total benefits in 2024 (34%) than in 2017 (29%). Taxpayers with less than $50,000 received relatively little benefit from the SALT deduction in both years.

Table 4. Estimated Income Distribution of SALT Deduction Benefit, 2017 and 2024

	Tax Year 2017			Tax Year 2024		
Income Class	% of All Returns	% of Itemized Returns	% of SALT Benefit	% of All Returns	% of Itemized Returns	% of SALT Benefit
Less than $50,000	52.7%	12.8%	0.6%	39.9%	5.1%	0.6%
$50,000-$199,999	41.6%	68.0%	28.9%	48.6%	51.4%	34.3%
More than $199,999	5.7%	19.2%	70.6%	11.5%	43.5%	65.1%

[23] Final SALT deduction values will also include tax changes from other tax years and other relatively small factors that do not contribute to the SALT-eligible taxes total. This value also inherently does not capture any effects of the SALT cap on taxpayers who claimed the standard deduction in tax year 2022 but who would have itemized their deductions and claimed a SALT deduction if the SALT cap were not effective for that tax year.

Source: Joint Committee on Taxation, *Estimates of Federal Tax Expenditures For Fiscal Years 2016-2020*, January 2017, JCX-3-17; and Joint Committee on Taxation, *Estimates of Federal Tax Expenditures For Fiscal Years 2024-2028*, December 2024, JCX-48-24.

Notes: The SALT benefit is equal to the tax savings associated with the deduction. Table does not include dependent taxpayers or taxpayers with negative incomes. The income measure includes tax-exempt cash payments and benefits. 'Share of Itemized Returns' refers to the share of all itemized tax returns that fall within the given income range

Interaction of Income and State and Local Jurisdictions

The composition of state and local taxes also affects the SALT cap's ultimate effect on taxpayers within a local jurisdiction. **Table 5** illustrates how SALT cap burden distribution can differ when the composition of state and local taxes changes while holding total tax revenue constant. In both hypothetical jurisdictions, total tax revenues are $44,000. In Jurisdiction I, relatively high income-tax rates generate higher income-tax payments, and the SALT cap burden falls on Tax Units A and B, the taxpayers with higher incomes. In Jurisdiction II, property tax rates are higher than income tax rates, and the SALT cap burden instead falls on Tax Units A and C, the taxpayers with higher property values. More of the state and local tax revenue in Jurisdiction II is above the SALT cap, so with local tax revenues being the same, taxpayers in Jurisdiction II are able to deduct less on their federal income tax returns. This analysis highlights the importance of state and local tax structure in determining the SALT cap's effect on taxpayer liability even when holding the average level of taxes constant. This also has important intergenerational effects, as individuals and families exhibit different earning, spending, and homeownership behaviors as they age. For example, sales taxes fall disproportionately on retirees, who often spend above their incomes (as they draw down on their savings), while income taxes fall disproportionately on workers in their prime earning years.

Table 5. Illustrative Example: State and Local Tax Rates and SALT Cap Effects

			Jurisdiction I Income Tax Rate > Property Tax Rate				Jurisdiction II Property Tax Rate > Income Tax Rate			
Tax Unit	**Inc.**	**Prop. Value**	**Eff. Inc. Tax %**	**Eff. Prop. Tax %**	**State and Local Taxes**	**Amt. Above SALT Cap**	**Eff. Inc. Tax %**	**Eff. Prop. Tax %**	**State and Local Taxes**	**Amt. Above SALT Cap**
A	$500K	$750K	3.0%	0.5%	$18,750	$8,750	1.0%	2.0%	$20,000	$10,000
B	$500K	$50K	3.0%	0.5%	$15,250	$5,250	1.0%	2.0%	$6,000	$0
C	$100K	$750K	3.0%	0.5%	$6,750	$0	1.0%	2.0%	$16,000	$6,000
D	$100K	$50K	3.0%	0.5%	$3,250	$0	1.0%	2.0%	$2,000	$0
Total					**$44K**	**$14K**			**$44K**	**$16K**

Notes: Examples not intended to correlate to specific localities. Eff. = Effective; Inc. = Income; Prop. = Property; Amt. = Amount; K = Thousand. General sales taxes and other taxes subject to the SALT cap are assumed to be set to zero.

Table 6 illustrates how geographical jurisdictions and income can interact in determining the SALT cap effect on taxpayers. The table shows SALT deduction activity for filers with AGIs between $50,000 and $100,000 in the states with the five highest and five lowest differences between precap SALT taxes claimed and the final SALT deductions taken.[24] The overall SALT claimant shares among filers in this income category were relatively constant across both sets of states, ranging from 20% to 27% in the "high difference" states and 21% to 23% in the "low difference" states. The proxy for the SALT cap effect, however, was much higher in the "high difference" states (a median value of $1,900) than in the "low difference" states (a median of $600). In other words, middle-income SALT claimants from high-tax states were therefore more likely to be affected by the SALT cap than middle-income SALT claimants from low-tax states.

[24] Final SALT deduction values will also include tax changes from other tax years and other relatively small factors that do not contribute to the SALT-eligible taxes total. This value also inherently does not capture any effects of the SALT cap on taxpayers who claimed the standard deduction in tax year 2022 but who would have itemized their deductions and claimed a SALT deduction if the SALT cap were not effective for that tax year. For more on the TCJA's effect on itemized deductions, see CRS Insight IN12517, *Selected Issues in Tax Reform: Itemized Deductions*.

Table 6. SALT Deduction Activity Among Filers with $50,000-$99,999 in Adjusted Gross Income, Tax Year 2022, Selected States

States with 5 Highest Average Differences Between SALT-Eligible Taxes and SALT Deduction Claimed			States with 5 Lowest Average Differences Between SALT-Eligible Taxes and SALT Deduction Claimed		
State	% of Total SALT Claimants	SALT-Eligible Taxes—Deduction Claimed, per Claimant	State	% of Total SALT Claimants	SALT-Eligible Taxes—Deduction Claimed, per Claimant
NY	24%	$2,700	TX	24%	$600
CT	27%	$1,900	WA	21%	$800
CA	22%	$1,700	SD	23%	$400
DC	20%	$800	TN	22%	$300
NJ	26%	$2,000	AK	23%	$600

Source: IRS, *SOI Income Tax Stats*, Historic Table 2. Calculations performed by CRS.

Notes: Dollar amounts reflect changes in taxable income, not changes in tax liability. Calculations exclude taxpayers with negative incomes. The column "% of Total SALT Claimants" refers to the percentage of SALT claimants in a given state with incomes between $50,000 and $99,999. Deduction values rounded to the nearest hundred.

Appendix. SALT Deduction and Cap Activity by Congressional District, Tax Year 2022

Table A-1 provides congressional district-level data on the measures of SALT deduction and cap activity, and their effects on tax liability, that were shown in **Table 2**. As with that table, the *difference* between the SALT-eligible taxes claimed before the SALT cap and the final SALT deduction claimed is a *proxy* for the effect of the SALT cap. It is not a precise measure of the cap's impact on tax liability. More precisely, final SALT deduction values will also include tax changes from other years and other relatively small factors that do not contribute to the SALT-eligible taxes total. This value also inherently does not capture any effects of the SALT cap on taxpayers who claimed the standard deduction in tax year 2022 but who would have itemized their deductions and claimed a SALT deduction if the SALT cap were not in effect that tax year.

Data shown in **Table A-1** are from the IRS Statistics of Income by Congressional District dataset, which uses the congressional districts in effect as of the 117th Congress.

Table A-1. SALT Deduction and Cap Activity by Congressional District, Tax Year 2022

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
U.S. Avg.	**-**	**$93,200**	**9.5%**	**$25,000**	**$8,300**	**$16,600**
AK	At-Large	$87,600	5.2%	$8,400	$6,500	$1,900
AL	1	$73,400	6.6%	$13,600	$7,100	$6,500
AL	2	$64,700	5.3%	$9,700	$5,800	$3,900
AL	3	$66,600	6.8%	$10,100	$6,200	$3,900
AL	4	$68,000	4.8%	$11,800	$6,500	$5,200
AL	5	$83,600	8.1%	$11,300	$6,900	$4,400
AL	6	$106,100	12.0%	$17,800	$7,800	$10,000
AL	7	$52,000	5.5%	$9,300	$5,800	$3,500
AR	1	$59,600	4.4%	$12,300	$6,500	$5,800
AR	2	$77,600	7.1%	$18,500	$7,200	$11,300
AR	3	$95,000	6.7%	$36,100	$7,700	$28,400
AR	4	$58,500	4.3%	$10,800	$6,100	$4,600
AZ	1	$72,700	6.9%	$11,500	$6,700	$4,700
AZ	2	$77,000	7.0%	$14,000	$7,000	$7,000
AZ	3	$53,400	4.0%	$8,900	$6,000	$2,900
AZ	4	$71,800	8.0%	$10,700	$6,500	$4,100
AZ	5	$104,700	12.3%	$13,500	$7,300	$6,100
AZ	6	$148,300	15.3%	$26,600	$7,700	$18,900
AZ	7	$52,100	4.0%	$9,900	$5,800	$4,000

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
AZ	8	$83,600	9.7%	$10,100	$6,600	$3,600
AZ	9	$97,300	9.4%	$18,200	$7,200	$11,000
CA	1	$75,600	9.7%	$18,300	$8,100	$10,200
CA	2	$149,600	18.8%	$58,500	$9,200	$49,300
CA	3	$81,800	12.9%	$17,800	$8,600	$9,200
CA	4	$112,200	18.0%	$24,500	$8,900	$15,600
CA	5	$100,200	16.5%	$25,000	$8,800	$16,200
CA	6	$74,600	10.9%	$17,800	$8,500	$9,300
CA	7	$94,900	15.0%	$19,800	$8,800	$11,100
CA	8	$61,800	10.2%	$13,600	$8,500	$5,100
CA	9	$78,900	13.8%	$18,800	$9,000	$9,900
CA	10	$74,800	11.0%	$17,600	$8,600	$9,000
CA	11	$152,800	22.3%	$42,600	$9,300	$33,300
CA	12	$207,300	16.8%	$94,800	$10,400	$84,500
CA	13	$128,800	17.9%	$40,800	$9,300	$31,500
CA	14	$176,600	20.7%	$59,600	$10,300	$49,300
CA	15	$154,600	21.9%	$36,000	$9,500	$26,500
CA	16	$52,100	5.9%	$14,400	$8,000	$6,400
CA	17	$188,400	17.8%	$48,000	$9,500	$38,400
CA	18	$354,500	26.4%	$132,400	$10,000	$122,500
CA	19	$126,000	18.1%	$35,400	$9,500	$26,000
CA	20	$93,300	14.0%	$28,400	$9,000	$19,400
CA	21	$47,600	4.7%	$14,900	$8,300	$6,600
CA	22	$78,200	10.7%	$22,100	$8,400	$13,700
CA	23	$70,600	10.7%	$16,600	$8,800	$7,800
CA	24	$105,400	15.2%	$34,500	$8,700	$25,800
CA	25	$86,800	18.8%	$19,600	$9,200	$10,400
CA	26	$104,500	17.3%	$29,100	$9,000	$20,200
CA	27	$108,100	16.7%	$32,600	$9,100	$23,500
CA	28	$115,700	16.4%	$41,300	$9,100	$32,200
CA	29	$55,900	10.1%	$14,100	$8,700	$5,500
CA	30	$128,000	20.3%	$39,700	$9,100	$30,500
CA	31	$71,900	13.7%	$18,700	$9,000	$9,700
CA	32	$66,900	12.6%	$16,900	$9,000	$8,000
CA	33	$268,600	26.7%	$92,400	$9,800	$82,600

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
CA	34	$64,600	8.2%	$24,600	$8,600	$16,000
CA	35	$58,000	11.6%	$13,400	$9,000	$4,500
CA	36	$70,000	13.2%	$18,500	$8,500	$9,900
CA	37	$117,800	15.2%	$46,300	$8,800	$37,400
CA	38	$71,300	15.6%	$15,500	$9,100	$6,400
CA	39	$101,000	18.1%	$24,800	$9,200	$15,600
CA	40	$48,900	7.5%	$14,200	$8,800	$5,400
CA	41	$61,400	11.5%	$13,900	$8,700	$5,200
CA	42	$85,000	18.4%	$18,200	$9,200	$9,000
CA	43	$71,100	13.3%	$18,500	$8,700	$9,800
CA	44	$52,800	11.2%	$13,600	$8,600	$5,000
CA	45	$141,300	22.8%	$33,400	$9,200	$24,100
CA	46	$59,100	9.0%	$18,100	$8,700	$9,400
CA	47	$83,400	15.5%	$21,300	$9,000	$12,300
CA	48	$155,800	20.6%	$50,200	$9,100	$41,000
CA	49	$152,200	21.8%	$45,400	$9,200	$36,300
CA	50	$90,200	16.4%	$20,200	$8,900	$11,200
CA	51	$50,900	6.0%	$12,300	$8,400	$3,800
CA	52	$149,900	20.1%	$39,900	$9,200	$30,800
CA	53	$86,800	15.4%	$19,600	$9,000	$10,600
CO	1	$119,600	13.1%	$26,100	$8,400	$17,700
CO	2	$125,500	14.2%	$22,700	$8,400	$14,300
CO	3	$87,200	7.2%	$24,900	$7,500	$17,400
CO	4	$102,100	12.7%	$15,700	$8,100	$7,500
CO	5	$82,300	8.7%	$12,600	$7,300	$5,300
CO	6	$102,300	13.0%	$16,400	$8,100	$8,300
CO	7	$85,700	10.9%	$13,300	$7,800	$5,600
CT	1	$90,300	9.2%	$19,100	$8,900	$10,100
CT	2	$97,000	9.0%	$20,500	$9,000	$11,500
CT	3	$87,200	9.8%	$19,000	$9,100	$10,000
CT	4	$225,500	19.4%	$75,900	$9,700	$66,200
CT	5	$97,300	9.7%	$24,900	$9,100	$15,800
DC	At-Large	$136,100	20.4%	$33,000	$8,700	$24,300
DE	At-Large	$85,000	9.3%	$17,700	$7,700	$10,000
FL	1	$88,300	5.8%	$11,100	$6,200	$4,900

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
FL	2	$74,900	4.8%	$8,600	$6,100	$2,500
FL	3	$74,700	4.8%	$8,900	$6,300	$2,600
FL	4	$118,200	9.3%	$12,900	$7,200	$5,600
FL	5	$51,500	3.9%	$8,700	$5,200	$3,500
FL	6	$76,200	5.6%	$9,800	$6,400	$3,400
FL	7	$95,400	6.9%	$10,000	$6,600	$3,400
FL	8	$95,900	6.3%	$15,200	$6,500	$8,700
FL	9	$62,900	5.5%	$8,600	$6,500	$2,100
FL	10	$81,400	6.5%	$11,000	$6,700	$4,200
FL	11	$69,300	4.8%	$8,600	$6,100	$2,500
FL	12	$86,800	6.1%	$9,800	$6,800	$3,100
FL	13	$97,600	7.1%	$14,200	$6,800	$7,400
FL	14	$104,900	7.5%	$14,200	$7,400	$6,800
FL	15	$70,800	5.2%	$8,400	$5,900	$2,500
FL	16	$116,300	9.5%	$16,600	$7,200	$9,400
FL	17	$80,400	6.1%	$11,000	$6,500	$4,500
FL	18	$145,100	10.8%	$24,100	$7,600	$16,500
FL	19	$172,500	11.4%	$27,800	$7,500	$20,300
FL	20	$55,700	7.2%	$9,500	$7,100	$2,400
FL	21	$175,000	11.0%	$33,800	$7,500	$26,200
FL	22	$166,900	13.0%	$23,700	$8,000	$15,800
FL	23	$127,300	11.0%	$18,200	$8,000	$10,300
FL	24	$65,300	6.7%	$14,400	$7,800	$6,600
FL	25	$70,600	7.0%	$12,000	$8,100	$3,900
FL	26	$70,600	8.3%	$13,600	$8,200	$5,400
FL	27	$221,000	12.1%	$35,600	$8,500	$27,000
GA	1	$73,800	8.8%	$15,500	$7,600	$7,900
GA	2	$52,700	6.9%	$12,500	$6,600	$5,900
GA	3	$78,000	11.5%	$13,900	$7,400	$6,500
GA	4	$57,700	11.4%	$10,400	$7,400	$3,100
GA	5	$105,900	15.6%	$27,300	$8,300	$19,000
GA	6	$157,100	18.9%	$25,600	$8,800	$16,800
GA	7	$89,800	12.5%	$15,800	$8,400	$7,400
GA	8	$63,800	7.8%	$12,500	$6,800	$5,600
GA	9	$77,800	9.2%	$14,400	$7,600	$6,800

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
GA	10	$79,200	11.5%	$14,700	$7,800	$6,900
GA	11	$120,300	14.8%	$25,000	$8,400	$16,600
GA	12	$62,600	7.9%	$11,700	$6,900	$4,800
GA	13	$58,300	12.7%	$10,000	$7,100	$2,900
GA	14	$64,900	6.7%	$12,200	$7,300	$4,900
HI	1	$85,900	12.6%	$19,100	$8,000	$11,100
HI	2	$77,500	10.9%	$18,400	$7,800	$10,500
IA	1	$79,900	5.6%	$16,100	$7,400	$8,700
IA	2	$79,200	5.8%	$17,500	$7,800	$9,800
IA	3	$93,600	7.9%	$19,200	$8,300	$10,900
IA	4	$78,600	5.6%	$14,400	$7,000	$7,400
ID	1	$85,100	8.7%	$14,900	$7,600	$7,300
ID	2	$84,000	7.9%	$20,500	$7,800	$12,700
IL	1	$73,900	9.3%	$13,500	$7,800	$5,700
IL	2	$57,500	8.3%	$10,600	$7,600	$3,000
IL	3	$86,500	8.5%	$18,200	$8,700	$9,500
IL	4	$61,700	5.8%	$15,500	$8,600	$6,800
IL	5	$141,300	14.2%	$34,700	$9,200	$25,500
IL	6	$144,700	14.7%	$27,200	$9,100	$18,100
IL	7	$122,200	12.1%	$35,200	$8,800	$26,400
IL	8	$77,200	7.9%	$14,100	$8,700	$5,400
IL	9	$142,000	14.2%	$31,700	$9,000	$22,700
IL	10	$147,400	12.2%	$42,300	$9,300	$33,000
IL	11	$86,600	9.1%	$16,200	$8,700	$7,500
IL	12	$68,000	4.1%	$12,700	$7,500	$5,200
IL	13	$74,500	4.4%	$16,000	$7,700	$8,300
IL	14	$108,500	11.1%	$17,900	$9,000	$8,800
IL	15	$72,500	3.4%	$13,200	$7,300	$5,900
IL	16	$74,300	4.7%	$13,600	$8,000	$5,700
IL	17	$61,300	3.0%	$12,500	$7,100	$5,400
IL	18	$89,100	5.6%	$17,900	$8,100	$9,800
IN	1	$74,300	6.0%	$15,000	$7,700	$7,300
IN	2	$72,500	4.1%	$26,800	$7,700	$19,100
IN	3	$74,600	4.2%	$26,000	$7,800	$18,200
IN	4	$72,300	4.9%	$14,100	$7,500	$6,700

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
IN	5	$119,100	10.1%	$27,000	$8,500	$18,500
IN	6	$68,700	3.7%	$15,800	$7,600	$8,200
IN	7	$58,300	5.3%	$13,900	$6,600	$7,300
IN	8	$70,100	3.1%	$19,100	$7,400	$11,700
IN	9	$73,900	4.9%	$16,400	$7,800	$8,700
KS	1	$67,300	4.5%	$14,300	$7,400	$6,900
KS	2	$70,200	4.9%	$15,200	$7,700	$7,600
KS	3	$115,800	10.7%	$27,200	$8,700	$18,500
KS	4	$75,100	5.9%	$21,400	$7,800	$13,600
KY	1	$60,400	3.5%	$15,000	$7,200	$7,800
KY	2	$66,100	4.6%	$15,900	$7,700	$8,200
KY	3	$77,400	7.8%	$19,700	$8,000	$11,700
KY	4	$85,800	6.8%	$20,300	$8,500	$11,800
KY	5	$53,300	2.3%	$14,700	$7,200	$7,500
KY	6	$75,500	6.3%	$20,100	$8,100	$11,900
LA	1	$88,400	6.9%	$18,600	$7,400	$11,200
LA	2	$56,000	6.2%	$11,400	$6,300	$5,000
LA	3	$71,200	4.8%	$14,200	$6,600	$7,600
LA	4	$68,200	5.7%	$12,700	$6,400	$6,300
LA	5	$60,500	4.6%	$12,100	$6,200	$5,900
LA	6	$85,100	7.6%	$14,700	$7,100	$7,600
MA	1	$77,000	6.8%	$17,400	$8,100	$9,300
MA	2	$100,800	9.4%	$24,600	$8,500	$16,100
MA	3	$101,500	10.4%	$22,300	$8,900	$13,400
MA	4	$173,900	15.8%	$43,000	$9,300	$33,800
MA	5	$160,200	15.7%	$34,900	$9,200	$25,700
MA	6	$127,700	14.9%	$24,100	$9,100	$15,000
MA	7	$104,300	9.7%	$32,000	$8,500	$23,500
MA	8	$129,100	14.5%	$26,800	$9,000	$17,800
MA	9	$100,200	11.9%	$20,000	$8,600	$11,400
MD	1	$90,000	14.5%	$18,100	$8,500	$9,600
MD	2	$72,100	15.7%	$14,500	$8,300	$6,200
MD	3	$109,200	20.9%	$22,900	$8,800	$14,100
MD	4	$79,100	24.2%	$14,100	$8,400	$5,800
MD	5	$88,200	26.5%	$14,300	$8,700	$5,700

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
MD	6	$97,600	16.9%	$21,000	$8,800	$12,200
MD	7	$93,700	17.2%	$21,500	$8,600	$13,000
MD	8	$138,800	22.6%	$30,700	$9,000	$21,700
ME	1	$88,600	7.9%	$24,500	$8,500	$15,900
ME	2	$64,100	3.3%	$18,500	$7,900	$10,600
MI	1	$71,000	4.1%	$18,600	$7,700	$10,900
MI	2	$72,200	5.1%	$16,600	$8,300	$8,400
MI	3	$86,900	6.2%	$21,200	$8,400	$12,800
MI	4	$67,900	3.5%	$14,500	$7,500	$6,900
MI	5	$59,200	3.6%	$12,600	$7,400	$5,200
MI	6	$78,600	5.2%	$19,600	$8,100	$11,600
MI	7	$73,900	4.8%	$14,100	$8,000	$6,100
MI	8	$95,900	7.8%	$17,300	$8,600	$8,800
MI	9	$83,100	7.3%	$20,100	$8,200	$12,000
MI	10	$77,300	5.7%	$13,000	$8,000	$5,000
MI	11	$120,200	9.9%	$23,100	$8,700	$14,300
MI	12	$78,600	6.5%	$17,800	$8,400	$9,400
MI	13	$45,200	3.8%	$11,800	$6,800	$5,000
MI	14	$76,400	8.0%	$19,200	$8,100	$11,100
MN	1	$78,900	5.8%	$17,500	$7,700	$9,800
MN	2	$98,100	10.3%	$19,200	$8,400	$10,800
MN	3	$133,000	14.4%	$36,600	$8,900	$27,700
MN	4	$95,400	10.2%	$24,900	$8,600	$16,300
MN	5	$92,500	10.3%	$28,500	$8,600	$19,800
MN	6	$90,700	8.8%	$20,300	$8,400	$12,000
MN	7	$73,500	4.8%	$16,600	$7,400	$9,200
MN	8	$72,600	5.7%	$16,700	$7,900	$8,800
MO	1	$62,500	6.6%	$14,000	$7,400	$6,600
MO	2	$136,200	12.1%	$24,300	$8,600	$15,700
MO	3	$77,100	5.9%	$13,900	$7,800	$6,000
MO	4	$69,100	4.3%	$15,600	$7,400	$8,200
MO	5	$68,400	5.9%	$16,700	$7,800	$8,900
MO	6	$80,100	6.0%	$17,300	$8,000	$9,300
MO	7	$68,400	4.6%	$19,200	$7,200	$12,000
MO	8	$59,400	3.3%	$13,600	$6,800	$6,800

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
MS	1	$63,300	6.5%	$11,300	$6,600	$4,700
MS	2	$49,300	5.9%	$8,400	$5,600	$2,700
MS	3	$73,600	7.9%	$14,900	$6,900	$8,000
MS	4	$65,000	5.2%	$12,700	$6,700	$6,000
MT	At-Large	$82,700	8.0%	$21,300	$7,900	$13,400
NC	1	$58,800	5.1%	$12,200	$6,300	$5,800
NC	2	$117,600	12.0%	$21,000	$8,400	$12,600
NC	3	$68,500	5.4%	$14,500	$7,100	$7,400
NC	4	$106,500	11.8%	$20,300	$8,200	$12,200
NC	5	$66,200	5.4%	$14,400	$7,400	$7,000
NC	6	$79,100	7.7%	$19,100	$7,500	$11,600
NC	7	$81,700	7.2%	$17,500	$7,500	$10,000
NC	8	$68,400	6.1%	$13,900	$7,400	$6,600
NC	9	$111,400	11.3%	$23,700	$8,200	$15,400
NC	10	$79,300	6.5%	$18,100	$7,800	$10,300
NC	11	$74,800	6.8%	$16,400	$7,300	$9,100
NC	12	$96,600	10.8%	$23,100	$8,000	$15,100
NC	13	$66,600	4.9%	$14,500	$7,100	$7,300
ND	At-Large	$92,800	4.6%	$15,500	$6,300	$9,100
NE	1	$82,800	6.0%	$12,900	$8,000	$4,900
NE	2	$101,300	8.0%	$16,700	$8,800	$7,900
NE	3	$70,400	4.2%	$10,500	$6,600	$3,800
NH	1	$107,600	7.7%	$15,100	$8,300	$6,800
NH	2	$104,200	7.3%	$16,300	$8,400	$7,900
NJ	1	$84,100	10.5%	$18,700	$9,100	$9,600
NJ	2	$78,900	9.4%	$18,500	$8,500	$10,000
NJ	3	$94,300	13.1%	$18,900	$8,700	$10,200
NJ	4	$123,900	16.6%	$31,000	$9,100	$21,800
NJ	5	$143,300	18.6%	$38,000	$9,500	$28,500
NJ	6	$97,300	12.4%	$23,400	$9,300	$14,200
NJ	7	$172,800	17.9%	$47,600	$9,400	$38,200
NJ	8	$85,700	8.0%	$30,200	$9,000	$21,300
NJ	9	$84,800	10.6%	$29,800	$9,200	$20,700
NJ	10	$71,500	10.3%	$25,100	$9,400	$15,700
NJ	11	$160,200	19.8%	$38,300	$9,500	$28,800

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
NJ	12	$114,400	13.6%	$30,100	$9,200	$20,900
NM	1	$72,200	7.1%	$13,500	$7,600	$5,900
NM	2	$57,600	3.9%	$11,400	$6,400	$5,000
NM	3	$68,500	6.5%	$14,100	$7,200	$6,800
NV	1	$60,700	4.3%	$13,000	$5,600	$7,400
NV	2	$108,900	8.1%	$20,000	$6,600	$13,400
NV	3	$125,300	11.9%	$16,400	$6,700	$9,800
NV	4	$72,400	7.7%	$8,000	$6,100	$1,900
NY	1	$122,900	16.3%	$37,000	$9,300	$27,600
NY	2	$88,900	15.3%	$20,200	$9,600	$10,600
NY	3	$177,100	20.9%	$50,300	$9,500	$40,700
NY	4	$116,200	18.7%	$29,400	$9,600	$19,900
NY	5	$56,700	11.6%	$15,700	$9,000	$6,700
NY	6	$64,900	7.9%	$21,700	$9,000	$12,700
NY	7	$91,100	7.1%	$61,200	$9,000	$52,200
NY	8	$70,600	9.5%	$25,200	$8,900	$16,300
NY	9	$81,100	9.5%	$37,800	$9,000	$28,800
NY	10	$270,900	15.3%	$172,600	$10,700	$161,800
NY	11	$87,800	12.1%	$34,500	$9,100	$25,400
NY	12	$276,800	16.2%	$172,100	$11,100	$161,000
NY	13	$54,100	4.4%	$27,400	$8,700	$18,700
NY	14	$55,100	5.5%	$18,200	$8,800	$9,300
NY	15	$35,300	2.6%	$11,000	$8,300	$2,700
NY	16	$151,500	15.2%	$64,600	$9,600	$55,000
NY	17	$143,300	18.2%	$45,600	$9,400	$36,100
NY	18	$109,900	13.4%	$33,400	$9,400	$24,000
NY	19	$85,700	7.7%	$26,300	$8,900	$17,400
NY	20	$98,800	7.4%	$40,800	$8,900	$31,900
NY	21	$69,200	3.9%	$18,500	$8,300	$10,200
NY	22	$68,500	3.5%	$18,600	$8,200	$10,400
NY	23	$67,400	3.6%	$20,300	$8,200	$12,100
NY	24	$75,600	5.0%	$20,100	$8,600	$11,500
NY	25	$78,500	6.2%	$22,300	$8,600	$13,600
NY	26	$68,400	4.5%	$19,800	$8,300	$11,600
NY	27	$85,800	5.7%	$23,400	$8,600	$14,900

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
OH	1	$92,500	6.5%	$24,300	$8,100	$16,200
OH	2	$91,500	6.1%	$25,000	$8,200	$16,800
OH	3	$59,300	5.0%	$15,800	$7,300	$8,500
OH	4	$65,900	3.3%	$15,300	$6,900	$8,400
OH	5	$77,300	4.4%	$17,600	$7,600	$10,000
OH	6	$66,300	2.5%	$13,700	$6,700	$7,000
OH	7	$70,700	3.9%	$14,300	$7,300	$6,900
OH	8	$74,000	4.4%	$14,100	$7,500	$6,600
OH	9	$61,700	3.7%	$17,100	$7,500	$9,600
OH	10	$72,000	5.1%	$15,400	$7,800	$7,600
OH	11	$72,200	5.9%	$23,900	$7,900	$15,900
OH	12	$104,400	8.7%	$25,000	$8,600	$16,500
OH	13	$58,000	2.8%	$14,900	$6,900	$8,000
OH	14	$98,800	6.8%	$24,000	$8,200	$15,800
OH	15	$84,200	6.6%	$18,700	$8,300	$10,400
OH	16	$85,300	5.9%	$16,300	$8,000	$8,300
OK	1	$84,900	8.1%	$16,800	$7,700	$9,100
OK	2	$57,400	4.6%	$9,100	$6,100	$3,000
OK	3	$69,600	6.2%	$10,700	$6,600	$4,100
OK	4	$70,100	6.0%	$11,200	$6,800	$4,400
OK	5	$83,500	7.4%	$17,700	$7,500	$10,200
OR	1	$102,900	14.5%	$24,300	$9,000	$15,400
OR	2	$77,900	10.4%	$20,800	$8,200	$12,500
OR	3	$88,000	14.3%	$22,600	$9,000	$13,600
OR	4	$73,100	9.2%	$20,900	$8,200	$12,600
OR	5	$90,600	13.4%	$23,000	$8,700	$14,300
PA	1	$120,100	11.7%	$21,100	$8,700	$12,400
PA	2	$52,300	5.7%	$11,800	$8,100	$3,700
PA	3	$83,300	10.0%	$22,100	$8,300	$13,800
PA	4	$136,100	13.2%	$25,700	$8,600	$17,100
PA	5	$113,600	12.0%	$24,500	$8,500	$16,000
PA	6	$124,900	11.7%	$24,600	$8,700	$15,900
PA	7	$82,000	6.9%	$16,200	$8,300	$7,900
PA	8	$67,500	4.2%	$14,400	$8,000	$6,400
PA	9	$71,900	4.3%	$14,100	$7,800	$6,300

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
PA	10	$81,000	6.3%	$17,600	$8,500	$9,200
PA	11	$81,800	7.1%	$15,800	$7,700	$8,100
PA	12	$71,400	3.7%	$15,100	$7,600	$7,600
PA	13	$67,800	3.7%	$14,300	$7,400	$6,900
PA	14	$82,100	4.1%	$16,800	$7,900	$8,900
PA	15	$67,200	2.4%	$14,200	$7,200	$7,100
PA	16	$72,100	3.6%	$17,600	$7,700	$9,800
PA	17	$102,000	6.7%	$22,700	$8,400	$14,200
PA	18	$81,100	5.1%	$21,100	$8,200	$12,900
RI	1	$86,800	8.1%	$22,200	$8,500	$13,600
RI	2	$83,500	8.2%	$18,000	$8,500	$9,500
SC	1	$109,200	11.9%	$23,200	$8,100	$15,100
SC	2	$78,100	8.1%	$14,600	$7,600	$7,100
SC	3	$67,200	5.7%	$14,600	$7,400	$7,200
SC	4	$80,700	7.7%	$17,700	$7,900	$9,800
SC	5	$74,100	7.2%	$14,200	$7,600	$6,600
SC	6	$54,000	5.1%	$12,300	$6,900	$5,400
SC	7	$65,900	5.6%	$14,400	$7,100	$7,200
SD	At-Large	$88,400	4.4%	$10,500	$6,400	$4,200
TN	1	$65,000	3.1%	$7,300	$5,600	$1,700
TN	2	$91,200	5.0%	$9,800	$5,900	$3,900
TN	3	$79,500	4.6%	$10,000	$6,100	$4,000
TN	4	$70,400	4.2%	$6,800	$5,400	$1,400
TN	5	$106,700	8.1%	$13,600	$6,600	$6,900
TN	6	$78,400	4.8%	$7,100	$5,600	$1,500
TN	7	$104,200	7.5%	$11,700	$6,700	$5,100
TN	8	$94,600	7.3%	$10,300	$6,900	$3,400
TN	9	$51,100	5.7%	$7,100	$5,700	$1,300
TX	1	$73,800	5.2%	$9,300	$6,600	$2,600
TX	2	$112,000	10.1%	$13,500	$8,200	$5,400
TX	3	$136,600	12.6%	$13,500	$8,600	$5,000
TX	4	$81,800	7.2%	$10,400	$7,500	$3,000
TX	5	$70,700	6.7%	$10,900	$7,700	$3,200
TX	6	$77,900	8.8%	$9,800	$7,600	$2,200
TX	7	$173,800	11.4%	$22,300	$8,600	$13,700

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
TX	8	$108,300	9.8%	$13,000	$8,400	$4,600
TX	9	$50,800	5.5%	$9,600	$7,200	$2,400
TX	10	$112,700	9.8%	$14,200	$8,400	$5,800
TX	11	$102,700	5.5%	$11,000	$7,100	$3,900
TX	12	$100,000	9.3%	$14,400	$7,900	$6,500
TX	13	$75,200	4.9%	$8,900	$6,500	$2,300
TX	14	$83,700	7.7%	$10,400	$7,700	$2,700
TX	15	$56,200	3.7%	$9,700	$7,900	$1,800
TX	16	$59,900	3.5%	$10,800	$7,900	$2,900
TX	17	$78,000	5.9%	$11,900	$7,600	$4,300
TX	18	$75,800	7.2%	$12,400	$7,600	$4,800
TX	19	$74,900	4.8%	$9,000	$6,600	$2,400
TX	20	$59,100	4.4%	$9,600	$7,400	$2,200
TX	21	$135,600	11.2%	$16,400	$8,300	$8,100
TX	22	$112,500	11.0%	$12,800	$8,700	$4,100
TX	23	$76,100	5.9%	$11,600	$7,900	$3,700
TX	24	$125,900	10.3%	$15,100	$8,300	$6,700
TX	25	$152,200	11.8%	$18,700	$8,500	$10,200
TX	26	$117,600	12.3%	$13,100	$8,500	$4,600
TX	27	$71,000	4.9%	$9,500	$7,100	$2,400
TX	28	$54,400	3.3%	$8,700	$7,200	$1,500
TX	29	$46,500	4.2%	$8,600	$7,200	$1,400
TX	30	$74,300	6.8%	$14,700	$7,000	$7,700
TX	31	$96,400	8.2%	$11,700	$8,100	$3,500
TX	32	$167,300	12.3%	$23,700	$8,500	$15,100
TX	33	$44,700	3.1%	$8,200	$6,100	$2,100
TX	34	$51,100	2.5%	$8,100	$6,600	$1,500
TX	35	$62,100	4.7%	$10,600	$7,500	$3,100
TX	36	$76,200	6.4%	$9,400	$7,500	$2,000
UT	1	$96,400	12.8%	$21,900	$8,400	$13,500
UT	2	$86,600	12.1%	$18,800	$8,200	$10,600
UT	3	$107,600	16.8%	$21,900	$8,600	$13,300
UT	4	$86,700	13.9%	$13,700	$8,300	$5,400
VA	1	$95,900	15.1%	$14,500	$8,400	$6,100
VA	2	$88,100	10.7%	$18,400	$7,900	$10,500

State	Cong. District	Average Income, All Filers	% of All Filers with SALT Claim	SALT Eligible Taxes Before Cap, per Claimant	SALT Deduction After Cap, per Claimant	SALT-Eligible Taxes—Deduction Claimed, per Claimant
VA	3	$63,300	9.4%	$11,700	$7,200	$4,500
VA	4	$78,800	10.9%	$19,700	$7,500	$12,100
VA	5	$85,900	8.8%	$23,500	$8,000	$15,500
VA	6	$72,700	6.7%	$15,500	$7,500	$8,000
VA	7	$96,900	12.1%	$17,000	$8,000	$9,000
VA	8	$137,600	21.6%	$25,700	$9,100	$16,600
VA	9	$62,600	3.8%	$15,400	$7,400	$8,000
VA	10	$158,400	22.8%	$27,100	$9,200	$17,800
VA	11	$120,700	20.3%	$20,200	$9,000	$11,200
VT	At-Large	$81,100	5.8%	$27,600	$8,500	$19,200
WA	1	$174,700	16.7%	$14,200	$8,500	$5,600
WA	2	$93,200	10.8%	$9,800	$7,400	$2,400
WA	3	$91,500	9.5%	$12,300	$7,400	$4,900
WA	4	$71,500	5.5%	$8,000	$6,500	$1,500
WA	5	$81,100	6.1%	$10,100	$6,900	$3,200
WA	6	$94,600	10.1%	$10,500	$7,400	$3,100
WA	7	$159,000	17.3%	$14,300	$8,500	$5,800
WA	8	$121,100	14.9%	$12,100	$8,400	$3,700
WA	9	$134,300	14.0%	$13,700	$8,400	$5,300
WA	10	$82,200	9.2%	$9,400	$7,400	$2,000
WI	1	$83,700	6.6%	$17,900	$8,300	$9,700
WI	2	$95,200	8.1%	$20,500	$8,600	$11,900
WI	3	$73,200	4.4%	$16,500	$7,700	$8,800
WI	4	$63,800	5.2%	$21,700	$8,100	$13,600
WI	5	$99,600	8.5%	$20,400	$8,300	$12,100
WI	6	$83,900	5.5%	$21,300	$7,900	$13,400
WI	7	$76,300	5.0%	$16,300	$7,800	$8,500
WI	8	$83,100	4.8%	$20,900	$7,900	$13,000
WV	1	$70,000	3.2%	$20,400	$7,900	$12,500
WV	2	$68,000	4.5%	$15,600	$7,800	$7,700
WV	3	$58,000	2.2%	$18,100	$7,500	$10,600
WY	At-Large	$105,700	5.2%	$19,700	$6,000	$13,700

Source: IRS, *SOI Income Tax Stats, Data by Congressional District, Tax Year 2022*. Calculations performed by CRS.

Notes: Dollar amounts reflect changes in taxable income, not changes in tax liability. Income categories reflect an adjusted gross income (AGI) concept. Calculations exclude taxpayers with negative incomes. Dollar amounts rounded to the nearest hundred. District boundaries are based on those used for the 117th Congress.

Author Information

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