

COMPARATIVE STATE & LOCAL TAXES

FISCAL YEAR 2021

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Introduction

Over the years, Washington decision-makers and stakeholders have expressed interest in the state's relative tax position among the states. Are taxes in Washington particularly high or low compared with other states? To help answer this question, the Department of Revenue has published *Comparative State and Local Taxes* annually since 1960. While the report's content evolved over time, the heart of the report compiles economic data from several sources, allowing users to access state economic data all in one place.

This report consists of 17 tables and four charts. Major topics are as follows:

- Average tax payment (per capita)
- Tax burden measured against personal income
- Tax burden measured against state GDP

Other topics include tax rates, percentage reliance on certain major tax types, and gasoline taxes.

There are several ways to measure a state's tax burden. Below, we describe the three measures presented in this report.

Average tax payment (per capita)

This popular and simple method requires dividing total taxes by total state population. Tax collections include taxes paid by businesses, which may not correspond to what the typical individual pays directly.

Importantly, the per capita measure does not suggest anything about the relationship between the tax burden and the state economy. For instance, Connecticut ranked number 8 nationally for its tax burden in 1990. However, when measuring its collections as a percentage of personal income, it ranked at 49.¹ We turn to economic base-related measures to better understand tax in the context of a state's economy.

Economic base measures

In this report, we present two measures comparing a state's revenues with its economic base. The first is the tax burden as a percentage of personal income. Dividing total collections by total personal income provides more information on taxpayers' ability to pay than the per capita measure. However, it does not reflect certain types of economic activity, particularly the amount of goods and services produced.

The second economic base measurement compares tax burden with gross domestic product (GDP). GDP measures the value of goods and services produced within a state, thus reflecting the entire economic base upon which a state can impose taxes. However, it excludes certain types of personal income, such as food stamps, Medicare, and retirement income, so it understates income and buying power.

¹ Federation of Tax Administrators (1992). *FTA examines tax level measurement methods*.
https://www.taxadmin.org/assets/docs/Research/Rates/tax_burden_method.pdf

Limitations for measures of tax burden

As no single measure is perfect, our reported tax burden measures have three important limitations. First, these measures do not compare the amount of taxes paid by households and businesses. Similarly, the actual incidence of the property tax and other major taxes by taxpayer type is unknown.

Second, initial tax burdens may shift to other entities. Business taxes are particularly susceptible to shifting, either forward to consumers (increased prices) or backward to owners (reduced earnings) and workers (lower wages). Tax burdens may also shift to households or businesses in other states. For example, due to petroleum tax revenues, Alaska has a high tax burden. However, consumers in other locations pay a portion of this tax because the price of oil includes the tax.

Third, these measures fail to describe the distributional effects of a state's tax system. Each reflects a statewide average instead of informing how tax burdens vary across individuals or businesses. When described for different income groups, this variation in tax burden refers to how "progressive" or "regressive" a tax structure is.²

State tax structures vary

Regardless of the preferred measure, we might expect tax burden trends to be associated with a state's tax structure. Each state imposes a unique mix of taxes, such as those on personal income, corporate income, and retail sales. In this report, we present tables to inform the reader about this variation across states. Topics covered include tax rates, percentage reliance on certain major tax types, and gasoline taxes.

Washington's tax burden has declined since 1960

When measured against personal income, Washington's tax burden has varied considerably since we began publishing this report in 1960. Variation has resulted from changes in taxes, which taxes are imposed, modifications to taxes, and economic trends. While we observe both growth and decline over the past sixty years, the past decade has a lower tax burden than the first in terms of personal income percentage and Washington's national ranking.

In the 1960s, average tax burdens of about \$115 (rank 18) were typical for Washington.³ During the following decade, consumer expenditure growth exceeded the income growth rate. The result was a higher tax burden, reaching \$127 in 1978, while Washington's standing among the states held steady, at rank 17.⁴

During the 1980s, Washington experienced dynamic shifts in the economy, which was evident in tax burden measures, which declined in response to tax reforms,⁵ a recession, and growth in personal income. The state saw its lowest-ever ranking of 39 in 1981 (\$100). However, for the remainder of the

² See Washington Tax Structure Work Group (2020). Preliminary Report: Results of economic analyses. <https://dor.wa.gov/sites/default/files/2022-02/TaxStructureWorkGroupPrelimReport2020.pdf> for distributional analyses of Washington's tax burden.

³ In this section, all dollar amounts refer to the tax due per \$1,000 of personal income.

⁴ Washington Department of Revenue. (1962-82). *Comparative State and Local Taxes*.

⁵ The following reforms helped reduce revenues: exemption of food from the sales tax in 1978, the limitation of local special school levies, extension of the 106% limit on property taxes to the state levy and repeal of the state's inheritance tax.

1980s, Washington's tax burden returned to the level of about \$115, and rankings around 16 were typical.⁶

During the 1990s, Washington's tax burden dropped in terms of the amount paid and state ranking. In 1990, the state ranked 9 (\$122), but the rank lowered steadily so that the 2000 rank was 32 (\$108).

In the 2000s, the tax burden varied considerably, from a high of \$112 (rank 28) in 2007 to a low of \$93 (rank 35) in 2009 and finishing in 2010 at rank 36.

For the most recent decade, beginning with 2011, we observe little change in the tax burden amount, as the median held constant at about \$97 for both 2001-2005 and 2006-2010. In contrast, Washington's rank declined from a median of 33 during the first five years to a median of 27 during the second five years.

We have discussed trends since 1960 in collections compared with personal income. However, since 2011, we have also reported on collections compared with state GDP. The GDP measure provides an alternative perspective on Washington's standing among the states. Using the income-based measure has consistently resulted in Washington ranking around the midpoint nationally. In contrast, we find our state ranking among the bottom third using the GDP-based measure. For instance, during the most recent decade, Washington's median rank was 38, while the measure declined from a median of 8.1% for 2011-2015 to 7.6% for 2016-2020.

Data Sources

Federation of Tax Administrators. *Tax rates/surveys - tax rates*. Retrieved December 29, 2021, from <https://www.taxadmin.org/current-tax-rates>

Tax Foundation. (February 3, 2022). *State and local sales tax rates, 2022*. <https://taxfoundation.org/2022-sales-taxes/>

U.S. Bureau of Economic Analysis. *Regional Data – GDP and Personal Income*. Retrieved December 21, 2021, from [BEA Interactive Data Application](#)

U.S. Census Bureau. *State and Local Government Finance – Historical Datasets and Tables*. Retrieved December 21, 2021, from [State and Local Government Finances Datasets and Tables \(census.gov\)](https://www.census.gov/data/tables/2021/states/local-government/finance.html)

Note: Because the Bureau of Economic Analysis and the Census Bureau refresh historical data annually, historical values found in our data tables do not always align with those found in past editions of *Comparative State and Local Taxes*.

⁶ Washington Department of Revenue. (1982-92). *Comparative State and Local Taxes*.

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Table 1
State and Local Taxes Per \$1,000 Personal Income

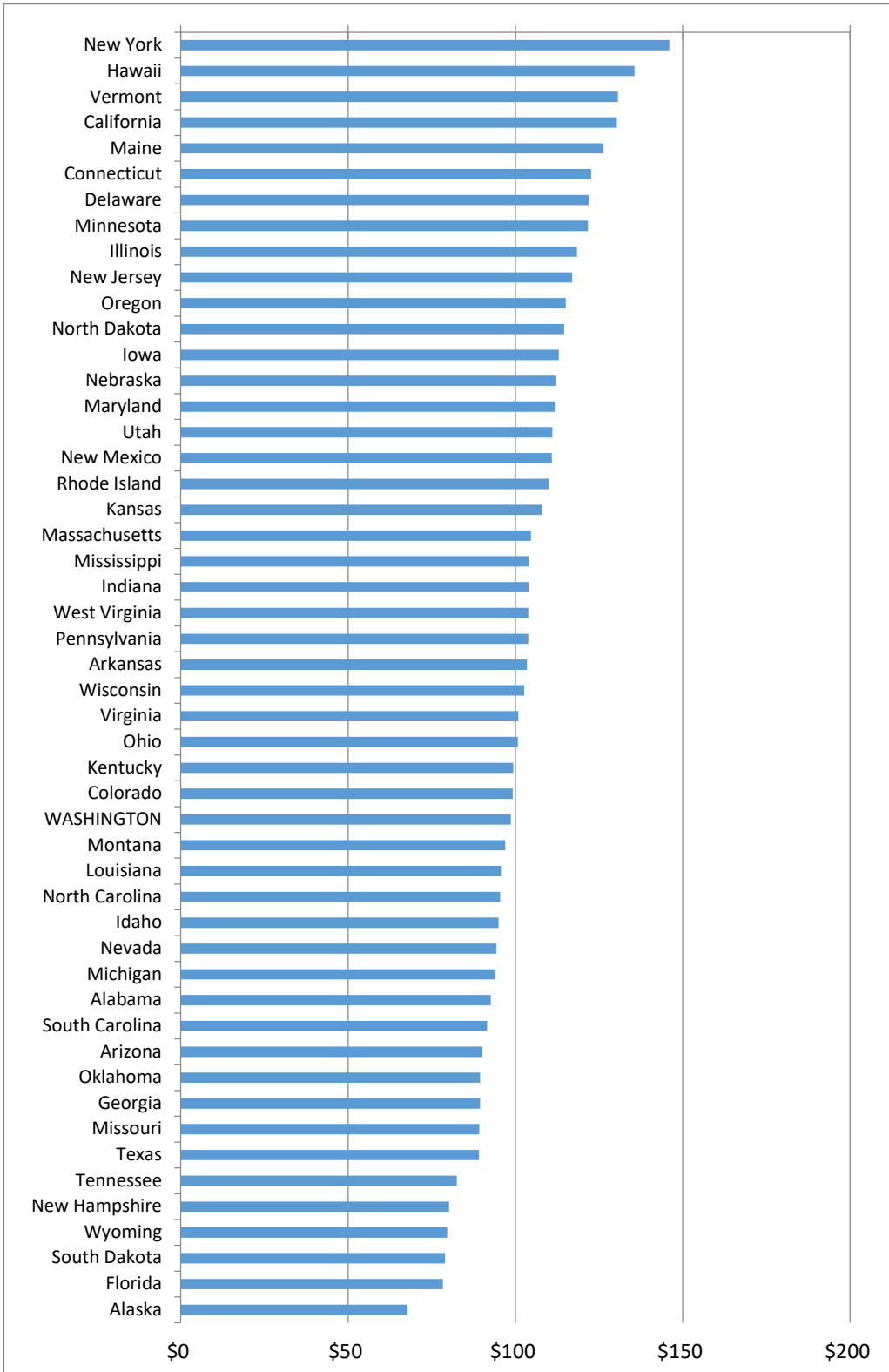
Fiscal Years 2017 - 2021

State	Amount					Rank				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
New York	151.20	151.33	147.78	150.00	146.01	1	1	2	1	1
Hawaii	133.68	140.72	147.20	138.58	135.63	2	2	3	2	2
Vermont	120.64	123.65	126.52	119.56	130.67	4	4	5	5	3
California	113.04	119.27	120.35	109.37	130.36	9	8	7	14	4
Maine	118.95	120.34	127.92	127.37	126.31	6	5	4	4	5
Connecticut	113.37	120.30	118.05	113.17	122.66	8	6	10	7	6
Delaware	101.86	110.93	112.38	110.23	121.96	22	11	12	12	7
Minnesota	119.09	119.91	119.30	112.74	121.72	5	7	8	8	8
Illinois	110.79	115.26	113.92	111.04	118.41	11	10	11	10	9
New Jersey	115.58	117.48	118.55	112.58	117.00	7	9	9	9	10
Oregon	105.31	105.71	109.70	102.69	115.08	15	19	16	17	11
North Dakota	125.23	139.84	151.26	133.89	114.55	3	3	1	3	12
Iowa	109.15	109.43	109.72	109.70	112.97	13	14	15	13	13
Nebraska	104.64	108.36	107.82	106.76	112.04	16	15	17	15	14
Maryland	109.51	110.59	111.58	110.54	111.74	12	12	13	11	15
Utah	99.53	106.30	106.65	94.35	111.06	28	18	19	31	16
New Mexico	101.17	103.55	124.48	116.08	110.90	25	22	6	6	17
Rhode Island	112.98	110.38	111.32	104.58	109.90	10	13	14	16	18
Kansas	98.61	106.88	105.42	100.09	107.99	30	16	20	21	19
Massachusetts	102.74	104.43	104.49	100.49	104.66	21	20	22	20	20
Mississippi	102.77	102.65	105.33	100.83	104.16	20	25	21	19	21
Indiana	91.76	101.13	102.85	97.84	104.04	38	28	25	28	22
West Virginia	105.63	106.62	106.76	99.35	103.86	14	17	18	24	23
Pennsylvania	101.84	104.04	104.44	98.96	103.84	23	21	23	25	24
Arkansas	100.43	101.56	100.41	99.57	103.49	26	27	29	23	25
Wisconsin	104.55	102.74	102.94	101.06	102.65	17	24	24	18	26
Virginia	91.11	93.68	97.35	96.28	100.89	39	38	33	29	27
Ohio	103.47	101.08	99.70	98.08	100.75	18	29	31	27	28
Kentucky	98.97	99.06	101.95	99.68	99.38	29	31	27	22	29
Colorado	96.67	97.27	97.86	92.84	99.20	31	32	32	33	30
WASHINGTON	99.82	102.81	100.97	98.10	98.67	27	23	28	26	31
Montana	92.26	94.13	95.37	90.84	96.98	37	35	35	34	32
Louisiana	101.28	100.18	100.12	94.67	95.73	24	30	30	30	33
North Carolina	94.80	94.03	93.99	87.98	95.47	33	37	38	40	34
Idaho	94.38	94.09	91.42	90.69	94.97	34	36	41	35	35
Nevada	103.30	102.39	102.00	93.82	94.35	19	26	26	32	36
Michigan	95.87	95.98	94.03	87.48	94.05	32	33	37	41	37
Alabama	85.97	86.45	88.67	89.39	92.68	46	47	44	37	38
South Carolina	87.77	89.70	90.67	88.94	91.57	44	41	42	38	39
Arizona	93.07	92.32	95.38	88.25	90.06	35	39	34	39	40
Oklahoma	82.67	87.17	92.50	86.48	89.46	48	46	40	43	41
Georgia	88.89	87.57	89.04	84.96	89.42	42	44	43	44	42
Missouri	87.39	88.90	88.48	82.08	89.25	45	42	45	46	43
Texas	92.41	94.25	93.89	90.13	89.17	36	34	39	36	44
Tennessee	77.19	79.75	79.64	76.72	82.52	49	50	49	48	45
New Hampshire	88.90	91.92	84.97	80.05	80.19	41	40	48	47	46
Wyoming	90.01	88.80	95.09	87.34	79.64	40	43	36	42	47
South Dakota	87.84	87.56	85.37	82.59	79.02	43	45	47	45	48
Florida	82.69	82.82	79.60	76.38	78.31	47	49	50	49	49
Alaska	73.90	85.03	86.44	75.30	67.79	50	48	46	50	50
U.S. Average	101.29	103.61	104.83	100.01	103.46					

Source: Bureau of Economic Analysis and Census Bureau.

Chart 1 State and Local Taxes Per \$1,000 Personal Income

Fiscal Year 2021



Source: Bureau of Economic Analysis and Census Bureau.

Table 2
State & Local Taxes Per \$1,000 Personal Income

Thirteen Western States - Fiscal Year 2021

State	Amount	National Rank	Western Rank
Hawaii	\$135.63	2	1
California	130.36	4	2
Oregon	115.08	11	3
Utah	111.06	16	4
New Mexico	110.90	17	5
Colorado	99.20	30	6
WASHINGTON	98.67	31	7
Montana	96.98	32	8
Idaho	94.97	35	9
Nevada	94.35	36	10
Arizona	90.06	40	11
Wyoming	79.64	47	12
Alaska	67.79	50	13

Source: Bureau of Economic Analysis and Census Bureau.

Table 3
Washington Taxes Per \$1,000 Personal Income

State, Local and Total Taxes for Past Ten Years

Fiscal Year	State Taxes		Local Taxes		Combined Total	
	Amount	Rank	Amount	Rank	Amount	Rank
2021	\$ 62.39	32	\$ 36.27	28	\$ 98.67	31
2020	59.91	25	38.19	27	98.10	26
2019	61.98	32	38.98	23	100.97	28
2018	62.82	26	39.99	22	102.81	23
2017	60.40	28	39.42	23	99.82	27
2016	59.20	27	38.74	24	97.93	27
2015	58.11	33	38.15	28	96.26	32
2014	58.76	32	38.62	28	97.39	30
2013	57.83	36	37.15	31	94.98	36
2012	58.27	34	39.09	29	97.36	32

Source: Bureau of Economic Analysis and Census Bureau.

Table 4
Property Taxes Per \$1,000 Personal Income

Fiscal Years 2018 - 2021

State	FY 2018		FY 2019		FY 2020		FY 2021	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Maine	48.96	4	55.44	1	55.91	1	52.73	1
Vermont	51.78	3	53.50	2	52.72	2	51.93	2
New Jersey	53.98	2	52.66	4	50.97	4	49.85	3
New Hampshire	58.83	1	53.08	3	51.60	3	49.04	4
New York	46.82	6	47.17	5	47.55	5	47.25	5
Connecticut	44.17	7	43.99	7	43.78	7	42.64	6
Rhode Island	47.69	5	46.57	6	44.51	6	41.71	7
Texas	41.69	9	42.10	8	42.04	8	40.69	8
Illinois	42.54	8	40.72	9	40.43	9	39.69	9
Nebraska	41.18	10	38.78	10	39.19	10	38.29	10
Alaska	38.49	11	37.35	12	37.53	11	37.63	11
Iowa	35.77	14	36.05	14	36.53	13	36.91	12
Massachusetts	37.96	12	36.89	13	36.49	14	36.14	13
Montana	36.79	13	37.57	11	36.70	12	34.98	14
Wyoming	34.47	15	35.19	15	35.08	15	33.06	15
Kansas	33.17	18	32.77	18	32.98	17	32.53	16
Oregon	33.32	17	33.52	16	33.38	16	32.17	17
Wisconsin	33.83	16	33.15	17	32.87	18	32.08	18
Colorado	29.21	27	31.55	20	31.76	20	32.08	19
Michigan	32.17	19	32.11	19	32.81	19	31.38	20
Virginia	31.50	21	31.53	21	31.49	21	31.20	21
Minnesota	31.37	22	30.38	24	30.80	22	30.52	22
California	29.37	26	30.55	23	30.42	23	29.66	23
Ohio	29.51	25	28.98	28	29.16	27	29.26	24
Florida	28.49	31	28.67	29	29.02	28	29.03	25
South Carolina	29.63	24	29.25	27	28.69	30	28.63	26
Mississippi	28.75	30	29.65	25	29.56	25	28.29	27
South Dakota	31.74	20	31.38	22	29.76	24	28.19	28
WASHINGTON	28.87	29	27.96	31	27.52	34	28.14	29
Hawaii	26.19	35	27.37	33	28.76	29	28.04	30
Maryland	29.14	28	28.16	30	28.31	31	28.00	31
Pennsylvania	29.98	23	29.54	26	29.28	26	27.86	32
Georgia	27.11	32	27.80	32	27.75	32	27.31	33
Missouri	23.54	39	24.63	38	22.96	40	25.66	34
North Dakota	26.73	34	26.96	34	27.62	33	25.62	35
Arizona	26.83	33	26.77	35	25.38	36	24.33	36
Utah	24.67	37	25.42	37	25.60	35	24.15	37
West Virginia	24.29	38	23.21	40	23.31	39	23.80	38
Indiana	22.02	42	23.80	39	23.60	38	23.47	39
Idaho	24.72	36	25.45	36	24.93	37	22.95	40
Nevada	22.76	41	22.90	42	22.54	42	22.45	41
North Carolina	23.04	40	22.94	41	22.67	41	21.92	42
Kentucky	20.66	44	21.32	44	20.93	43	20.59	43
Delaware	18.69	47	18.23	47	19.74	45	20.07	44
New Mexico	21.03	43	21.54	43	20.89	44	20.05	45
Louisiana	19.84	45	20.25	45	19.40	46	19.64	46
Oklahoma	17.50	49	18.08	48	18.54	47	18.38	47
Tennessee	18.23	48	17.98	49	17.44	49	17.95	48
Arkansas	19.66	46	18.27	46	18.13	48	17.76	49
Alabama	14.38	50	14.64	50	14.78	50	14.42	50
U.S. Average	\$31.46		\$31.48		\$31.28		\$30.60	

Table 5
Per Capita Personal Income

Calendar Years 2019 - 2022

State	2019		2020		2021		2022	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
Massachusetts	72,359	2	77,393	1	83,461	1	84,561	1
Connecticut	74,173	1	77,383	2	80,691	2	82,938	2
New Jersey	67,484	3	70,957	3	76,079	4	77,199	3
California	64,174	5	70,061	4	76,991	3	77,036	4
Colorado	61,258	10	64,852	9	71,923	8	75,722	5
New York	66,415	4	69,873	5	75,948	5	75,407	6
WASHINGTON	63,405	7	67,674	7	74,188	6	75,332	7
New Hampshire	63,934	6	67,883	6	72,214	7	73,910	8
Wyoming	61,863	8	65,558	8	70,523	9	73,247	9
North Dakota	56,622	15	61,091	15	65,895	14	70,360	10
Maryland	61,708	9	64,825	10	69,052	10	70,228	11
Virginia	58,368	12	61,474	13	66,838	13	68,985	12
Minnesota	57,874	13	61,278	14	66,846	12	68,840	13
Alaska	60,569	11	61,898	11	65,662	15	68,635	14
South Dakota	54,426	18	59,465	17	65,421	16	68,176	15
Illinois	57,721	14	61,587	12	67,278	11	67,655	16
Florida	53,640	22	56,561	22	63,078	19	64,806	17
Pennsylvania	56,125	16	60,320	16	64,042	17	64,506	18
Nebraska	53,450	23	56,733	21	62,683	20	64,268	19
Rhode Island	55,105	17	59,066	18	63,663	18	63,557	20
Delaware	53,746	21	55,778	24	58,889	27	63,243	21
Vermont	54,257	19	57,978	19	61,214	23	63,039	22
Texas	53,247	24	55,118	26	60,548	25	62,586	23
Oregon	52,178	26	56,507	23	61,646	21	62,303	24
Nevada	51,905	28	54,650	28	61,024	24	62,085	25
Hawaii	53,912	20	57,036	20	61,464	22	61,779	26
Wisconsin	52,364	25	55,431	25	60,381	26	61,475	27
Montana	49,647	31	53,546	30	58,344	30	60,984	28
Maine	49,976	29	54,301	29	58,687	28	60,599	29
Kansas	52,127	27	55,041	27	58,569	29	60,424	30
Iowa	49,663	30	52,586	33	58,049	31	60,222	31
Utah	48,156	40	51,751	38	57,042	32	59,457	32
Arizona	47,693	41	52,133	34	56,420	38	58,442	33
Indiana	48,270	38	51,719	39	56,934	35	58,323	34
Tennessee	48,889	33	51,928	36	56,970	34	58,292	35
North Carolina	48,366	37	51,781	37	56,705	36	58,109	36
Missouri	48,401	36	52,095	35	56,073	40	57,818	37
Ohio	49,404	32	52,879	31	57,026	33	57,777	38
Michigan	48,569	34	52,786	32	56,601	37	57,038	39
Idaho	45,917	44	49,691	43	54,148	43	56,614	40
Georgia	48,535	35	51,469	40	56,184	39	56,589	41
Oklahoma	48,172	39	50,249	41	55,165	41	56,298	42
Louisiana	47,009	42	50,243	42	54,531	42	54,501	43
South Carolina	46,149	43	48,772	44	52,828	44	53,618	44
Arkansas	43,751	45	47,147	45	51,636	45	52,618	45
New Mexico	43,191	47	46,631	47	51,141	47	52,194	46
Kentucky	43,445	46	47,026	46	51,561	46	51,921	47
Alabama	43,004	48	45,887	48	50,059	48	50,916	48
West Virginia	42,627	49	45,071	49	49,071	49	49,993	49
Mississippi	39,157	50	42,513	50	46,577	50	46,370	50
U.S. Average	\$53,448		\$56,913		\$61,759		\$63,220	

Source: Bureau of Economic Analysis and Census Bureau.

Table 6
State/Local Taxes Per \$1,000 Personal Income

Since 1960

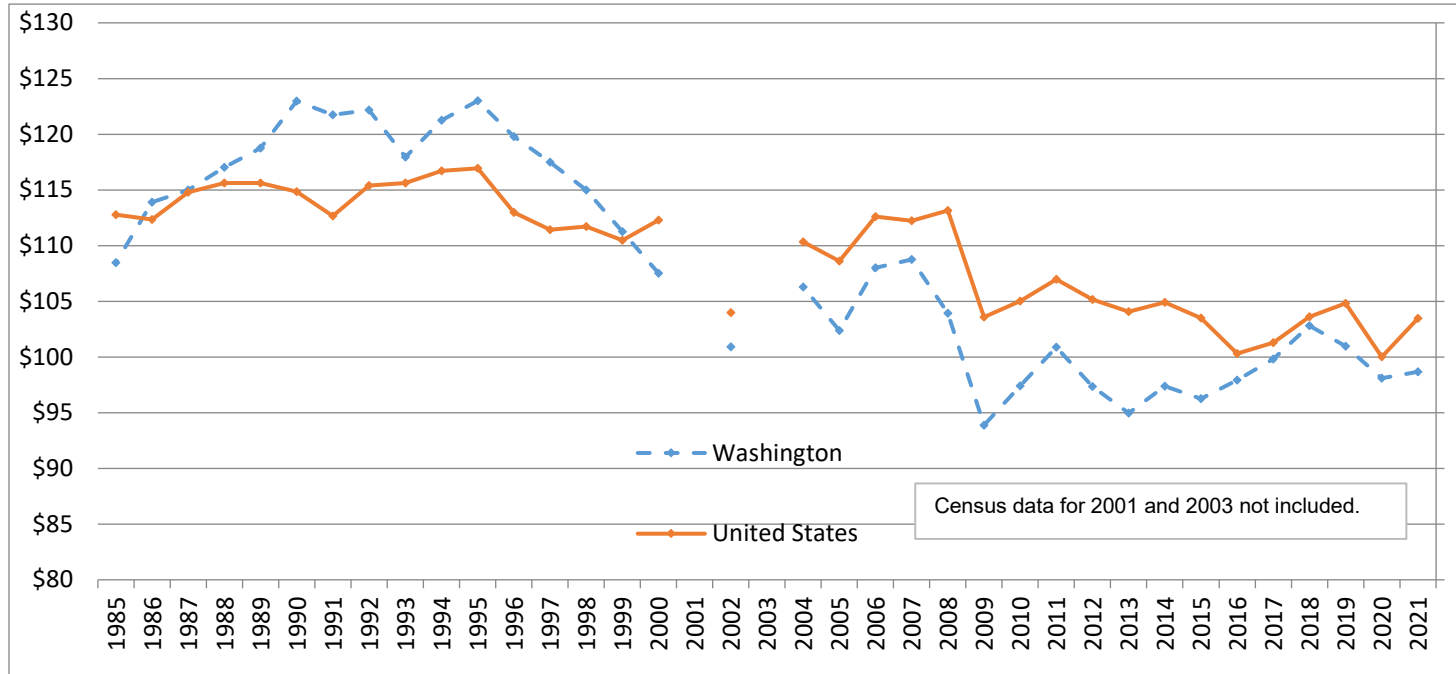
Fiscal Year	State/Local Taxes		Wash. Ranking	Fiscal Year	State/Local Taxes		Wash. Ranking
	Wash.	U.S. Ave.			Wash.	U.S. Ave.	
2021	\$98.67	\$103.46	31				
2020	98.10	100.01	26				
2019	100.97	104.83	28	1989	118.76	115.63	16
2018	102.81	103.61	23	1988	117.04	115.62	18
2017	99.82	101.29	27	1987	114.99	114.79	19
2016	97.93	100.3	27	1986	113.89	112.36	16
2015	96.26	103.49	32	1985	108.47	112.79	25
2014	97.39	104.9	30	1984	112.85	112.97	21
2013	94.98	104.08	36	1983	109.22	106.85	16
2012	97.36	105.16	32	1982	101.8	110.7	34
2011	100.87	106.98	31	1981	100.45	113.05	39
2010	97.40	105.03	35	1980	108.75	115.73	28
2009	93.88	103.58	36	1979	121.44	120.29	22
2008	103.93	113.15	32	1978	127.34	127.51	17
2007	108.75	112.24	28	1977	122.27	128.05	23
2006	108.01	112.59	32	1976	118.68	125.27	25
2005	102.38	108.61	36	1975	120.65	122.84	20
2004	106.27	110.33	29	1974	122.38	123.58	18
2003	n.a.	n.a.	n.a.	1973	127.97	129.47	19
2002	100.90	103.98	32	1972	128.26	126.94	18
2001	n.a.	n.a.	n.a.	1971	122.83	118.87	21
2000	107.53	112.28	32	1970	115.33	116.58	24
1999	111.25	110.48	20	1969	115.49	112.2	22
1998	115.00	111.7	17	1968	114.7	108.1	18
1997	117.49	111.43	11	1967	112.12	105.5	18
1996	119.79	112.99	12	1966	115.49	106.63	17
1995	123.00	116.94	11	1965	111.84	104.36	20
1994	121.24	116.71	15	1964	109.19	103.52	20
1993	117.95	115.62	17	1963	105.15	96.5	18
1992	122.17	115.38	11	1962	101.74	94.44	16
1991	121.75	112.67	9	1961	100.68	93.86	19
1990	122.98	114.84	10	1960	98.43	90.29	21

Source: Bureau of Economic Analysis and Census Bureau.

Note: The U.S. Census Bureau did not compile local tax collections in 2001 and 2003.

Chart 2 State and Local Taxes Per \$1,000 of Personal Income

Washington and All States Average 1985 - 2021



Source: Bureau of Economic Analysis and Census Bureau.

Table 7
State and Local Taxes Per Capita

Fiscal Years 2018 - 2021

State	2018		2019		2020		2021	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
New York	9,412	1	9,490	1	9,962	1	10,202	1
Connecticut	8,318	2	8,518	2	8,394	2	9,492	2
California	6,943	6	7,339	6	7,019	7	9,133	3
New Jersey	7,251	3	7,612	4	7,597	3	8,302	4
Massachusetts	6,900	7	7,230	7	7,271	6	8,100	5
Hawaii	7,106	5	7,588	5	7,471	5	7,736	6
Vermont	6,184	10	6,540	10	6,487	10	7,576	7
Minnesota	6,455	8	6,705	8	6,525	9	7,459	8
Illinois	6,114	11	6,388	11	6,409	11	7,293	9
Maryland	6,442	9	6,686	9	6,821	8	7,244	10
North Dakota	7,249	4	8,346	3	7,581	4	6,998	11
Maine	5,525	15	6,106	12	6,366	12	6,859	12
Delaware	5,547	14	5,919	14	5,924	14	6,803	13
WASHINGTON	5,840	12	6,041	13	6,220	13	6,677	14
Oregon	5,028	23	5,508	20	5,358	22	6,503	15
Rhode Island	5,566	13	5,804	15	5,763	15	6,491	16
Colorado	5,269	19	5,656	17	5,687	17	6,433	17
Nebraska	5,368	17	5,546	19	5,706	16	6,356	18
Pennsylvania	5,399	16	5,689	16	5,554	19	6,263	19
Virginia	5,094	22	5,464	21	5,619	18	6,202	20
Kansas	5,160	20	5,301	23	5,217	24	5,944	21
Iowa	5,118	21	5,352	22	5,448	20	5,941	22
Utah	4,575	29	4,850	29	4,543	32	5,747	23
Wisconsin	4,964	25	5,201	24	5,292	23	5,690	24
New Hampshire	5,321	18	5,127	25	5,118	25	5,443	25
Indiana	4,507	31	4,788	31	4,723	30	5,381	26
Ohio	4,661	28	4,768	32	4,846	28	5,328	27
Wyoming	5,006	24	5,629	18	5,403	21	5,221	28
Montana	4,271	35	4,503	34	4,510	33	5,193	29
New Mexico	4,059	39	5,101	26	5,014	26	5,171	30
Nevada	4,810	26	5,027	28	4,870	27	5,156	31
Michigan	4,344	33	4,428	35	4,249	39	4,965	32
North Carolina	4,157	37	4,327	38	4,255	38	4,944	33
Texas	4,573	30	4,820	30	4,799	29	4,915	34
Arkansas	4,205	36	4,321	39	4,356	36	4,879	35
Louisiana	4,356	32	4,552	33	4,450	35	4,810	36
Idaho	3,878	45	3,956	48	4,164	43	4,719	37
South Dakota	4,326	34	4,403	36	4,495	34	4,699	38
Arizona	3,989	42	4,317	40	4,209	41	4,695	39
West Virginia	4,141	38	4,377	37	4,235	40	4,681	40
Kentucky	4,002	41	4,247	42	4,331	37	4,674	41
Missouri	3,981	43	4,130	44	3,973	47	4,649	42
Georgia	3,926	44	4,152	43	4,124	44	4,602	43
Oklahoma	3,824	46	4,258	41	4,166	42	4,495	44
South Carolina	3,800	47	3,972	46	4,105	45	4,466	45
Florida	4,012	40	4,061	45	4,097	46	4,429	46
Mississippi	3,755	48	3,963	47	3,948	48	4,428	47
Tennessee	3,542	49	3,699	49	3,751	50	4,285	48
Alabama	3,456	50	3,665	50	3,844	49	4,253	49

Alaska	4,804	27	5,100	27	4,561	31	4,196	50
U.S. Average	\$5,131		\$5,411		\$5,377		\$5,922	

Source: Bureau of Economic Analysis and Census Bureau.

Table 8
State and Local Taxes Per Capita

Thirteen Western States - Fiscal Year 2021

State	Amount	National Rank	Western Rank
California	\$9,133	3	1
Hawaii	\$7,736	6	2
WASHINGTON	\$6,677	14	3
Oregon	\$6,503	15	4
Colorado	\$6,433	17	5
Utah	\$5,747	23	6
Wyoming	\$5,221	28	7
Montana	\$5,193	29	8
New Mexico	\$5,171	30	9
Nevada	\$5,156	31	10
Idaho	\$4,719	37	11
Arizona	\$4,695	39	12
Alaska	\$4,196	50	13

Source: Bureau of Economic Analysis and Census Bureau.

Table 9
Washington Taxes Per Capita

State, Local and Total State/Local Taxes for Past Ten Years

Fiscal Year	State Taxes		Local Taxes		Combined Total	
	Amount	Rank	Amount	Rank	Amount	Rank
2021	\$4,222	12	\$2,455	16	\$6,677	14
2020	3,799	12	2,421	16	6,220	13
2019	3,708	12	2,332	16	6,041	13
2018	3,569	12	2,271	14	5,840	12
2017	3,280	12	2,141	16	5,420	13
2016	3,103	14	2,030	18	5,133	15
2015	2,921	20	1,918	19	4,839	17
2014	2,789	19	1,833	20	4,621	18
2013	2,721	21	1,748	21	4,469	21
2012	2,580	23	1,731	22	4,311	22

Source: Bureau of Economic Analysis and Census Bureau.

Table 10
Per Capita Property Taxes

Fiscal Years 2018 - 2021

State	FY 2018		FY 2019		FY 2020		FY 2021	
	Amount	Rank	Amount	Rank	Amount	Rank	Amount	Rank
New Jersey	3,331	2	3,381	1	3,440	1	3,537	1
New Hampshire	3,405	1	3,203	2	3,299	2	3,329	2
New York	2,912	4	3,029	4	3,158	4	3,301	3
Connecticut	3,054	3	3,174	3	3,247	3	3,300	4
Vermont	2,590	5	2,765	5	2,861	5	3,011	5
Maine	2,248	9	2,646	6	2,794	6	2,863	6
Massachusetts	2,509	6	2,552	7	2,640	7	2,797	7
Rhode Island	2,404	7	2,428	8	2,453	8	2,463	8
Illinois	2,257	8	2,283	9	2,334	9	2,444	9
Alaska	2,174	10	2,203	10	2,273	10	2,329	10
Texas	2,023	12	2,161	11	2,239	11	2,242	11
Nebraska	2,040	11	1,995	13	2,095	13	2,173	12
Wyoming	1,943	13	2,083	12	2,170	12	2,167	13
Colorado	1,582	24	1,824	15	1,945	15	2,080	14
California	1,710	15	1,863	14	1,952	14	2,078	15
Iowa	1,673	18	1,758	18	1,814	18	1,941	16
Virginia	1,713	14	1,770	17	1,838	16	1,918	17
WASHINGTON	1,640	20	1,673	23	1,745	21	1,905	18
Montana	1,669	19	1,774	16	1,822	17	1,873	19
Minnesota	1,689	17	1,707	19	1,782	19	1,870	20
Oregon	1,585	23	1,683	21	1,741	22	1,818	21
Maryland	1,698	16	1,687	20	1,747	20	1,815	22
Kansas	1,601	22	1,648	24	1,719	24	1,790	23
Wisconsin	1,635	21	1,675	22	1,721	23	1,778	24
Pennsylvania	1,556	26	1,609	26	1,643	25	1,680	25
South Dakota	1,568	25	1,618	25	1,620	26	1,677	26
Michigan	1,456	27	1,512	27	1,593	27	1,657	27
Florida	1,380	29	1,463	29	1,557	29	1,642	28
Hawaii	1,322	31	1,411	30	1,550	30	1,600	29
North Dakota	1,386	28	1,488	28	1,564	28	1,565	30
Ohio	1,361	30	1,386	31	1,440	31	1,547	31
Georgia	1,216	33	1,296	32	1,347	32	1,406	32
South Carolina	1,255	32	1,281	33	1,324	33	1,396	33
Missouri	1,054	37	1,150	36	1,111	40	1,337	34
Arizona	1,159	34	1,211	34	1,210	35	1,268	35
Utah	1,062	36	1,156	35	1,233	34	1,250	36
Nevada	1,069	35	1,129	37	1,170	36	1,227	37
Indiana	981	41	1,108	39	1,139	39	1,214	38
Mississippi	1,052	38	1,115	38	1,157	37	1,203	39
Idaho	1,019	39	1,101	40	1,145	38	1,140	40
North Carolina	1,019	40	1,056	41	1,097	41	1,135	41
Delaware	935	43	960	42	1,061	42	1,119	42
West Virginia	944	42	951	43	993	43	1,073	43
Louisiana	863	44	921	44	912	44	987	44
Kentucky	835	45	888	45	909	45	968	45
New Mexico	824	46	883	46	902	46	935	46
Tennessee	810	48	835	47	853	48	932	47
Oklahoma	768	49	832	48	893	47	924	48
Arkansas	814	47	786	49	793	49	837	49
Alabama	575	50	605	50	636	50	662	50

U.S. Average	\$1,587	\$1,654	\$1,714	\$1,784
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Source: Bureau of Economic Analysis and Census Bureau.

Per Capita State and Local Sales Taxes

Fiscal Year 2021

State	General Sales Taxes [1]		Selective Sales Taxes [2]		Total Sales and Gross Receipts Taxes	
	Amount	Rank	Amount	Rank	Amount	Rank
WASHINGTON	3,163	1	872	5	\$4,035	1
Nevada	2,283	3	970	3	3,253	2
Hawaii	2,502	2	729	14	3,231	3
Louisiana	1,970	5	667	22	2,637	4
New Mexico	2,083	4	449	43	2,532	5
South Dakota	1,883	7	629	24	2,512	6
Tennessee	1,896	6	601	27	2,497	7
Arkansas	1,880	8	598	28	2,478	8
Texas	1,696	10	635	23	2,331	9
New York	1,620	12	675	21	2,295	10
Illinois	1,225	33	1,059	2	2,284	11
Connecticut	1,460	19	805	9	2,265	12
North Dakota	1,526	16	691	19	2,217	13
Arizona	1,857	9	341	50	2,198	14
Florida	1,572	13	587	29	2,160	15
Colorado	1,558	14	574	30	2,133	16
California	1,509	17	623	25	2,132	17
Ohio	1,432	22	679	20	2,111	18
Kansas	1,636	11	473	41	2,109	19
Alabama	1,368	28	717	16	2,086	20
Minnesota	1,240	32	828	8	2,068	21
Indiana	1,367	29	700	18	2,067	22
Utah	1,549	15	497	38	2,046	23
Pennsylvania	1,128	36	858	6	1,986	24
Vermont	813	45	1,166	1	1,978	25
Rhode Island	1,218	34	749	11	1,967	26
Iowa	1,401	24	564	31	1,965	27
Mississippi	1,430	23	522	35	1,952	28
New Jersey	1,381	26	557	32	1,938	29
Oklahoma	1,432	21	505	37	1,937	30
Maine	1,401	25	533	34	1,934	31
Maryland	884	44	967	4	1,851	32
Nebraska	1,465	18	381	49	1,846	33
North Carolina	1,306	30	512	36	1,819	34
Wyoming	1,432	20	384	48	1,816	35
Idaho	1,369	27	391	46	1,760	36
West Virginia	898	43	846	7	1,745	37
Kentucky	1,011	41	730	13	1,741	38
Virginia	943	42	769	10	1,712	39
Wisconsin	1,163	35	490	40	1,653	40
Missouri	1,249	31	388	47	1,637	41
Michigan	1,111	39	494	39	1,605	42
Georgia	1,124	37	445	44	1,569	43
Massachusetts	1,113	38	419	45	1,532	44
South Carolina	1,056	40	467	42	1,523	45
Alaska	361	46	551	33	912	46
Oregon	0	47	734	12	734	47
Montana	0	48	729	15	729	48
New Hampshire	0	49	715	17	715	49
Delaware	0	50	610	26	610	50

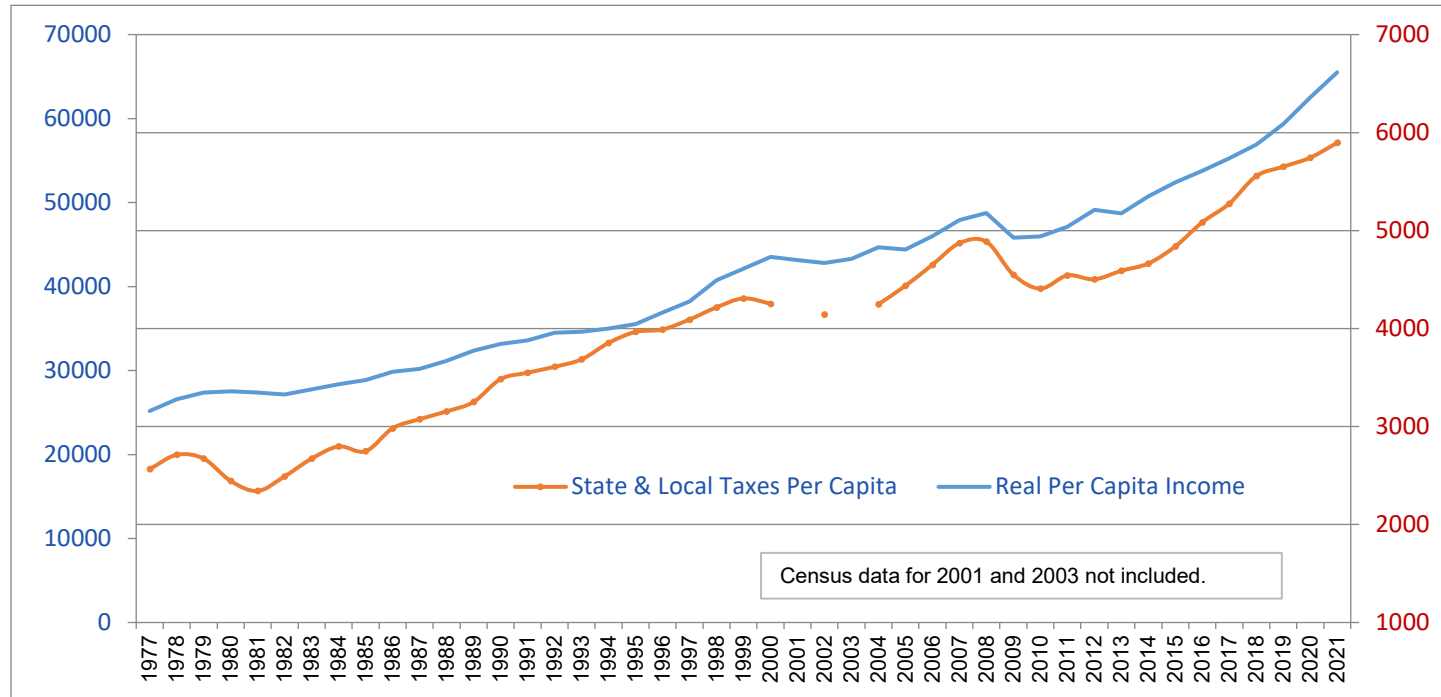
Source: Bureau of Economic Analysis and Census Bureau.

[1] Includes retail sales taxes that apply to most goods and gross receipts taxes measured by sales (e.g., Washington's B&O tax), per U.S. Census Bureau classifications, which do not separate general sales taxes from gross receipts taxes.

[2] Specific taxes upon particular items, such as gasoline, alcoholic beverages, tobacco products and public utilities.

Chart 3 State and Local Taxes Per Capita and Real Income Per Capita

Washington Average 1977 - 2021



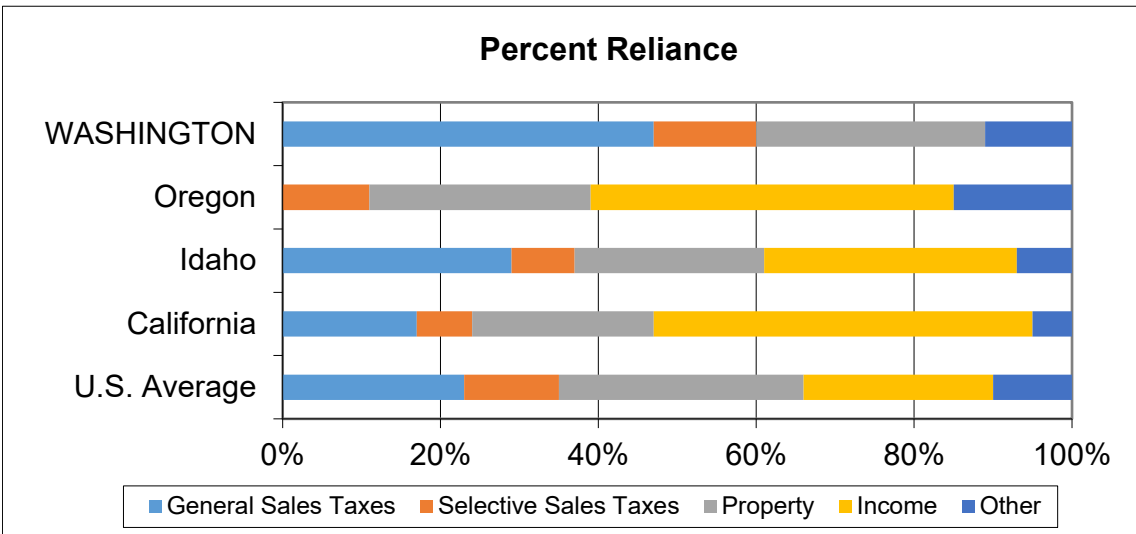
Source: Bureau of Economic Analysis, Census Bureau, and Federal Reserve Economic Data.

Table 12
Percentage of Reliance on Major State and Local Taxes

Selected States - Fiscal Year 2021

State	General Sales [1]	Selective Sales [2]	Property	Income [3]	Other [4]
WASHINGTON	47%	13%	29%	---	11%
Oregon	---	11%	28%	46%	15%
Idaho	29%	8%	24%	32%	7%
California	17%	7%	23%	48%	5%
U.S. Average	23%	12%	31%	24%	10%

- [1] Includes retail sales/use taxes and gross receipts taxes (e.g., Washington’s B&O tax)
- [2] Includes taxes on specific items, e.g., gasoline, liquor, cigarettes and public utilities
- [3] Includes individual and corporate income taxes
- [4] Includes motor vehicle licenses and all other taxes



Source: Bureau of Economic Analysis and Census Bureau.

Table 13
Rates of Selected Major State Taxes

As of January 1, 2023

State	Retail Sales (State Rate %) (1,4)	Corporation Income (State Rate %) (a)	Capital Gain (State Rate %)
Alabama *	4.000	6.50	5.000
Alaska	none	0 to 9.4	none
Arizona	5.600	4.9 (b)	2.500
Arkansas *	6.500	1.0 to 5.1	4.900
California	7.250 (3)	8.84 (b)	13.300
Colorado	2.900	4.40	4.400
Connecticut	6.350	7.5 (c)	6.990
Delaware *	none	8.7 (d)	6.600
Florida	6.000	5.50	none
Georgia	4.000	5.75	5.750
Hawaii *	4.000	4.4 to 6.4 (e)	7.250
Idaho	6.000	5.8 (f)	5.800
Illinois	6.250 (6)	9.5 (g)	4.950
Indiana *	7.000	4.90	3.230
Iowa *	6.000	5.5 to 8.4 (h)	6.000
Kansas	6.500	4.0 (i)(j)	5.700
Kentucky *	6.000	5.00	4.500
Louisiana	4.450	3.5 to 7.5	4.250
Maine	5.500	3.5 to 8.93 (j)	7.150
Maryland *	6.000	8.25	5.750
Massachusetts	6.250	8.0 (k)	9.000
Michigan *	6.000	6.0 (a)	4.250
Minnesota	6.875	9.8 (l)	9.850
Mississippi	7.000	0 to 5.0	5.000
Missouri *	4.225	4.0 (h)	4.950
Montana *	none	6.75 (m)	6.750
Nebraska	5.500	5.58 to 7.5 (a)	6.640
Nevada	6.850	none	none
New Hampshire	none	7.5 (n)	none
New Jersey *	6.625	9.0 (o)	10.750
New Mexico *	5.000 (7)	4.8 to 5.9	5.900
New York *	4.000	6.5 (p)	10.900
North Carolina	4.750	2.50	4.750
North Dakota *	5.000	1.41 to 4.31 (q)	2.900
Ohio *	5.750	(r)	3.990
Oklahoma	4.500	4.00	4.750
Oregon *	none	6.6 to 7.6 (s)	9.900
Pennsylvania *	6.000	8.99 (a)	3.070
Rhode Island	7.000	7.0 (b)	5.990
South Carolina *	6.000	5.0 (t)	6.400
South Dakota	4.500	none (b)	none
Tennessee	7.000	6.50	none
Texas	6.250	(u)	none
Utah	6.100 (5)	4.65 (b)	4.850
Vermont	6.000	6.0 to 8.5 (a)(b)	8.750
Virginia	5.300 (2)	6.00	5.750
WASHINGTON	6.500	none	7.000
West Virginia	6.000	6.50	6.500
Wisconsin *	5.000	7.90	7.650
Wyoming	4.000	none	none
D.C.	6.000	8.25 (b)	10.750

Source: Adapted from FTA data tables
<https://www.taxadmin.org/current-tax-rates>

Sales tax Notes:

- (1) Some states tax food, but allow a rebate or income tax credit to compensate lower-income households. These are: Hawaii, Idaho, Kansas, Oklahoma, and South Dakota.
- (2) Includes a statewide 1.0% tax levied by local governments in Virginia. Also applies to food sales.
- (3) Tax rate may be adjusted annually according to a formula based on balances in the unappropriated general fund and the school foundation fund.
- (4) Food sales are subject to local taxes. These are: Arkansas, Georgia, Louisiana, Missouri, North Carolina, and Tennessee.
- (5) Includes a statewide 1.25% tax levied by local governments in Utah.
- (6) Illinois suspended the 1% sales tax on goods from 7/1/22 to 6/1/23.
- (7) New Mexico Sales (GRT) scheduled to decrease to 4.875% on July 1, 2023.

Corporate Income Notes:

- (a) Rates listed are the corporate income tax rate applied to financial institutions or excise taxes based on income. Some states have other taxes based upon the value of deposits or shares.
- (b) Minimum tax is \$800 in California, \$250 in the District of Columbia, \$50 in Arizona and North Dakota (banks), \$400 (\$100 banks) in Rhode Island, \$200 per location in South Dakota (banks), \$100 in Utah and \$300 in Vermont.
- (c) Connecticut's tax is the greater of the 7.5% tax on net income, a 0.31% tax on capital stock and surplus (maximum tax of \$1 million), or \$250 (the minimum tax).
- (d) The Delaware Bank marginal rate decreases over 4 brackets ranging from \$20 to \$650 million in taxable income. Building and loan associations are taxed at a flat 8.7%.
- (e) Hawaii taxes capital gains at 4%. Financial institutions pay a franchise tax of 7.92% of taxable income (in lieu of the corporate income tax and general excise taxes).
- (f) Idaho's minimum tax on a corporation is \$20. The \$10 Permanent Building Fund Tax must be paid by each corporation in a unitary group filing a combined return. Taxpayers with gross sales in Idaho under \$100,000, and with no property or payroll in Idaho, may elect to pay 1% on such sales (instead of the tax on net income).
- (g) The Illinois rate of 9.5% is the sum of a corporate income tax rate of 7.0% plus a replacement tax of 2.5%.
- (h) In Iowa, 50% of the federal corporate income tax is deductible.
- (i) In addition to the flat 4% corporate income tax, Kansas levies a 3.0% surtax on taxable income over \$50,000. Banks pay a privilege tax of 2.25% of net income, plus a surtax of 2.125% (2.25% for savings and loans, trust companies and federally chartered savings banks) on net income in excess of \$25,000.
- (j) The state franchise tax on financial institutions is either (1) the sum of 1% of the Maine net income of the financial institution for the taxable year, plus 8 cents per \$1,000 of the institution's Maine assets as of the end of its taxable year, or (2) 39 cents per \$1,000 of the institution's Maine assets as of the end of its taxable year.
- (k) Business and manufacturing corporations pay an additional tax of \$2.60 per \$1,000 on either taxable Massachusetts tangible property or taxable net worth allocable to the state (for intangible property corporations). The minimum tax for both corporations and financial institutions is \$456.
- (l) In addition, Minnesota levies a 5.8% tentative minimum tax on Alternative Minimum Taxable Income. Minnesota also imposes a surtax ranging up to \$11,570.
- (m) Montana levies a 7% tax on taxpayers using water's edge combination. The minimum tax per corporation is \$50; the \$50 minimum applies to each corporation included on a combined tax return. Taxpayers with gross sales in Montana of \$100,000 or less may pay an alternative tax of 0.5% on such sales, instead of the net income tax.
- (n) New Hampshire's 7.5% [for tax years ending on or before 12/31/23] Business Profits Tax is imposed on both corporations and unincorporated associations with gross income over \$50,000. In addition, New Hampshire levies a Business Enterprise Tax of 0.60% on the enterprise base (total compensation, interest and dividends paid) for businesses with gross receipts over \$222,000 or enterprise base over \$111,000, adjusted every biennium for CPI.
- (o) New Jersey also imposes a 2.5% surtax on taxpayers with income over \$1 million in tax year 2023. Small businesses with annual entire net income under \$100,000 pay a tax rate of 7.5%; businesses with income under \$50,000 pay 6.5%. The minimum Corporation Business Tax is based on New Jersey gross receipts. It ranges from \$500 for a corporation with gross receipts less than \$100,000, to \$2,000 for a corporation with gross receipts of \$1 million or more.
- (p) Plus a Corporate Stocks Tax of 0.1875% for tax years 2022 & 2023. A top bracket of 7.25% is imposed on income over \$5 million for 2022 & 2023. A minimum tax ranges from \$25 to \$200,000, depending on receipts (\$250 minimum for banks). Certain qualified New York manufacturers pay 0%.
- (q) North Dakota imposes a 3.5% surtax for filers electing to use the water's edge method to apportion income.
- (r) Ohio no longer levies a tax based on income (except for a particular subset of corporations), but instead imposes a Commercial Activity Tax (CAT) equal to \$150 for gross receipts situated to Ohio of between \$150,000 and \$1 million, plus 0.26% of gross receipts over \$1 million. Banks continue to pay a franchise tax of 1.3% of net worth. For those few corporations for whom the franchise tax on net worth or net income still applies, a litter tax also applies.
- (s) Oregon's minimum tax for C corporations depends on the Oregon sales of the filing group. The minimum tax ranges from \$150 for corporations with sales under \$500,000, up to \$100,000 for companies with sales of \$100 million or above. Oregon also imposes Corporate Activity Tax [CAT] of \$250 plus 0.57% of activity in excess of \$1 million.
- (t) South Carolina taxes savings and loans at a 6% rate.
- (u) Texas imposes a Franchise Tax, otherwise known as margin tax, imposed on entities with more than \$1,230,000 total revenues at rate of 0.75%, or 0.375% for entities primarily engaged in retail or wholesale trade, on lesser of 70% of total revenues or 100% of gross receipts after deductions for either compensation or cost of goods sold.

Source:

[Capital Gain Tax Rates by State - 2023 & 2022 - Calculate Cap Gains \(realized1031.com\)](#)

Capital Gains Notes:

- * State either allows an individual taxpayer to deduct federal taxes, have local income taxes, or provides special tax treatment for capital gains income.
- Short-term capital gains in Massachusetts is taxed at 12% rate. An additional tax of 4% on income of \$1 million.
- Louisiana tax rates may be adjusted down if revenue trigger is met on April 1st.

State Personal Income Tax Rates

As of January 1, 2023

State	Personal Income Tax Rates
	State Rate
Alabama	2 to 5%
Alaska	none
Arizona	2.50%
Arkansas (a)	2 to 4.9%
California (a)	1 to 12.3% (13.3% over \$1 million)
Colorado	4.40%
Connecticut	3 to 6.99%
Delaware	0.0 to 6.6%
Florida	none
Georgia	1 to 5.75%
Hawaii	1.4 to 11.00%
Idaho	5.80%
Illinois(a)	4.95%
Indiana	3.15%
Iowa (a, b)	4.4 to 6.0%
Kansas	3.1 to 5.7%
Kentucky	4.50%
Louisiana (b)	1.85 to 4.25%
Maine (a)	5.8 to 7.15%
Maryland	2 to 5.75%
Massachusetts	5.00%
Michigan (a)	4.25%
Minnesota (a)	5.35 to 9.85%
Mississippi	0.0 to 5%
Missouri (a)	0.0 to 4.95%
Montana (a)	1 to 6.75%
Nebraska (a, b)	2.46 to 6.64%
Nevada	none
New Hampshire	5% on Dividends and Interest Income Only
New Jersey	1.4 to 10.75%
New Mexico	1.7 to 5.9%
New York (a)	4 to 10.9%
North Carolina	4.75%
North Dakota (a)	1.1 to 2.9%
Ohio (a)	0.0 to 3.99%
Oklahoma	0.25 to 4.75%
Oregon (a)	4.75 to 9.9%
Pennsylvania	3.07%
Rhode Island (a)	3.75 to 5.99%
South Carolina (a, b)	0.0 to 6.4%
South Dakota	none
Tennessee	none
Texas	none
Utah	4.85%
Vermont (a)	3.35 to 8.75%
Virginia	2 to 5.75%
WASHINGTON	none
West Virginia	3 to 6.5%
Wisconsin (a)	3.54 to 7.65%
Wyoming	none
D.C.	4 to 10.75%

Source: Compiled by FTA from various sources.

<https://www.taxadmin.org/current-tax-rates>

(a) Sixteen states have statutory provisions for automatically indexing the following to inflation: the dollar values of the tax brackets, standard deductions and/or personal exemptions. Michigan indexes the personal exemption only. Oregon does not index the tax brackets for individuals with incomes at \$125,000 and over.

(b) Louisiana tax rates may be adjusted down if revenue trigger is met on April 1st. Iowa is phasing-in a flat rate by 2027, while Nebraska and South Carolina is phasing-in a reduced top rate by 2027.

Table 15
Comparison of State/Local Retail Sales Taxes

As of January 1, 2023

STATE	Tax Rate (%)	Avg. Local Tax Rate (a)	Combined Tax Rate	Maximum Local Rate	EXEMPTIONS		
					Food (1)	Prescription Drugs	Nonprescription Drugs
Alabama	4.000	5.237	9.237	7.500		*	
Alaska	0.000	1.813	1.813	7.500	--	--	--
Arizona	5.600	2.771	8.371	5.300	*	*	
Arkansas	6.500	2.943	9.443	6.130	0.125 (4)	*	
California (3)	7.250	1.601	8.851	4.750	*	*	
Colorado	2.900	4.891	7.791	8.300	*	*	
Connecticut	6.350	0.000	6.350	0.000	*	*	
Delaware	0.000	0.000	0.000	0.000	--	--	--
Florida	6.000	1.019	7.019	2.000	*	*	*
Georgia	4.000	3.394	7.394	5.000	* (4)	*	
Hawaii	4.000	0.443	4.443	0.500		*	
Idaho	6.000	0.021	6.021	3.000		*	
Illinois	6.250	2.588	8.838	4.750	* (6)	1	1
Indiana	7.000	0.000	7.000	0.000	*	*	
Iowa	6.000	0.934	6.934	1.000	*	*	
Kansas	6.500	2.250	8.750	4.250		*	
Kentucky	6.000	0.000	6.000	0.000	*	*	
Louisiana	4.450	5.097	9.547	7.000	* (4)	*	
Maine	5.500	0.000	5.500	0.000	*	*	
Maryland	6.000	0.000	6.000	0.000	*	*	*
Massachusetts	6.250	0.000	6.250	0.000	*	*	
Michigan	6.000	0.000	6.000	0.000	*	*	
Minnesota	6.875	0.648	7.523	2.000	*	*	*
Mississippi	7.000	0.062	7.062	1.000		*	
Missouri	4.225	4.137	8.362	5.880	1.225 (4)	*	
Montana	0.000	0.000	0.000	0.000	--	--	--
Nebraska	5.500	1.471	6.971	2.000	*	*	
Nevada	6.850	1.386	8.236	1.530	*	*	
New Hampshire	0.000	0.000	0.000	0.000	--	--	--
New Jersey	6.625	-0.024	6.601	3.310	*	*	*
New Mexico (7)	5.000	2.726	7.726	4.060	*	*	
New York	4.000	4.532	8.532	4.880	*	*	*
North Carolina	4.750	2.246	6.996	2.750	* (4)	*	
North Dakota	5.000	2.038	7.038	3.500	*	*	
Ohio	5.750	1.488	7.238	2.250	*	*	
Oklahoma	4.500	4.486	8.986	7.000		*	
Oregon	0.000	0.000	0.000	0.000	--	--	--
Pennsylvania	6.000	0.341	6.341	2.000	*	*	*
Rhode Island	7.000	0.000	7.000	0.000	*	*	
South Carolina	6.000	1.499	7.499	3.000	*	*	
South Dakota	4.500	1.908	6.408	4.500		*	
Tennessee	7.000	2.548	9.548	2.750	4.000 (4)	*	
Texas	6.250	1.948	8.198	2.000	*	*	*
Utah (5)	6.100	1.098	7.198	4.200	3.000 (5)	*	
Vermont	6.000	0.359	6.359	1.000	*	*	*

Virginia (2)	5.300	0.467	5.767	2.700	1.000 (2)	*	*
WASHINGTON	6.500	2.897	9.397	4.100	*	*	
West Virginia	6.000	0.566	6.566	1.000	*	*	
Wisconsin	5.000	0.429	5.429	1.750	*	*	
Wyoming	4.000	1.441	5.441	2.000	*	*	
Dist. Of Columbia	6.000	0.000	6.000	0.000	*	*	*

Sales tax notes:

Source for rates: Tax Foundation

<https://taxfoundation.org/2023-sales-taxes/>

Source for exemptions: Adapted from FTA tables

[Tax Rates - Federation of Tax Administrators](#)

* -- indicates exempt from tax; a blank cell indicates subject to general sales tax rate.

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

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

(3) Tax rate is adjusted annually according to a formula based on balances in the unappropriated general fund and the school foundation fund.

(4) Food sales are subject to local taxes.

(5) Includes a statewide 1.25% tax levied by local governments in Utah.

(6) Illinois suspended the 1% sales tax on goods from 7/1/22 to 6/1/23.

(7) New Mexico Sales (GRT) scheduled to decrease to 4.875% on July 1, 2023.

Table 16
Comparison of State Cigarette and Gasoline Taxes

As of January 1, 2023

Cigarette Tax		Gasoline Tax	
State	\$ Per Pack	State	¢ Per Gallon
Alabama (a)	0.675	Alabama (1)	28.000
Alaska	2.000	Alaska	8.950
Arizona	2.000	Arizona (8)	19.000
Arkansas	1.150	Arkansas	24.900
California	2.870	California (7)	62.900
Colorado	1.940	Colorado	22.000
Connecticut	4.350	Connecticut (10)	25.000
Delaware	2.100	Delaware	23.000
Dist. of Columbia	4.500	Dist. of Columbia	34.200
Florida (b)	1.339	Florida (2)	35.225
Georgia	0.370	Georgia (5, 11)	31.200
Hawaii	3.200	Hawaii (1)	16.000
Idaho	0.570	Idaho	33.000
Illinois (a)	2.980	Illinois (1, 3, 5)	43.400
Indiana	0.995	Indiana (5)	33.000
Iowa	1.360	Iowa	30.000
Kansas	1.290	Kansas	24.030
Kentucky	1.100	Kentucky (3, 4)	26.000
Louisiana	1.080	Louisiana	20.125
Maine	2.000	Maine	30.000
Maryland	3.750	Maryland (5)	42.700
Massachusetts	3.510	Massachusetts	24.000
Michigan	2.000	Michigan (5)	28.600
Minnesota (d)	3.040	Minnesota	28.600
Mississippi	0.680	Mississippi	18.400
Missouri (a)	0.170	Missouri (9)	22.470
Montana	1.700	Montana	33.000
Nebraska	0.640	Nebraska (5)	29.900
Nevada	1.800	Nevada (1)	23.805
New Hampshire	1.780	New Hampshire	23.825
New Jersey	2.700	New Jersey	41.400
New Mexico	2.000	New Mexico	18.875
New York (a)	4.350	New York	26.150
North Carolina	0.450	North Carolina (5)	40.750
North Dakota	0.440	North Dakota	23.000
Ohio	1.600	Ohio	38.500
Oklahoma	2.030	Oklahoma	19.000
Oregon	3.330	Oregon (1)	38.000
Pennsylvania	2.600	Pennsylvania (5)	57.600
Rhode Island	4.250	Rhode Island (5)	35.000
South Carolina	0.570	South Carolina	28.750
South Dakota	1.530	South Dakota (1)	30.000
Tennessee (a) (c)	0.620	Tennessee (1)	27.400
Texas	1.410	Texas	20.000
Utah	1.700	Utah (4)	36.400
Vermont	3.080	Vermont (5)	33.000
Virginia (a)	0.600	Virginia (1, 6)	28.000
WASHINGTON	3.025	Washington	49.400
West Virginia	1.200	West Virginia	37.200
Wisconsin	2.520	Wisconsin	32.900
Wyoming	0.600	Wyoming	24.000
U. S. Median	1.780	Federal	18.400

Source: Adapted from FTA tables

<https://www.taxadmin.org/current-tax-rates>

Cigarette Tax Notes:

- (a) Counties and cities may impose an additional tax per pack as follows: Alabama, 1 - 25 cents; Illinois, 10 cents - \$4.18; Missouri, 4 - 7 cents; New York City, \$1.50; Tennessee, 1 cent; Virginia, 2 - 15 cents.
- (b) Florida's rate includes a surcharge of \$1 per pack.
- (c) Dealers pay an additional enforcement and administrative fee of 0.05 cents in Tennessee.
- (d) In addition, Minnesota imposes an in-lieu cigarette sales tax determined annually by its Department of Revenue. The 2023 rate is 69.2 cents per pack.
- (e) In addition, the District of Columbia imposes an in-lieu cigarette sales tax, calculated every March 31. The 2023 rate is 52 cents.

Gasoline Tax Notes:

- (1) Tax rates do not include local option taxes: Alabama, 1 - 3 cents; Hawaii, 8.8 - 18.0 cents; Illinois, 5 cents in Chicago and 6 cents in Cook County (gasoline only); Nevada, 4.0 - 9.0 cents; Oregon, 1 - 5 cents; South Dakota and Tennessee, 1 cent; Virginia 2.1%.
- (2) Local taxes for gasoline and gasohol vary from 0 to 6 cents; includes Inspection Fee, SCETS, and Statewide Local Tax.
- (3) Carriers pay an additional surcharge: Illinois, 11.4 cents; Kentucky, 2% or 4.7%.
- (4) Tax rate is based on the average wholesale price and is adjusted annually. 2023 rates are: Kentucky, 9%; and Utah, 16.5%.
- (5) A portion of the rate is adjusted based on maintenance costs, sales volume, cost of fuel to state government or inflation.
- (6) In Virginia, large trucks pay an additional 3.5 cents or 12.6 cents. 2023 rates are 5.1% or 6%.
- (7) In California, gasoline is subject to 2.25% sales tax; diesel is subject to a 13% sales tax.
- (8) In Arizona, the diesel rate specified is the fuel use tax rate on large trucks. Small vehicles are subject to an 18 cent tax rate.
- (9) On July 1, 2023, Missouri increased to 24.5 cents per gallon.

Table 17
State and Local Taxes as a Percent of Gross Domestic Product

Fiscal Years 2017 - 2021

State	Amount					Rank				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Vermont	11.8%	12.1%	12.5%	12.0%	14.1%	1	1	1	2	1
Hawaii	11.3%	11.9%	12.2%	11.7%	13.3%	4	2	3	3	2
Maine	11.7%	11.8%	12.5%	12.5%	13.0%	2	3	2	1	3
Connecticut	10.5%	11.0%	11.0%	10.6%	12.4%	6	6	6	6	4
New Jersey	11.0%	11.3%	11.3%	11.0%	12.2%	5	5	4	5	5
California	9.6%	10.0%	10.0%	9.1%	11.8%	13	12	13	18	6
New York	11.5%	11.7%	11.2%	11.2%	11.6%	3	4	5	4	7
Rhode Island	10.3%	10.3%	10.5%	10.1%	11.5%	7	7	9	9	8
Mississippi	10.2%	10.2%	10.4%	10.2%	11.3%	8	9	10	8	9
Minnesota	10.0%	10.2%	10.2%	9.7%	11.2%	11	8	11	13	10
Oregon	9.3%	9.2%	9.7%	9.1%	11.0%	15	18	16	17	11
New Mexico	9.1%	9.1%	10.9%	10.2%	10.9%	20	20	7	7	12
West Virginia	10.1%	10.0%	9.9%	9.5%	10.9%	9	11	15	14	13
Illinois	9.1%	9.5%	9.5%	9.2%	10.8%	19	15	18	15	14
Arkansas	10.1%	10.2%	10.0%	9.9%	10.8%	10	10	12	11	15
Maryland	9.7%	9.9%	10.0%	10.0%	10.8%	12	13	14	10	16
Montana	9.2%	9.3%	9.4%	9.2%	10.6%	17	16	19	16	17
Pennsylvania	9.2%	9.3%	9.5%	9.0%	10.5%	18	17	17	19	18
Idaho	9.2%	9.2%	8.8%	8.9%	9.9%	16	19	24	21	19
North Dakota	9.5%	9.8%	10.7%	9.7%	9.9%	14	14	8	12	20
Kansas	8.4%	9.1%	9.0%	8.7%	9.8%	30	21	23	25	21
Wisconsin	9.0%	9.0%	9.1%	9.0%	9.8%	21	23	20	20	22
Indiana	7.7%	8.4%	8.5%	8.3%	9.7%	42	30	29	29	23
Kentucky	8.8%	8.8%	9.1%	8.8%	9.6%	23	25	21	23	24
Massachusetts	8.8%	9.1%	9.0%	8.7%	9.6%	25	22	22	24	25
Iowa	8.7%	8.7%	8.8%	8.8%	9.5%	26	27	25	22	26
Virginia	8.2%	8.4%	8.7%	8.6%	9.5%	34	33	27	26	27
Louisiana	8.8%	8.5%	8.3%	8.1%	9.5%	24	29	36	34	28
Michigan	8.6%	8.6%	8.5%	8.0%	9.4%	28	28	31	37	29
Colorado	8.3%	8.4%	8.6%	8.2%	9.4%	32	32	28	30	30
Oklahoma	7.5%	7.8%	8.2%	8.0%	9.3%	44	42	38	36	31
Nebraska	8.3%	8.4%	8.4%	8.4%	9.2%	33	31	32	27	32
South Carolina	8.2%	8.4%	8.4%	8.4%	9.2%	35	34	33	28	33
Utah	8.0%	8.3%	8.3%	7.3%	9.2%	38	36	37	46	34
Nevada	8.8%	8.7%	8.8%	8.1%	9.1%	22	26	26	33	35
Alabama	7.9%	7.9%	8.1%	8.2%	9.1%	39	40	40	31	36
Ohio	8.7%	8.4%	8.3%	8.1%	9.1%	27	35	35	32	37
Arizona	8.3%	8.2%	8.5%	7.9%	8.7%	31	39	30	38	38
Delaware	6.7%	7.7%	7.8%	7.4%	8.7%	48	46	44	44	39
North Carolina	7.7%	7.7%	7.8%	7.4%	8.6%	43	43	45	43	40
Missouri	7.8%	7.8%	7.9%	7.3%	8.5%	41	41	43	45	41
New Hampshire	8.5%	8.9%	8.3%	8.0%	8.5%	29	24	34	35	42
Florida	8.1%	8.3%	8.0%	7.8%	8.4%	36	37	41	41	43
WASHINGTON	8.1%	8.2%	8.0%	7.8%	8.3%	37	38	42	39	44
Wyoming	7.8%	7.7%	8.2%	7.8%	8.2%	40	45	39	40	45
Texas	7.5%	7.7%	7.6%	7.4%	8.0%	45	44	46	42	46
Georgia	7.2%	7.0%	7.1%	6.8%	7.7%	47	48	48	48	47
Tennessee	6.6%	6.7%	6.8%	6.7%	7.6%	49	49	50	49	48
South Dakota	7.4%	7.3%	7.2%	7.2%	7.4%	46	47	47	47	49

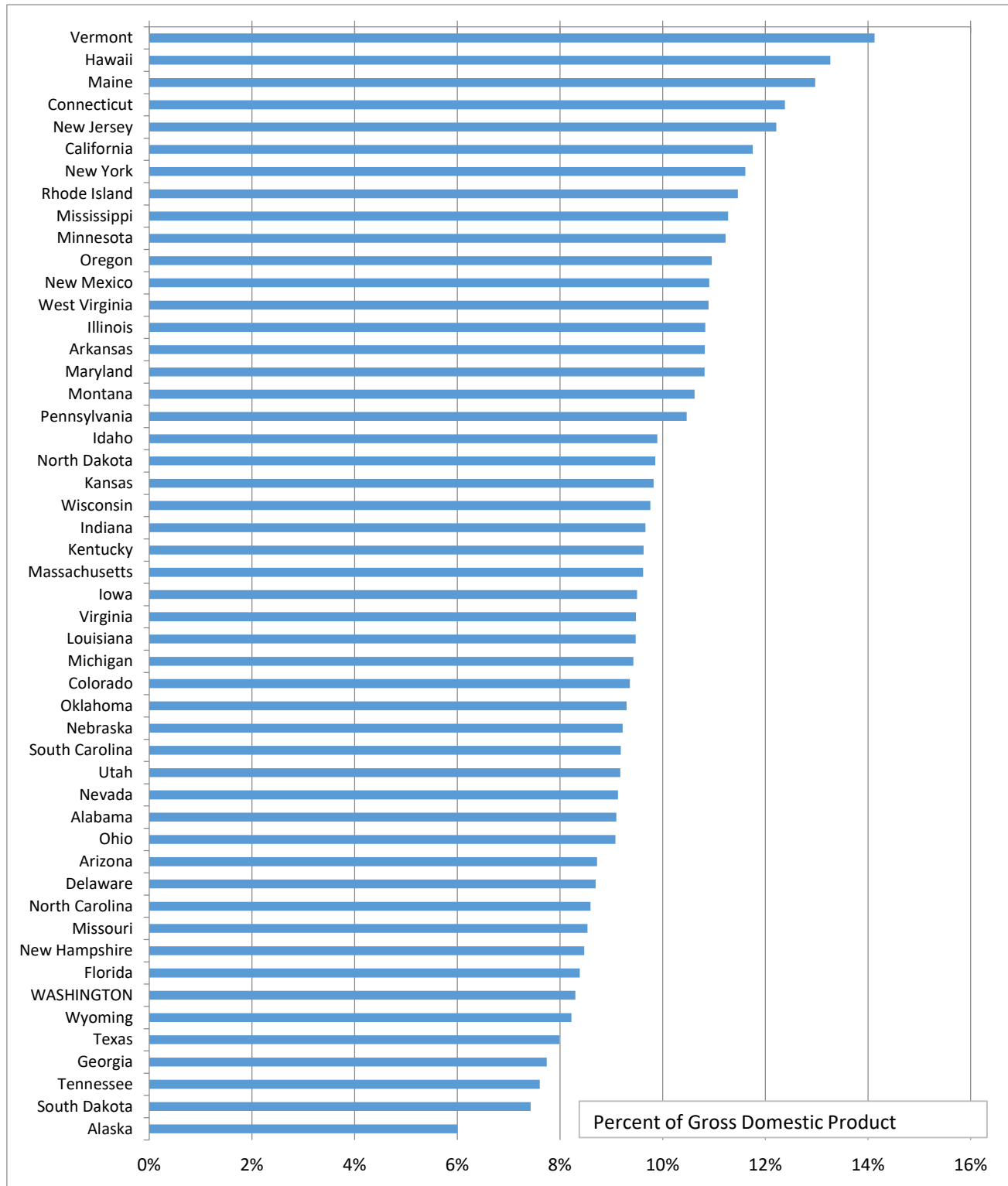
Alaska	6.0%	6.7%	6.9%	6.2%	6.0%	50	50	49	50	50
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Source: Bureau of Economic Analysis and Census Bureau.

Chart 4

State and Local Taxes as a Percent of Gross Domestic Product

Fiscal Year 2021



Source: Bureau of Economic Analysis and Census Bureau.