

Estimated Impact of Repealing 6.2% FICA Deduction

Income	Increase in Alabama income tax (if itemizing)	Decrease in federal income tax (if itemizing)	Net tax increase
\$30,000	\$93	\$14	\$79
\$40,000	\$124	\$19	\$105
\$50,000	\$155	\$23	\$132
\$60,000	\$186	\$47	\$140
\$70,000	\$217	\$54	\$163
\$80,000	\$248	\$62	\$186
\$90,000	\$279	\$70	\$209
\$100,000	\$310	\$78	\$233
\$110,000	\$341	\$85	\$256
\$ 118,500	\$367	\$92	\$276
Notes:			
Taxpayers not affected:			
<ul style="list-style-type: none"> • Approximately 50% of taxpayers who do not itemize their deduction • Others who do not pay Social Security tax, including retirees 			
Alabama is one of four states that allow any deduction for FICA taxes paid (AL, IO, MA and MO).			
For 2015, the 6.2% FICA tax is not levied on income in excess of \$118,500.			
This chart assumes that those individuals with an income of \$60,000 or more are in the 25% federal income tax bracket and individuals with an income of \$50,000 or less are in the 15% federal income tax bracket.			