

**TABLE 20. CORPORATE INCOME TAX RATES and NET COLLECTIONS and INDIVIDUAL INCOME TAX NET COLLECTIONS and SALES TAX NET COLLECTIONS
FOR THOSE STATES LEVYING A CORPORATE INCOME TAX**

State	State corporate income tax rates and brackets for 2007 income year -as of January 1, 2007- [apportionment formula]	Special rates or notes	Pop-ulation 7/1/2006 [1,000s]	State Tax Collections 2005-06											
				Corporate income tax				Individual income tax			General sales tax*			Total tax collections [all sources]**	
				Amount [\$1,000s]	% of total state tax collec-tions	Per capita		Amount [\$1,000s]	% of total state tax collec-tions	Per capita [\$]	Amount [\$1,000s]	% of total state tax collec-tions	Per capita [\$]	Amount [\$1,000s]	Per capita [\$]
						Amount [\$]	Rank								
Alabama	6.5% [3-factor]	rate applicable to banks; federal deductibility	4,599	558,768	6.55%	121.50	33	2,766,239	32.43%	601.48	2,221,506	26.04%	483.04	8,529,676	1,854.67
Alaska	1%>\$0; 2%>\$10K; 3%>\$20K; 4%>\$30K; 5%>\$40K; 6%>\$50K; 7%>\$60K; 8%>\$70K; 9%>\$80K; 9.4%>\$90K [3-factor]	rates applicable to banks	670	821,664	33.07%	1,226.27	1	-	-	-	-	-	-	2,484,422	3,707.80
Arizona	6.968% [3-factor: 60-20-20 (sales-payroll-property)]	rate applicable to banks; minimum tax: \$50	6,166	890,004	7.60%	144.33	25	3,253,279	27.77%	527.59	5,189,786	44.31%	841.63	11,713,167	1,899.54
Arkansas	1%>\$0; 2%>\$3K; 3%>\$6K; 5%>\$11K; 6%>\$25K; 6.5%>\$100K [3-factor with double wtd. sales factor]	rates applicable to banks	2,811	368,523	5.30%	131.11	32	2,012,835	28.92%	716.09	2,772,131	39.83%	986.22	6,959,438	2,475.90
California	8.84% [3-factor with double wtd. sales factor]	10.84% rate applicable to banks; minimum tax: \$800; S-Corporations: 1.5% S-Corporations banks: 3.5%	36,458	10,316,467	9.27%	282.97	7	51,219,823	46.00%	1,404.92	32,199,800	28.92%	883.21	111,346,857	3,054.15
Colorado	4.63% [3-factor or 2-factor of revenue and property]	rate applicable to banks	4,753	457,673	5.37%	96.28	39	4,258,944	49.97%	895.98	2,105,049	24.70%	442.85	8,522,307	1,792.90
Connecticut	7.5% or 3.1 mills/\$1 of capital holding [3-factor with double wtd. sales factor for income derived from the sale/use of tpp or rp; 1-factor gross receipts formula for other income]	rate applicable to banks: 7.5% or 4% of interest/dividends minimum tax: \$250	3,505	634,990	5.23%	181.18	15	5,777,636	47.62%	1,648.49	3,040,683	25.06%	867.57	12,131,894	3,461.50
Delaware	8.7% or minimum tax of \$5K, whichever is greater [3-factor]	banks: marginal rate decreases from 8.7% to 1.7% (brackets ranging from <=\$20 to > \$650 million in taxable income; building and loan associations taxed at 8.7%	853	295,577	10.33%	346.32	3	1,018,633	35.61%	1,193.51	-	-	-	2,860,749	3,351.88
Florida	5.5% > \$5K [3-factor with double wtd. sales factor]	rate applicable to banks	18,090	2,405,863	6.47%	132.99	31	-	-	-	20,788,525	55.88%	1,149.18	37,201,518	2,056.48
Georgia	6% [3-factor: 90-5-5 (sales-payroll-property)]	rate applicable to banks	9,364	890,732	5.23%	95.12	42	8,040,366	47.20%	858.65	5,802,913	34.07%	619.71	17,033,651	1,819.07
Hawaii	4.4%>\$0; 5.4%>\$25K; 6.4%>\$100K [3-factor]	7.92% rate applicable to banks; capital gains taxed at 4%	1,285	148,084	3.01%	115.20	36	1,550,757	31.53%	1,206.35	2,355,316	47.89%	1,832.22	4,918,655	3,826.26
Idaho	7.6% [3-factor with double wtd. sales factor]	rate applicable to banks; minimum tax: \$20; additional tax of \$10 imposed per return	1,466	198,302	6.31%	135.22	30	1,222,569	38.90%	833.68	1,078,543	34.32%	735.47	3,142,663	2,143.02
Illinois	4.8% plus a 2.5% personal property replacement tax [1-factor sales]	rates applicable to banks	12,832	2,400,270	8.53%	187.05	13	8,635,104	30.70%	672.94	7,760,590	27.59%	604.79	28,128,749	2,192.08

TABLE 20.-Continued

State	State corporate income tax rates and brackets for 2007 income year -as of January 1, 2007- [apportionment formula]	Special rates or notes	Pop-ulation 7/1/2006 [1,000s]	State Tax Collections 2005-06											
				Corporate income tax				Individual income tax			General sales tax*			Total tax collections [all sources]**	
				Amount [\$1,000s]	% of total state tax collec-tions	Per capita		Amount [\$1,000s]	% of total state tax collec-tions	Per capita [\$]	Amount [\$1,000s]	% of total state tax collec-tions	Per capita [\$]	Amount [\$1,000s]	Per capita [\$]
						Amount [\$]	Rank								
Nebraska	5.58%>\$0; 7.81%>\$50K [1-factor sales]		1,768	262,296	6.62%	148.33	22	1,545,024	39.00%	873.72	1,409,015	35.57%	796.81	3,961,093	2,240.02
New Hampshire	8.5% plus a 0.75% tax on the enterprise base [3-factor with double wtd. sales factor]	rate applicable to banks	1,315	542,644	26.08%	412.69	2	80,931	3.89%	61.55	-	-	-	2,080,573	1,582.31
New Jersey	6.5%>\$0; 7.5%>\$50K; 9%>\$100K; or alternative minimum assessment; or fixed dollar minimum tax based on gross receipts [3-factor with double wtd. sales factor]	Banks pay franchise tax; minimum tax: \$500	8,725	2,508,428	10.09%	287.51	6	9,091,658	36.59%	1,042.08	6,853,418	27.58%	785.53	24,848,825	2,848.15
New Mexico	4.8%>\$0; 6.4%>\$500K; 7.6%>\$1 million [3-factor; certain manufacturers may elect to double weight the sales factor]	rates applicable to banks	1,955	377,185	7.38%	192.97	11	1,123,954	21.99%	575.03	1,741,673	34.08%	891.06	5,110,683	2,614.70
New York	7.1% of entire income base (general business taxpayer); or alternative minimum tax base of 1.5%; or capital tax base of 1.78 mills/\$1 of allocated capital (up to \$350K for manufacturers or \$1 million for other taxpayers); or fixed dollar minimum tax based on payroll size; or \$800 if gross payroll, total receipts, and average value of gross assets are each \$1,000 or less [3-factor: 80-10-10 (receipts-payroll-property)]		19,306	4,018,199	7.37%	208.13	9	30,812,924	56.49%	1,596.01	11,263,576	20.65%	583.42	54,549,027	2,825.47
North Carolina	6.9% [3-factor with double wtd. sales factor]	rate applicable to banks	8,857	1,308,022	6.35%	147.69	23	9,467,278	45.95%	1,068.96	5,021,648	24.37%	567.00	20,602,549	2,326.26
North Dakota	2.6%>\$0; 4.1%>\$3K; 5.6%>\$8K; 6.4%>\$20K; 6.5%>\$30K [3-factor]	7% rate applicable to banks; minimum tax: \$50	636	120,113	7.41%	188.90	12	275,630	16.99%	433.47	427,487	26.36%	672.29	1,621,912	2,550.71
Ohio	Franchise tax: 50% of the greater of: 5.1%>\$0; 8.5%>\$50K [3-factor with triple wtd. sales factor]	Banks: 13 mills of net worth 4 mills multiplied by net worth up to \$150K; or fixed dollar minimum tax of \$50 or \$1,000 for larger corporations Commercial activity tax (CAT) on gross receipts: \$150K - \$1 million: \$150 plus 0.26% multiplied by: 40% (1/1/07-3/31/07) and 60% (4/1/07-12/31/07) [Beginning in tax year 2006, the franchise tax is phased out (excludes financial institutions) at 20% per year over five years.]	11,478	1,102,351	4.47%	96.04	40	9,859,712	40.02%	859.01	7,733,133	31.39%	673.73	24,636,910	2,146.45
Oklahoma	6% [3-factor; corporations meeting investment criteria allowed to double weight the sales factor]	rate applicable to banks	3,579	231,206	2.97%	64.60	45	2,658,272	34.15%	742.70	1,799,947	23.12%	502.89	7,784,453	2,174.91

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Oregon	6.6%	rate applicable to banks; minimum tax: \$10	3,701	438,255	5.77%	118.42	34	5,416,466	71.36%	1,463.61	-	-	-	7,590,306	2,051.01
	[1-factor sales]														
Pennsylvania	9.99%		12,441	2,116,954	7.29%	170.16	16	9,021,917	31.06%	725.20	8,403,283	28.93%	675.47	29,050,577	2,335.14
	[3-factor: 70-15-15 (sales-payroll-property)]														
Rhode Island	9%	rate applicable to banks; alternative tax is \$2.50/\$10K of capital stock or \$500 min. tax	1,068	169,865	6.20%	159.11	19	1,019,482	37.18%	954.92	854,257	31.16%	800.16	2,741,734	2,568.10
	[3-factor]														
South Carolina	5%	4.5% rate applicable to banks; 6% rate applicable to savings & loans	4,321	296,753	3.82%	68.67	44	2,727,251	35.15%	631.13	3,186,306	41.06%	737.36	7,759,797	1,795.73
	[3-factor with double wtd. sales factor for dealers in tpp; others subject to 1-factor gross receipts formula; manufacturers subject to 1-factor sales formula]														
South Dakota	[applies to banks only]	6%-0.25% on a bank's net income no state income tax	782	61,865	5.23%	79.12	43	-	-	-	679,162	57.46%	868.58	1,182,027	1,511.70
Tennessee	6.5%	rate applicable to banks	6,039	928,349	8.72%	153.73	20	192,764	1.81%	31.92	6,451,838	60.58%	1,068.40	10,650,350	1,763.65
	[3-factor with double wtd. sales factor]														
Utah	5%	rate applicable to banks; minimum tax: \$100	2,550	348,129	6.38%	136.52	29	2,277,478	41.72%	893.11	1,890,793	34.64%	741.47	5,459,091	2,140.77
	[3-factor/double wtd sales]														
Vermont	6%>\$0; 7%>\$10K; 8.5%>\$25K	rates applicable to banks; minimum tax: \$250	624	86,083	3.58%	137.97	27	542,012	22.52%	868.74	326,055	13.55%	522.60	2,406,661	3,857.40
	[3-factor with double wtd. sales factor]														
Virginia	6%	rate applicable to banks; state and national banks subject to the franchise tax on net capital are exempt from the income tax	7,643	863,320	5.02%	112.96	37	9,073,077	52.77%	1,187.13	3,263,647	18.98%	427.02	17,192,007	2,249.41
	[3-factor with double wtd. sales factor]														
West Virginia	8.75%	rate applicable to banks	1,818	533,027	11.69%	293.12	4	1,297,720	28.47%	713.63	1,125,766	24.70%	619.07	4,558,219	2,506.62
	[3-factor with double wtd. sales factor]														
Wisconsin	7.9%	rate applicable to banks	5,557	808,200	5.86%	145.45	24	5,906,515	42.82%	1,062.99	4,127,972	29.92%	742.91	13,795,044	2,482.68
	[3-factor: 80-10-10 (sales-payroll-property)]														
Total 46 states			265,903	47,392,347	7.35%^a	178.23^a	-	244,370,415	37.88%^a	919.02^a	194,411,123	30.14%^a	731.14^a	645,056,913	2,425.91^a

Detail may not add to totals due to rounding.

This table compares the basic corporate income tax rate(s) generally applicable for the states that levy a tax on corporate income, but does not attempt to address alternate taxable income computational methods or exceptional provisions and circumstances specific to certain corporate entities. Additional business franchise taxes, alternative minimum taxes, and surcharges may apply. Texas imposes a franchise tax of 4.5% of earned surplus or 2.5 mills of net worth. Nevada, Washington, and Wyoming do not levy state corporate income taxes.

Per capita tax collection amounts are computations based on July 1, 2006 population estimates of the Bureau of the Census.

*Includes general sales tax, use tax, gross income and gross receipts taxes, but excludes excise taxes levied on specific commodities and services.

**Includes the following taxes as applicable: property, general sales and gross receipts, selective sales, licenses, individual and corporation income taxes, death and gift, documentary and stock transfer, severance, and other taxes.

Data for some states include state-collected local sales tax. North Carolina sales tax data include \$14,823,275 retained by state to pay for the costs of collecting and distributing local sales taxes.

^aWeighted average computations based on tax collection totals and population for the 46 states levying a corporation income tax.

Sources: U.S. Census Bureau, Governments Division. *Table NST-EST2006-01-State Population Estimates: July 1, 2006*, Population Division, December 22, 2006 release.

U.S. Census Bureau, Governments Division. *State Government Tax Collections: 2006.*; Tax Foundation; Federation of Tax Administrators; Commerce Clearing House