

TABLE 27. GENERAL SALES TAX RATES and NET COLLECTIONS and INDIVIDUAL INCOME TAX NET COLLECTIONS and PERSONAL INCOME  
FOR THOSE STATES LEVYING A GENERAL SALES TAX

State	State sales tax rate as of 7/1/2011 [%]	Rank	Grocery food non-prepared items [1] Taxable (T) Exempt (E)	Drugs	Vendor Discounts++		Population as of 7/1/2012 [1,000s]	General sales tax collections fiscal year 2012*			Per capita collections per 1¢ of tax + [\$]	Personal income 2011		Sales tax collections as a percent of personal income		Individual income tax collections fiscal year 2012			
				Prescription, non-prescription Taxable (T) Exempt (E)	Collection discounts allowed seller for qualifying transactions			Amount [\$1,000s]	Per capita			Amount [\$1,000s]	Per capita [\$]	Rank	Amount [\$1,000s]	Per capita [\$]	Rank	Amount [\$1,000s]	Per capita [\$]
					Basic provisions	Maximum/minimum			Amount [\$]	Rank									
Alabama.....	4	37	T	E,T	5%-2%++	\$400/mo M	4,822	2,274,658	471.72	43	117.93	167,786,623	34,929	1.36%	40	3,017,437	625.76		
Arizona.....	6.6	7	E	E,T	1%	\$10K/yr M	6,553	6,210,756	947.74	15	143.60	229,237,928	35,446	2.71%	10	3,093,904	472.12		
Arkansas.....	6	15	1.5% [2]	E,T	2%	\$1K/mo M	2,949	2,809,416	952.63	14	158.77	100,004,837	34,032	2.81%	6	2,401,902	814.44		
California.....	6.25	11	E	E,T	None		38,041	31,253,629	821.57	21	131.45	1,683,203,700	44,666	1.86%	25	55,024,435	1,446.43		
Colorado.....	2.9	45	E	E,T	2.22%		5,188	2,302,333	443.82	44	153.04	226,031,916	44,179	1.02%	44	4,875,627	939.87		
Connecticut.....	6.35	9	E	E,T	None		3,590	3,783,635	1,053.84	6	165.96	207,161,731	57,758	1.83%	29	7,371,189	2,053.06		
Florida.....	6	15	E	E,E	2.5%	\$30/report M	19,318	19,403,788	1,004.46	11	167.41	761,303,232	39,896	2.55%	12	-	-		
Georgia.....	4	37	E [2]	E,T	3%-0.5%++		9,920	5,303,524	534.63	41	133.66	356,836,412	36,366	1.49%	36	8,142,371	820.81		
Hawaii.....	4	37	T [3]	E,T	None		1,392	2,697,951	1,937.75	1	484.44	60,095,000	43,606	4.49%	1	1,540,746	1,106.61		
Idaho.....	6	15	T [3]	E,T	None		1,596	1,224,656	767.46	25	127.91	52,953,795	33,436	2.31%	16	1,213,335	760.36		
Illinois.....	6.25	11	1%	T,T[4]	1.75%	\$5/yr min	12,875	8,034,466	624.02	35	99.84	567,196,693	44,106	1.42%	38	15,512,310	1,204.82		
Indiana.....	7	1	E	E,T	0.73%-0.26%++		6,537	6,621,954	1,012.94	9	144.71	236,815,230	36,342	2.80%	7	4,765,566	728.98		
Iowa.....	6	15	E	E,T	None		3,074	2,523,266	820.79	22	136.80	130,130,712	42,470	1.94%	23	3,029,709	985.53		
Kansas.....	6.3	10	T [3]	E,T	None		2,886	2,825,880	979.20	12	155.43	120,782,820	42,079	2.34%	14	2,891,743	1,002.02		
Kentucky.....	6	15	E	E,T	1.75%-1%++	\$1.5K/report M	4,380	3,052,236	696.79	30	116.13	150,849,692	34,545	2.02%	21	3,512,075	801.77		
Louisiana.....	4	37	E [2]	E,T	1.1%		4,602	2,815,919	611.90	37	152.98	176,689,867	38,623	1.59%	34	2,474,606	537.74		
Maine.....	5	29	E	E,T	None		1,329	1,064,342	800.74	24	160.15	51,653,256	38,880	2.06%	18	1,441,926	1,084.81		
Maryland.....	6	15	E	E,E	1.2%-0.9%++	\$500/return M	5,885	4,076,578	692.76	31	115.46	306,001,368	52,401	1.33%	41	7,116,605	1,209.37		
Massachusetts..	6.25	11	E	E,T	None		6,646	5,079,105	764.22	26	122.27	358,217,598	54,218	1.42%	37	11,954,838	1,798.76		
Michigan.....	6	15	E	E,T	0.75%-0.5%++	\$20K/mo M \$15K/mo M	9,883	8,933,937	903.94	19	150.66	365,752,830	37,032	2.44%	13	6,921,033	700.27		
Minnesota.....	6.875	6	E	E,E	None		5,379	4,942,140	918.76	17	133.64	241,351,998	45,135	2.05%	19	7,988,084	1,485.01		
Mississippi.....	7	1	T	E,T	2%	\$50/mo; \$600/yr M	2,985	3,072,243	1,029.25	7	147.04	95,854,424	32,193	3.21%	5	1,501,267	502.95		
Missouri.....	4.225	36	1.225%	E,T	2%		6,022	3,103,410	515.35	42	121.98	228,269,622	37,988	1.36%	39	5,131,686	852.16		
Nebraska.....	5.5	26	E	E,T	2.5%	\$75/mo M	1,856	1,570,450	846.36	20	153.88	80,419,976	43,654	1.95%	22	1,838,344	990.74		
Nevada.....	4.6	34	E	E,T	0.25%		2,759	3,433,958	1,244.67	5	270.58	101,716,888	37,396	3.38%	4	-	-		
New Jersey.....	7	1	E	E,E	None		8,865	8,099,549	913.70	18	130.53	471,187,870	53,333	1.72%	31	11,128,418	1,255.38		
New Mexico.....	5.125	28	E	E,T	None		2,086	1,990,535	954.45	13	186.23	72,300,258	34,782	2.75%	9	1,150,468	551.64		
New York.....	4	37	E	E,E	5%	\$200/qtr M	19,570	11,904,357	608.29	38	152.07	1,012,405,644	51,914	1.18%	43	38,771,968	1,981.17		
North Carolina.	4.75	32	E [2,4]	E,T	None		9,752	5,573,658	571.54	39	120.32	352,454,998	36,520	1.58%	35	10,383,796	1,064.78		
North Dakota...	5	29	E	E,T	1.5%	\$85/mo M	700	1,122,783	1,604.83	2	320.97	32,332,079	47,218	3.47%	3	432,527	618.22		
Ohio.....	5.5	26	E	E,T	0.75%		11,544	8,277,130	716.99	29	130.36	446,135,562	38,657	1.86%	26	9,029,349	782.15		
Oklahoma.....	4.5	35	T [3]	E,T	1%	\$2.5K/mo M	3,815	2,415,964	633.31	34	140.74	147,429,565	38,960	1.64%	33	2,774,376	727.26		
Pennsylvania....	6	15	E	E,E	1%		12,764	9,166,842	718.21	28	119.70	558,345,148	43,813	1.64%	32	10,102,113	791.48		
Rhode Island....	7	1	E	E,T[5]	None		1,050	848,547	807.92	23	115.42	46,881,303	44,621	1.81%	30	1,068,466	1,017.30		
South Carolina.	6	15	E [2]	E,T	3%-2%++	\$3.1K/yr M	4,724	2,926,177	619.46	36	103.24	159,747,330	34,183	1.83%	28	3,096,834	655.59		

TABLE 27. -Continued

State	State sales tax rate as of 7/1/2011 [%]	Rank	Grocery food non-prepared items [1] Taxable (T) Exempt (E)	Drugs	Vendor Discounts++		Population as of 7/1/2012 [1,000s]	General sales tax collections fiscal year 2012*			Per capita collections per 1¢ of tax + [\$]	Personal income 2011		Sales tax collections as a percent of personal income		Individual income tax collections fiscal year 2012	
				Prescription, non-prescription Taxable (T) Exempt (E)	Collection discounts allowed seller for qualifying transactions			Amount [\$1,000s]	Per capita			Amount [\$1,000s]	Per capita [\$]	[%]	Rank	Amount [\$1,000s]	Per capita [\$]
					Basic provisions	Maximum/minimum			Amount [\$]	Rank							
South Dakota...	4	37	T [3]	E,T	None		833	838,240	1,005.86	10	251.47	36,932,455	44,843	2.27%	17	-	-
Tennessee.....	7	1	5.5%	E,T	Limited		6,456	6,545,229	1,013.78	8	144.83	237,618,453	37,129	2.75%	8	182,251	28.23
Texas.....	6.25	11	E	E,E	0.5%		26,059	24,500,909	940.20	16	150.43	1,053,551,540	41,103	2.33%	15	-	-
Utah.....	4.7	33	1.75% [2]	E,T	1.31%		2,855	1,857,035	650.38	33	138.38	96,175,091	34,173	1.93%	24	2,466,495	863.83
Vermont.....	6	15	E	E,E	None		626	342,085	546.45	40	91.08	26,887,510	42,911	1.27%	42	598,450	955.97
Virginia.....	4	37	1.5% [2]	E,E	1.6%-0.6%++		8,186	3,487,343	426.02	45	106.50	381,930,403	47,126	0.91%	45	10,216,148	1,248.02
Washington.....	6.5	8	E	E,T	None		6,897	10,614,137	1,538.95	3	236.76	303,087,834	44,420	3.50%	2	-	-
West Virginia...	6	15	3%	E,T	None		1,855	1,277,328	688.43	32	114.74	62,737,373	33,822	2.04%	20	1,755,746	946.28
Wisconsin.....	5	29	E	E,T	0.5%	\$10/period min	5,726	4,288,739	748.94	27	149.79	232,094,278	40,648	1.85%	27	6,762,399	1,180.92
Wyoming.....	4	37	E	E,T	None		576	747,804	1,297.34	4	324.34	27,920,461	49,212	2.68%	11	-	-
Total 45 states..	-	-	-	-	-		305,408	245,238,621	802.99 <sup>a</sup>	-	-	12,814,473,303	42,271 <sup>a</sup>	1.91% <sup>a</sup>	-	272,680,542	892.84 <sup>a</sup>

Detail may not add to totals due to rounding.

Personal income amounts are BEA estimates and are in current dollars (not adjusted for inflation).

Per capita personal income amounts are BEA estimates based on July 1, 2011 population estimates of the Bureau of the Census.

Per capita tax collection amounts are computations based on July 1, 2012 population estimates of the Bureau of the Census and should be interpreted as a reflection of the portion of tax imposed (collected) on behalf of each individual.

\*Includes general sales tax, use tax, gross income and gross receipts taxes, but excludes excise taxes levied on specific commodities and services. Collections may include tax receipts from transactions subject to a preferential rate other than the general sales tax rate shown. Data for some states include state-collected local sales tax.

North Carolina sales tax data include \$17,887,554 retained by state to pay for the costs of collecting and distributing local sales taxes.

<sup>a</sup>Weighted average computations based on collection totals and population for the 45 states levying a general state sales tax.

<sup>+</sup>Computation based on the prevalent rate in effect for fiscal year 2011-12.

++Vendor discounts-Twenty-six states allow merchants to retain portions of sales taxes collected as compensation for administrative costs associated with collecting the sales tax; this portion may be referred to as vendor fee, discount, or allowance. In some states, the vendor discount varies by the amount of tax liability:

Alabama-5% of the first \$100 of tax liability and 2% of the excess amount with a maximum of \$400 per month

Georgia-3% of the first \$3,000 tax liability and 0.5% of the excess amount

Indiana-certain utilities not entitled to allowance; 0.73% of tax liability less than \$60K, 0.53% of tax liability between \$60K and \$600K, and 0.26% of tax liability exceeding \$600K

Kentucky-1.75% of the first \$1,000 tax liability and 1% of the excess amount with a maximum of \$1,500 per reporting period

Maryland-1.2% of the first \$6,000 tax liability and 0.9% of the excess amount with a maximum of \$500 per return

Michigan-vendor discount only applies to the first 4% of the tax; a discount of 0.75% (\$20K maximum) may apply if tax liability paid by the 12th of the month;

a discount of 0.5% (\$15K maximum) may apply if tax liability paid between the 12th and the 20th of the month; \$6/month minimum discount.

South Carolina-3% if tax liability is less than \$100; maximum annual discount is \$10K for out-of-state filers filing voluntarily

Texas-additional discount of 1.25% applies for early payment

Virginia-discount varies: 1.2% (1.6% food tax) of the first \$62.5K; 0.9% (1.2% food tax) of the amount from \$62.5K to \$208K; and 0.6% (0.8% food tax) of the remainder. No discount allowed on electronically filed returns.

**Food and drug items:**

[1] Food purchased for consumption off-premises; food prepared by a grocery is taxable in all states as meals. Many states that exempt grocery food may tax soft drinks, candy, and confections.

[2] Food subject to local taxes.

[3] Rebate or income tax credit allowed to offset sales tax on food.

[4] Food purchased for consumption off-premises in North Carolina is subject to only a 2% local sales tax rate.

[5] Effective **October 1, 2011**, over-the-counter drugs and marijuana for medical use are subject to tax.

Sources: U.S. Census Bureau, Population Division. *Table NST-EST2011-01* -Annual Estimates of the Population for the States: July 1, 2012, December 2012 release.

U.S. Census Bureau, 2012 Census of Governments: Finance - Survey of State Government Tax Collections at <www.census.gov/govs/statetax>. April 11, 2013 release, April 8, 2014 update.

Bureau of Economic Analysis. *Table SAI-3*, Regional Economic Information System, September 30, 2013 release, May 30, 2014 update.

Sales Tax Institute; Federation of Tax Administrators; Commerce Clearing House; Tax Forms