

Table 16. Rates of Selected Major State Taxes, July 2004

State	Retail Sales		Personal Income [1]				Corporation Income %	Gasoline Per Gal. (cents)	Cigarette Per Pkg. (\$/pack)
	State Rate %	Maximum Local Rate %	Lowest Bracket	Rate %	Highest Bracket	Rate %			
Alabama.....	4	7	1st \$500	2	Over \$3,000	5 [2]	6.5	18[2]	0.425 [2]
Alaska.....	--	7	--	--	--	--	1 to 9.4	8	1.00 [3]
Arizona.....	5.6	4.5	1st \$10,000	2.87	Over \$150,000	5.04	6.968	18	1.18
Arkansas.....	6	5.5	1st \$3,999	1	Over \$27,500	7	1 to 6.5 [2]	21.5	0.59
California.....	6.25	2.5	1st \$5,962	1	Over \$39,133	9.3 [2]	8.84	18 [2]	0.87
Colorado.....	2.9	7	4.63% of federal taxable income				4.63	22	0.20
Connecticut....	6	--	1st \$10,000	3	Over \$10,000	5	7.5	25	1.51
Delaware.....	--	--	\$2,000-5,000	2.2	Over \$60,000	5.95 [2]	8.7	23	0.55
Florida.....	6	1.5	--	--	--	--	5.5	14.3 [2]	0.339
Georgia.....	4	3	1st \$750	1	Over \$7,000	6	6	7.5	0.37
Hawaii.....	4	--	1st \$2,000	1.4	Over \$40,000	8.25	4.4 to 6.4	16 [2]	1.40
Idaho.....	6	3	1st \$1,104	1.6	Over \$22,074	7.8	7.6	25	0.57
Illinois.....	6.25	3	3% of taxable income				7.3	19.8 [2]	0.98 [2]
Indiana.....	6 (3)	--	3.4% of adjusted gross income [2]				8.5	18	0.555
Iowa.....	5	2	1st \$1,211	0.36	Over \$54,495	8.98	6 to 12	20.3	0.36
Kansas.....	5.3	3	1st \$15,000	3.5	Over \$30,000	6.45	4 to 7.35 [2]	24	0.79
Kentucky.....	6	--	1st \$3,000	2	Over \$8,000	6 [2]	4 to 8.25 [2]	16.4	0.03
Louisiana.....	4	6.25	1st \$12,500	2	Over \$25,000	6	4 to 8	20	0.36
Maine.....	5	--	1st \$4,250	2	Over \$16,950	8.5	3.5 to 8.93	24.6	1.00
Maryland.....	5	--	1st \$1,000	2	Over \$3,000	4.75 [2]	7	23.5	1.00
Massachusetts.	5	--	5.3% of taxable income				9.5	21	1.51
Michigan.....	6	--	3.9% of adjusted gross income [2]				1.9 [4]	19	2.00
Minnesota.....	6.5	1	1st \$19,440	5.35	Over \$63,860	7.85	9.8	20	0.48
Mississippi.....	7	0.25	1st \$5,000	3	Over \$10,000	5	3 to 5	18.4	0.18
Missouri.....	4.225	4.5	1st \$1,000	1.5	Over \$9,000	6 [2]	6.25	17.03	0.17[2]

Sources: Federation of Tax Administrators; "State Tax Guide," Commerce Clearing House, Inc.; Energy Information Administration; Research Institute of America (RIA)

NOTE: This table is intended only as a general guide. Tax rates may change frequently, and some changes are only in effect temporarily. Also, there may be differences of interpretation whether a tax is considered as a state tax or a state-collected local tax and whether a rate has been implemented or merely authorized.

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	State Rate %	Maximum Local Rate %	Lowest Bracket	Rate %	Highest Bracket	Rate %			
Montana.....	--	--	1st \$2,199	2	Over \$76,199	11	6.75	27	0.7
Nebraska.....	5.5	1.5	1st \$2,400	2.56	Over \$26,500	6.84	5.58 to 7.81	25.7	0.64
Nevada.....	6.5	1	--	--	--	--	--	24	0.8
New Hampshire.	--	--	Interest and dividends - 5%				8.5	19.5	0.52
New Jersey.....	6	--	1st \$20,000	1.4	Over \$75,000	6.37 [2]	7.25 to 9.0	14.5	2.40 [2]
New Mexico.....	5	2.25	1st \$5,500	1.7	Over \$26,000	6.8	4.8 to 7.6	18.9	0.91
New York.....	4.25	4.5	1st \$8,000	4	Over \$500,000	6.85 [2]	7.5 [2]	22.6	1.50 [2]
North Carolina...	4.5	3	1st \$12,750	6	Over \$120,000	8.25	6.9	24.55	0.05
North Dakota.....	5	2.5	1st \$28,400	2.1	Over \$311,950	5.54	3 to 10.5	21	0.44
Ohio.....	6	2	1st \$5,000	0.743	Over \$200,000	7.5 [2]	5.1 to 8.5 [2]	26	0.55
Oklahoma.....	4.5	6	1st \$1,000	0.5	Over \$10,000	6.75	6	17	0.23
Oregon.....	--	--	1st \$2,600	5	Over \$6,500	9 [2]	6.6 [2]	24 [2]	1.28
Pennsylvania....	6	1	3.07% of taxable income [2]				9.99 [2]	26.2	1.35
Rhode Island.....	7	--	25% of federal tax				9	31	1.71
South Carolina...	5	2	1st \$2,400	2.5	Over \$12,300	7	5	16	0.07
South Dakota....	4	2	--	--	--	--	--	22 [2]	0.53
Tennessee.....	7[5]	2.75	Interest and dividends - 6%				6.5	21.4	0.20 [2]
Texas.....	6.25	2	--	--	--	--	4.5 [6]	20	0.41
Utah.....	4.75	2.25	1st \$863	2.3	Over \$4,313	7	5	24.5	0.695
Vermont.....	6	1	1st \$29,050	3.6	Over \$319,100	9.5	7.0 to 9.75	20	1.19
Virginia.....	4 [7]	1	1st \$3,000	2	Over \$17,000	5.75	6	17.5 [2]	0.025 [2]
Washington.....	6.5	2.4	--	--	--	--	--	28	1.425
West Virginia....	6	--	1st \$10,000	3	Over \$60,000	6.5	9	25.35	0.55
Wisconsin.....	5	0.6	1st \$8,610	4.6	Over \$129,150	6.75	7.9	28.5	0.77
Wyoming.....	4	2	--	--	--	--	--	14	0.6

[1] Generally the brackets indicated apply to single taxpayers, but most states allow or require joint return filers to split their income.
 [2] Local units of government may impose additional taxes.
 [3] Alaska's cigarette tax goes to \$1.60 on 1/1/2005, to \$1.80 on 1/1/2006 and to \$2.00 1/1/2007.
 [4] Michigan's single business (value-added) tax expires after 2009.
 [5] Tennessee's local sales tax (2.5%) on sales between \$1,600 - \$3,200 is shifted to the state.
 [6] Corporations pay the higher of a capital stock tax or 4.5% of net taxable earned surplus (income).
 [7] Virginia's state sales tax increased to 4.0% on 9/1/2004.