

**Table 7.11b**  
**STATE SALES TAX RATES AND VENDOR DISCOUNTS**  
**(As of January 1, 2017)**

State or other jurisdiction	State sales tax rate	Rank	Vendor discount	Max/Min
Alabama	4.0%	41	5.0%-2.0% (a)	\$400/month (max)
Alaska			N/A	
Arizona	5.6%	28	1.0%	\$10,000/year (max)
Arkansas	6.5%	9	2.0%	\$1,000/month (max)
California	7.25%	1	None	
Colorado	2.9%	46	3.33% (d)	
Connecticut	6.35%	12	None	
Delaware			N/A	
Florida	6.0%	16	2.5%	\$30/report (max)
Georgia	4.0%	41	3.0%-0.5% (a)	
Hawaii	4.0%	41	None	
Idaho	6.0%	16	None (e)	
Illinois	6.25%	13	1.75%	\$5/year (min)
Indiana (b)	7.0%	2	0.73% (b)	
Iowa	6.0%	16	None	
Kansas	6.50%	9	None	
Kentucky	6.0%	16	1.75%-1.5% (a)	\$50/month (max)
Louisiana (i)	5.0%	32	0.748%	
Maine	5.5%	29	None (5)	
Maryland	6.0%	16	1.2%-0.90% (a)	\$500/return (max)
Massachusetts	6.25%	13	None	
Michigan	6.0%	16	0.5% (f)	\$6/month (min), \$15,000/month (max)
Minnesota	6.875%	6	None	
Mississippi	7.0%	2	2.0%	\$50/month (max)
Missouri	4.225%	39	2.0%	
Montana			N/A	
Nebraska	5.5%	29	2.5%	\$75/month (max)
Nevada	6.85%	6	0.25%	
New Hampshire (k)			N/A	
New Jersey (i)	6.875%	6	None	
New Mexico	5.125%	31	None	
New York	4.0%	41	5.0%	\$200/quarter (max)
North Carolina	4.75%	35	None	
North Dakota	5.0%	32	1.5%	\$110/month (max)
Ohio	5.75%	26	0.75%	
Oklahoma	4.5%	37	1.0%	\$2,500/month (max)
Oregon			N/A	
Pennsylvania	6.0%	16	1.0%	\$25/month (min)
Rhode Island	7.0%	2	None	
South Carolina	6.0%	16	3.0%-2.0% (a)	\$10,000/year (max)
South Dakota	4.5%	37	1.5% (j)	\$70/month (max)
Tennessee	7.0%	2	None	
Texas	6.25%	13	0.5% (g)	
Utah (c)	4.7%	35	1.31%	
Vermont	6.0%	16	None (e)	
Virginia (c)	4.3%	39	1.6%-0.8% (h)	
Washington	6.5%	9	None	
West Virginia	6.0%	16	None	
Wisconsin	5.0%	32	0.5%	\$10/period (min), \$1,000 (max)
Wyoming	4.0%	41	1.95%-1.0% (a)	\$500/month (max)
Dist. of Columbia	5.75%	26	None	
U. S. Median	5.75%			<b>28 states allow vendor discounts</b>

Source: Compiled by FTA from various sources., January 2017.

Key:

(a) In some states, the vendors' discount varies by the amount paid. In AL and SC, the larger discounts apply to the first \$100. In GA, the larger discount applies to the first \$3,000. In KY, the larger discounts apply to the first \$1,000, while MD applies the larger discount to annual collections of \$6,000. In WY, the larger discount applies to the first \$6,250. The lower discounts apply to the remaining collections above these amounts.

(b) Utilities are not permitted to take discount. Collection allowances are 0.73% if total sales tax collected is less than \$60,000; 0.53% if total taxes is between \$60,000 and \$600,000; 0.26% if total sales tax collected is more than \$600,000.

(c) Rate does not include a statewide local rate of 1.0% in VA and 1.25% in UT. In UT, a discount of 1% is applicable to local taxes.

(d) Local option sales tax discount varies from 0% to 3.33%.

(e) Vendors are allowed to keep any excess collections prescribed under the bracket system.

(f) Vendor discount only applies to the first 4.0% of the tax. A 0.75% discount if paid by the 12th of the month.

(g) An additional discount of 1.25% applies for early payment.

(h) Discount varies; 1.1% (1.6% for food) of the first \$62,500, 0.84% (1.2%) of the amount to \$208,000, and 0.56% (0.8%) of the remainder. Applies to the state tax only. No discount allowed on electronically file returns.

(i) New Jersey rate scheduled to decrease to 6.625% on 1/1/18, Louisiana rate will decrease to 4% on 7/1/18.

(j) Electronic Filers only.

(k) New Hampshire imposes a 9% tax on meals and rooms, with a vendor discount of 3%.