

TAXES

Table 7.11
STATE SALES TAX RATES AND FOOD AND DRUG EXEMPTIONS
(As of January 1, 2014)

State or other jurisdiction	Tax rate (percentage)	Exemptions		
		Food (a)	Prescription drugs	Nonprescription drugs
Alabama	4.0		★	
Alaska	none			
Arizona	5.6	★	★	
Arkansas	6.5	1.5% (f)	★	
California	7.5 (b)	★	★	
Colorado	2.9	★	★	
Connecticut	6.35	★	★	
Delaware	none			
Florida	6.0	★	★	★
Georgia	4.0	★(f)	★	
Hawaii	4.0		★	
Idaho	6.0		★	
Illinois	6.25	1%	1%	1%
Indiana	7.0	★	★	
Iowa	6.0	★	★	
Kansas	6.2		★	
Kentucky	6.0	★	★	
Louisiana	4.0	★(f)	★	
Maine	5.5	★	★	
Maryland	6.0	★	★	★
Massachusetts	6.25	★	★	
Michigan	6.0	★	★	
Minnesota	6.875	★	★	★
Mississippi	7.0		★	
Missouri	4.225	1.225%	★	
Montana	none		★	
Nebraska	5.5	★	★	
Nevada	6.85 (c)	★	★	
New Hampshire	none			
New Jersey	7.0	★	★	★
New Mexico	5.125	★	★	
New York	4.0	★	★	★
North Carolina	4.75	★(f)	★	
North Dakota	5.0	★	★	
Ohio	5.75	★	★	
Oklahoma	4.5		★	
Oregon	none			
Pennsylvania	6.0	★	★	★
Rhode Island	7.0	★	★	
South Carolina	6.0	★	★	
South Dakota	4.0		★	
Tennessee	7.0	5.0%	★	
Texas	6.25	★	★	★
Utah	5.95 (d)	1.75% (f)	★	
Vermont	6.0	★	★	★
Virginia	5.3 (e)	2.5% (e)	★	★
Washington	6.5	★	★	
West Virginia	6.0	★	★	
Wisconsin	5.0	★	★	
Wyoming	4.0	★	★	
Dist. of Columbia	5.8	★	★	★

Source: Compiled by FTA from various sources. January 2014.

Key:

★ — Indicates exempt from tax, blank indicates subject to general sales tax rate.

(a) Some states tax food, but allow a rebate or income tax credit to compensate poor households. They are: Hawaii, Idaho, Kansas, Oklahoma and South Dakota.

(b) The tax rate may be adjusted annually according to a formula based on balances in the unappropriated general fund and the school foundation fund.

(c) Nevada sales tax rate scheduled to decrease to 6.5% on July 1, 2015.

(d) Includes statewide tax of 1.25 percent levied by local governments in Utah. Food sales subject to local taxes.

(e) Includes statewide 1.0% tax levied by local governments in Virginia.

(f) Food sales subject to local taxes. Includes a statewide 1.25% tax levied by local governments in Utah.

Table 7.12
STATE INDIVIDUAL INCOME TAXES
(Tax rates for tax year 2014—as of January 1, 2014)

State or other jurisdiction	Tax rate range (in percents)		Number of brackets	Income brackets		Personal exemptions			Federal income tax deductible
	Low	High		Lowest	Highest	Single	Married	Dependents	
Alabama.....	2.0	– 5.0	3	500 (b)	– 3,001 (b)	1,500	3,000	500 (e)	★
Alaska.....	(No state income tax)								...
Arizona.....	2.59	– 4.54	5	10,000 (b)	– 150,001 (b)	2,100	4,200	2,100	...
Arkansas (a).....	1.0	– 7.0	6	4,199	– 34,600	26 (c)	52 (c)	26 (c)	...
California (a).....	1.0	12.3 (f)	9	7,582 (b)	– 508,500 (b)	106 (c)	212 (c)	326 (c)	...
Colorado.....	4.63		1	Flat rate		3,950 (d)	7,900 (d)	3,950 (d)	...
Connecticut.....	3.0	– 6.7	6	10,000 (b)	– 250,000 (b)	13,000 (g)	24,000 (g)	0	...
Delaware.....	2.2	– 6.6	6	5,000	– 60,001	110 (c)	220 (c)	110 (c)	...
Florida.....	(No state income tax)								...
Georgia.....	1.0	– 6.0	6	750 (h)	– 7,001 (h)	2,700	5,400	3,000	...
Hawaii.....	1.4	– 11.00	12	2,400 (b)	– 200,001 (b)	1,040	2,080	1,040	...
Idaho (a).....	1.6	– 7.4	7	1,409 (b)	– 10,568 (b)	3,950 (d)	7,900 (d)	3,950 (d)	...
Illinois.....	5.0		1	Flat rate		2,000	4,000	2,000	...
Indiana.....	3.4		1	Flat rate		1,000	2,000	2,500 (i)	...
Iowa (a).....	0.36	– 8.98	9	1,515	– 68,175	40 (c)	80 (c)	40 (c)	★
Kansas.....	2.7	– 4.8 (j)	2	15,000 (b)		2,250	4,500	2,250	...
Kentucky.....	2.0	– 6.0	6	3,000	– 75,001	20 (c)	40 (c)	20 (c)	...
Louisiana.....	2.0	– 6.0	3	12,500 (b)	– 50,001 (b)	4,500 (k)	9,000 (k)	1,000	★
Maine (a).....	0.0	– 7.95	3	5,200 (b)	– 20,900 (b)	3,900	7,800	3,900	...
Maryland.....	2.0	– 5.75	8	1,000 (l)	– 250,000 (l)	3,200	6,400	3,200	...
Massachusetts (a).....	5.20		1	Flat rate		4,400	8,800	1,000	...
Michigan (a).....	4.25		1	Flat rate		3,950	7,900	3,950	...
Minnesota (a).....	5.35	– 9.85	4	24,680 (m)	– 152,541 (m)	3,950 (d)	7,900 (d)	3,950 (d)	...
Mississippi.....	3.0	– 5.0	3	5,000	– 10,001	6,000	12,000	1,500	...
Missouri.....	1.5	– 6.0	10	1,000	– 9,001	2,100	4,200	1,200	★(n)
Montana (a).....	1.0	– 6.9	7	2,700	– 16,400	2,280	4,560	2,280	★(n)
Nebraska (a).....	2.46	– 6.84	4	3,000 (b)	– 29,000 (b)	128 (c)	256 (c)	128 (c)	...
Nevada.....	(No state income tax)								...
New Hampshire.....	(State income tax of 5% on dividends and interest income only.)								...
New Jersey.....	1.4	– 8.97	6	20,000 (o)	– 500,000 (o)	1,000	2,000	1,500	...
New Mexico.....	1.7	– 4.9	4	5,500 (p)	– 16,001 (p)	3,950 (d)	7,900 (d)	3,950 (d)	...
New York.....	4.0	– 8.82	8	8,200 (b)	– 1,029,250 (b)	0	0	1,000	...
North Carolina.....	5.8		1	Flat rate		None			...
North Dakota (a).....	1.22	– 3.22	5	36,900 (q)	– 405,100 (q)	3,950 (d)	7,900 (d)	3,950 (d)	...
Ohio (a).....	0.053	5.392	9	5,000	– 200,000	1,650 (r)	3,400 (r)	1,700 (r)	...
Oklahoma.....	0.5	– 5.25	7	1,000 (s)	– 8,701 (s)	1,000	2,000	1,000	...
Oregon (a).....	5.0	– 9.9	4	3,250 (b)	– 125,000 (b)	191 (c)	382 (c)	191 (c)	★(n)
Pennsylvania.....	3.07		1	Flat rate		None			...
Rhode Island (a).....	3.75	– 5.99	3	59,600	– 135,500	3,800	7,600	3,800	...
South Carolina (a).....	0.0	– 7.0	6	2,880	– 14,400	3,950 (d)	7,900 (d)	3,950 (d)	...
South Dakota.....	(No state income tax)								...
Tennessee.....	(State income tax 6% on dividends and interest income only.)								...
Texas.....	(No state income tax)								...
Utah.....	5.0		1	Flat rate		(t)	(t)	(t)	...
Vermont (a).....	3.55	– 8.95	5	36,900 (u)	– 405,100 (u)	3,950 (d)	7,900 (d)	3,950 (d)	...
Virginia.....	2.0	– 5.75	4	3,000	– 17,001	930	1,860	930	...
Washington.....	(No state income tax)								...
West Virginia.....	3.0	– 6.5	5	10,000	– 60,000	2,000	4,000	2,000	...
Wisconsin (a).....	4.4	– 7.65	4	7,500 (v)	– 225,000 (v)	700	1,400	700	...
Wyoming.....	(No state income tax)								...
Dist. of Columbia.....	4.0	– 8.95	4	10,000	– 350,000	1,675	3,350	1,675	...

See footnotes at end of table.