TABLE 21 . 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

	FOR THOSE STATES LEVTING A CORTORATE INCOME						Λ			1	T a			
		Pop- Corporate income tax						l income tax ns 2002-03	(General sales tax				
					ulation collections 2002-03						collections 2002-03			
	State		7/1/2003		% of				% of			% of		
	corporate income tax		(Bu-		total				total		ļ	total		
	rates and brackets		reau of		state tax	Per			state tax	Per		state tax	Per	
	for 2004 income year		Census)	Amount	collec-	capita		Amount	collec-	capita	Amount	collec-	capita	
State	[apportionment formula]	Special rates or notes	[1.000s]	[\$1,000s]	tions	[\$1.00]	Rank	[\$1,000s]	tions	[\$1.00]	[\$1,000s]	tions	[\$1.00]	
Alabama	6.5%	Rate applicable to banks;	4,504	242,411	3.78%			2,035,538		451.94	1,764,557	27.50%		
1 II	[3 Factor++]	Federal deductibility	1,501	2-12,-111	5.7070	23.02		2,000,000	511,7270	101.54	1,704,007	27.5070	571.70	
Alaska	1%>\$0; 2%>\$10K;	Rates applicable to banks	648	207,075	18.49%	319.56	1	-		_			<u> </u>	
1 TIMSIM	3%>\$20K; 4%>\$30K;	rates appreade to banks	040	207,072	10.42 / 0	317.00			į		!	į ;	į	
	5%>\$40K; 6%>\$50K;					•	!		}			!	į	
	7%>\$60K; 8%>\$70K;						į				İ	į	į	
						į	i				į	į ;	į	
	9%>\$80K; 9.4%>\$90K					•	!				!	!	ļ	
	[3 Factor++]	D (1 1 1 1 1	5.550	200.407	4.4007	60.00		2 102 261	24.100/	25.62	4 222 002	40.050/		
Arizona	6.968%	Rate applicable to banks;	5,579	389,406	4.48%	69.80	22	2,102,361	24.19%	376.83	4,332,982	49.85%	776.66	
	[Double wtd. sales++]	Minimum tax: \$50						. ===						
Arkansas	1%>\$0; 2%>\$3K;	Rates applicable to banks;	2,728	176,875	3.44%	64.84	28	1,528,231	29.70%	560.20	1,951,630	37.93%	715.41	
	3%>\$6K; 5%>\$11K;	For net incomes exceeding					•				į	•	Į.	
	6%>\$25K; 6.5%>\$100K	\$100K, 6.5% of entire net income.				į	<u> </u>				ļ	į	į	
	[Double wtd. sales++]											<u> </u>	<u> </u>	
California	8.84%	10.84% rate applicable to banks;	35,463	6,803,559	8.59%	191.85	5	32,709,761	41.30%	922.36	24,899,025	31.44%	702.11	
	[Double wtd. sales++]	6.65% alternative minimum tax				į	! I		i !		į	į	<u> </u>	
		rate (2% banks);				į	<u>i</u>				ţ	į '	į	
		Minimum tax: \$800;				į	<u> </u>				;	<u> </u>	ļ	
		S-Corporations: 1.5%					!				!	!	ļ	
		S-Corporations banks: 3.5%					<u> </u>				į	<u>.</u>	į	
Colorado	4.63%	Rate applicable to banks	4,548	199,853	3.01%	43.94	42	3,235,796	48.76%	711.48	1,833,200	27.62%	403.08	
	[3 Factor/Sales & Property++]					į	!		į		1	į ;	į	
Connecticut	7.5% or 3.1 mills/\$1.00 of	Rate applicable to banks	3,487	344,684	3.62%	98.85	16	3,639,362	38.27%	1,043.69	3,065,486	32.24%	879.12	
	capital stock and surplus						!				!	!	ļ	
	(maximum tax \$1 million)						<u> </u>		•		į	!	Į.	
	or \$250						<u> </u>				ļ	į	į	
	[Double wtd. sales/Sales]					į	!		į		;	į ;	į	
Delaware	8.7%	Banks: marginal rate decreases	818	208,283	9.84%	254.62	4	710.304	33.56%	868.34	_		 	
	[3 Factor]	from 8.7% to 1.7% over 4	-	,			•	,				!	į	
	[e ruetor]	brackets ranging from				į	! I		i !		į	į	<u> </u>	
		\$20 to \$650 million in taxable				į	i				į	į ;	į	
		income. Building and loan					į		į		!	!	ļ	
		associations are taxed at 8.7%.					į l				ļ	•	ĺ	
Florida	5.5% or 3.3% alternative	Rate applicable to banks	16,999	1,226,980	4.55%	72.18	21		i !	_	14,963,444	55.43%	880.25	
rioriua	minimum tax; allowable	Kate applicable to banks	10,555	1,220,900	4.33 /0	72.10	21	-	•	-	14,503,444	33.43 /0	000.23	
	<i>,</i>					į	!		į		;	į ;	į	
	exemption of \$5,000						į		į		!	!	ļ	
<u> </u>	[Double wtd. sales++]	Date and Parkle As hards	9.676	484,139	2 (10/	55.00	24	(251 254	46.760/	722.04	4 770 070	25.550/	549.89	
Georgia		Rate applicable to banks	8,676	484,139	3.61%	55.80	34	6,271,374	46.76%	722.84	4,770,869	35.57%	549.89	
TT	[Double wtd. sales]	7.000/	1.040	20.702	0.000	24.50		1.025.051	20.050/	020.05	1 502 (00	50.2251	1.425.01	
Hawaii	4.4%>\$0; 5.4%>\$25K;	7.92% rate applicable to banks;	1,249	30,603	0.86%	24.50	46	1,037,854	29.07%	830.95	1,792,698	50.22%	1,435.31	
	6.4%>\$100K	capital gains are taxed at 4%;				į.	!		}		i		}	
	[3 Factor++]	alternative tax of 0.5% of				į	<u> </u>		į		ļ	•	į	
		gross annual sales					<u> </u>					<u> </u>	<u> </u>	
Idaho	7.6%	Rate applicable to banks;	1,367	93,490	3.99%	68.39	26	843,780	35.99%	617.25	842,006	35.92%	615.95	
	[Double wtd. sales++]	Minimum tax: \$20; additional				ı					•	1	!	
	[Double wear bares : 1]	tax of \$10 imposed per return				:	: !		1		i		1	

TABLE 21.-Continued

			TABLE 2	1Continued									
		Pop- Corporate income tax					Individual	income tax	•	General sales tax collections 2002-03			
		ulation	ulation collections 2002-03					ns 2002-03					
	State		7/1/2003		% of				% of			% of	
	corporate income tax		(Bu-		total				total			total	
	rates and brackets		reau of		state tax	Per			state tax	Per		state tax	Per
	for 2004 income year		Census)	Amount	collec-	capita		Amount	collec-	capita	Amount	collec-	capita
State	[apportionment formula]	Special rates or notes	[1,000s]	[\$1,000s]	tions	[\$1.00]	Rank	[\$1,000s]	tions	[\$1.00]	[\$1,000s]	tions	[\$1.00]
Illinois	7.3%	Rate applicable to banks;	12,649	1,293,188				7,340,982		580.36	6,558,746		
	[Sales++]	Rate includes a 2.5% personal property replacement tax.	12,045	1,2/3,100	2.0270	102.21	10	7,540,502	30.00 / 0	200.20	0,220,740	27.5576	210.02
Indiana	8.5%	Rate applicable to banks	6,200	729,164	6.50%	117.61	9	3,644,159	32.49%	587.77	4,210,262	37.54%	679.07
	[Double wtd. sales]		-,	,	****		[[-,,			-,,		
Iowa	6%>\$0; 8%>\$25K;	5% rate applicable to banks;	2,942	140,031	2.84%	47.60	38	1,791,129	36.39%	608.81	1,589,917	32.30%	540.42
20114	10%>\$100K; 12%>\$250K	7.2% alternative minimum rate;	-,	110,001	210170			1,.,1,12	00.0570	000.01	1,005,517	02.0070	
	[Sales]	50% Federal deductibility					<u> </u>						
Kansas	4% plus a surtax of 3.35%	Banks: 2.25% plus a surtax of	2,725	124,519	2.49%	45.70	39	1,776,884	35 48%	652,07	1,888,543	37.71%	693.04
Turisus	for taxable income > \$50K	2.125% for taxable income > \$25K	2,720	12-1,019	2.42 / 0	45.70	"	1,770,004	221-1070	002.07	1,000,040	5717170	022104
	[3 Factor++]	2.125 /6 for taxable income > \$251x				į	i						į
Kentucky	4%>\$0; 5%>\$25K;	Rates applicable to banks	4,118	369,572	4.44%	89.75	19	2,813,947	33.83%	683.33	2,387,206	28.70%	579.70
Kentucky	6%>\$50K; 7%>\$100K;	Rates applicable to banks	4,110	305,372	4.44 /0	67.75		2,013,747	33.03 /0	003.33	2,307,200	20.70 70	377.70
	8.25%>\$250K						<u> </u>						
	[Double wtd. sales++]						<u> </u>						
Louisiana	4%>\$0; 5%>\$25K;	Rates applicable to banks;	4,494	198,716	2.67%	44,22	41	1,867,150	25.069/	415.48	2,488,627	33.41%	553.77
Louisiana	6%>\$50K; 7%>\$25K;	Federal deductibility	4,494	196,710	2.0770	44.22	41	1,007,150	25.0076	415.40	2,400,027	33.4170	555.77
	8%>\$200K	rederal deductionity				:	! I						
							!						
Maina	[Double wtd. sales]	10/ mate condicable to bonde	1,309	01 100	3.38%	69.66	23	1,074,826	39.85%	821.10	857,495	31.79%	655.08
Maine	3.5%>\$0; 7.93%>\$25K;	1% rate applicable to banks	1,309	91,188	3.38%	09.00	23	1,074,820	39.85%	821.10	857,495	31./9%	055.08
	8.33%>\$75K; 8.93%>\$250K					į							
	•												
	or a 27% tax on Federal alternative minimum taxable income	ve				•	<u> </u>						
							<u> </u>						
M 1 1	[Double wtd. sales++]	D.A P. M. A. L. J.	5.510	270.020	2.450/	60.76	25	4 (01 0(0	42 (40/	0.40.20	2.720.172	24.770/	402.50
Maryland	7%	Rate applicable to banks	5,512	379,020	3.45%	68.76	25	4,681,860	42.64%	849.39	2,720,162	24.77%	493.50
3.5 3 44	[Double wtd. sales]	10.50/ / 11.11 / 1.1	ć 120	1 104 (10	5.500 /	104.50		0.026.140	51 420/	1 250 10	2 700 070	22.7(0/	555 50
Maryland Massachusetts	9.5%	10.5% rate applicable to banks;	6,420	1,184,610	7.59%	184.52	6	8,026,149	51.42%	1,250.18	3,708,069	23.76%	577.58
		10.91% rate applicable to				į.	! I						
		savings & loan associations					<u> </u>						
	Rates include a 14% surtax, as do	2					<u> </u>						
	an additional tax of \$7/\$1,000 on t						<u> </u>						
	(or net worth allocable to state, for	0 1 1 1				į							
	corporations); Minimim tax: \$456	1				•							
	[Double wtd. sales/Sales++]		40.000				-		*****				
Michigan	1.9%>\$45K		10,082	1,843,072	8.10%	182.81	7	6,519,643	28.66%	646.66	7,685,308	33.78%	762.28
	Single Business Tax (SBT) applies to gross receipts. Must file with gross receipts >\$250K. \$45K deductible.						<u> </u>						
							<u> </u>						
	The SBT tax rate will continue to be reduced by 0.1%					į							
	annually from its 1998 rate of 2.3%					ļ	! I						
	completely phased out over 23 years unless the State's		l l			1	: I						!
						!	: 1			: 1			:
	Budget Stabilization Fund balance												
		e for a fiscal year falls											

TABLE 21.-Continued

			IABLE 2	1Continued										
			Pop- Corporate income tax					Individual	income tax	K .	General sales tax			
			ulation	collect	ctions 2002-03			collection	ctions 2002-03		collections 2002-		3	
	State		7/1/2003		% of				% of			% of		
	corporate income tax		(Bu-		total				total			total		
	rates and brackets		reau of		state tax	Per			state tax	Per		state tax	Per	
	for 2004 income year		Census)	Amount	collec-	capita		Amount	collec-	capita	Amount	collec-	capita	
State	[apportionment formula]	Special rates or notes	[1,000s]	[\$1,000s]	tions	[\$1.00]	Rank	[\$1,000s]	tions	[\$1.00]	[\$1,000s]	tions	[\$1.00]	
Minnesota	9.8%	Rates applicable to banks	5,064	596,584	4.27%	117.81	8	5,374,550	38.44%	1,061.33	3,903,717	27.92%	770.88	
	plus a 5.8% tax on any alternative	e minimum taxable income			İ]					İ		
	over the base tax.				İ		•					İ		
[75	% Sales, 12.5% Property & 12.5%	Payroll]			<u> </u>		ì					<u> </u>		
Mississippi	3%>\$0; 4%>\$5K; 5%> \$10K	Rates applicable to banks;	2,883	288,778	5.78%	100.17	15	1,020,028	20.40%	353.81	2,459,984	49.21%	853.27	
	[Accounting/3 Factor]	Franchise tax of \$2.50 per \$1,000			•		•			!		•	į	
		with minimum tax of \$25.			[!					[
Missouri	6.25%	7% rate applicable to banks;	5,719	205,729	2.38%	35.97	44	3,519,844	40.80%	615.46	2,819,814	32.68%	493.06	
	[3 Factor/Sales++]	50% of Federal tax deductible.			į		į					į		
Montana	6.75%	Rates applicable to banks.	918	44,137	2.97%	48.08	37	535,830	36.03%	583.69	-	-	-	
7 N	7% for corporations filing under a water's edge election.			-	•		į					•		
	Minimum tax: \$50; Minimum tax for small business				<u> </u>	ļ	!					<u> </u>	ļ	
	corporations: \$10.				•		[•		
	[3 Factor++]				į		1					į		
Nebraska	5.58%>\$0; 7.81%>\$50K	Rates applicable to banks	1,737	111,597	3.33%	64.25	29	1,122,893	33.54%	646.46	1,426,914	42.62%	821.48	
	[Sales]	••	ĺ	ĺ	•		•	, ,		!	, ,	•		
New Hampshire	8.5%>\$50K	Rates applicable to banks	1,289	396,162	20.22%	307.34	2	55,118	2.81%	42.76	-	-		
	9.25%>\$150K	••	ĺ	ĺ	İ		į l	,				İ		
	Two corporate taxes: BPT and BET				İ		[<u> </u>		İ		
	BPT is 8.5% on gross income over \$50K; BET is either 0.75% on gross income over \$150K, or 0.75% on total compensation				į							į		
					į	į	•					į	į	
	paid out, including dividends and interest, over \$75K, making				<u> </u>	ļ	!					<u> </u>	ļ	
	9.25% the top rate to which a corporation may be subject.				İ]					İ		
	[Double wtd. sales]	portution may be subject			į							į		
New Jersey	9%		8,642	2,397,043	12.02%	277.37	3	6,735,282	33.78%	779.37	5,936,057	29.78%	686.88	
iten dersey		usiness franchise tay rate	0,042	2,057,040	12.02 /0	2//10/	Ĭ	0,755,202	2217070	775.57	2,220,027	2217070	000.00	
	The 9% rate is the corporation business franchise tax rate. The minimum tax is \$500. An alternative minimum assess-									! !				
	ment based on gross receipts applies if greater than					į.	!			}			į.	
	corporate franchise tax. Corporations not subject to the				İ]					İ		
	franchise tax are subject to a 7.25% income tax. [Banking				į		[<u> </u>		İ		
	and financial corporations are subject to the franchise tax.]				į							į		
	Corporations with net income < \$100K are taxed at 6.5%.				į	į	•			•		į	į	
	The tax on S corporations is being				į	į	•			:		į	į	
[Double wtd. sal	es; 3-factor formula applies if franc	= =			•		į					•		
New Mexico	4.8%>\$0; 6.4%>\$500K;	Rates applicable to banks	1,879	101,546	2.82%	54.04	35	923.113	25.59%	491.28	1,368,200	37.93%	728.15	
110111111111111111111111111111111111111	7.6%>\$1million	runes apprendict to burning	1,075	101,010	2,02,0	•	"	>20,110	20.0570	1,511,20	1,000,200		120116	
	[Double wtd. sales ++]				į		į l					į		
New York	7.5% or 1.78 mills/\$1 of capital (u	un to \$350K): or a 2.5%	19,212	2,089,104	4.94%	108.74	11	22,648,364	53 60%	1,178.87	8,841,872	20.93%	460.23	
TOTA	alternative minimum tax; or a mi	•	15,212	2,005,104	1.2470	100.74		22,010,501	22.0070	1,170.07	0,041,072	20.5570	400.25	
	on payroll size if any of these is gr	• 0			į	į	•			:		į	į	
	computed on net income. Small co					į.							į.	
	< \$290K are subject to lower rate	•			•	•	!					•	•	
	An additional tax of 0.9 mills/\$1				İ	į	į					į	į	
	·				į	į	į					į	į	
	imposed on corporations. For ba					ļ	!						ļ	
	tax are 3% of alternative net inco	· · · · · -				į.							į.	
	of taxable assets, or a minimum to	ax vi \$45 v.			•	•	!					•	•	
	[Double wtd. sales]				i	i	i		i	i		i	i	

TABLE 21.-Continued

			TABLE 21Continued					T			T a			
			Pop-	Pop- Corporate income tax				Individual income tax			General sales tax			
			ulation	collect	ions 2002-0	3		collection	ns 2002-03		collections 2002-03			
	State		7/1/2003		% of				% of			% of		
	corporate income tax		(Bu-		total				total			total		
	rates and brackets		`			D				D			D	
			reau of		state tax	Per			state tax	Per		state tax	Per	
	for 2004 income year		Census)	Amount	collec-	capita		Amount	collec-	capita	Amount	collec-	capita	
State	[apportionment formula]	Special rates or notes	[1,000s]	[\$1,000s]	tions	[\$1.00]	Rank	[\$1,000s]	tions	[\$1.00]	[\$1,000s]	tions	[\$1.00]	
North Carolina	6.9%	Rate applicable to banks	8,421	898,369	5.66%	106.68	12	7,089,142	44.66%	841.84	4,005,124	25.23%	475.6	
[4 Fa	actor: Property, Payroll & Double w	td. Sales]												
North Dakota	3%>\$0; 4.5%>\$3K;	7% rate applicable to banks with	633	55,989	4.75%	88.45	20	199,390	16.93%	314.99	360,831	30.64%	570.03	
	6%>\$8K; 7.5%>\$20K;	minimum tax of \$50;											į	
	9%>\$30K; 10.5%>\$50K	Federal deductibility											į	
	[3 Factor ++]	•					i					į	į	
Ohio	5.1%>\$0; 8.5%>\$50K	For financial institutions, 0.015	11,438	794,645	3.85%	69.47	24	7,916,410	38 33%	692.11	6,761,515	32.74%	591.14	
-	es, 20% Property & Payroll]	times value of stock.	11,430	774,043	3.05 70	02.47		7,210,410	30.33 /0	0/2.11	0,701,515	32.7470	371.11	
[00 % Sale	es, 20% Froperty & Fayron												İ	
0111	CD /	Minimum tax: \$50.	2.504	104.440	1 550/	20.50	45	2 112 0 45	25 500/	602.05	1 400 125	25.0404	422.11	
Oklahoma	6%	Rate applicable to banks	3,506	104,448	1.77%	29.79	45	2,113,947	35.79%	602.95	1,480,137	25.06%	422.1	
	[3 Factor]													
Oregon	6.6%	Rate applicable to banks;	3,564	225,501	3.95%	63.27	30	4,023,579	70.57%	1,128.95	-	-	-	
[80% Sales, 1	0% Property & Payroll ++]	Minimum tax: \$10.											į	
Pennsylvania	9.99%	Rate applicable to banks	12,371	1,189,314	5.13%	96.14	18	6,661,780	28.73%	538.50	7,561,149	32.61%	611.20	
	[Triple wtd. sales ++]												•	
Rhode Island	9% with a minimum tax	Rate applicable to banks; the	1,076	67,118	2.97%	62.38	32	824,870	36.55%	766.61	764,217	33.87%	710.2	
	of \$250	alternative tax is \$2.50/\$10K of	ĺ	ĺ			! I	ĺ			ĺ		!	
[40% Sale	es, 30% Property & Payroll]	capital stock (\$100 minimum tax)					<u> </u>						į	
South Carolina	5%	4.5% rate applicable to banks;	4,149	173,886	2.74%	41.91	43	2,334,066	36 74%	562.56	2,555,851	40.23%	616.02	
South Caronna	[Double wtd. sales/Sales]	6% rate applicable to savings	7,17	173,000	2.7470	41.71	43	2,554,000	30.7470	302.30	2,555,651	40.23 70	010.02	
	[Double wtu. sales/sales]	••											į	
C. 4. D.L.4.	[AP 4 . b]	& loans	7/5	43,976	4.34%	57.48	33				520 20 <i>c</i>	53.25%	705.09	
South Dakota	[Applies to banks only.]	6%-0.25% on a bank's net income.	765	43,976	4.34%	57.48	33	-	-	-	539,396	53.25%	705.0	
	No state income tax	Minimum tax is \$500 per location											<u> </u>	
Tennessee	6.5%	Rate applicable to banks	5,845	612,943	6.96%	104.87	13	115,593	1.31%	19.78	5,414,674	61.45%	926.3	
	[Double wtd. sales ++]												<u> </u>	
Utah	5%	Rate applicable to banks;	2,352	148,218	3.75%	63.02	31	1,572,512	39.76%	668.59	1,485,977	37.57%	631.79	
	[3 Factor ++]	Minimum tax: \$100.												
Vermont	7%>\$0; 8.1%>\$10K;	Rates applicable to banks;	619	41,641	2.67%	67.27	27	411,343	26.39%	664.53	220,827	14.17%	356.7	
	9.2%>\$25K; 9.75%>\$250K	Minimum tax: \$250.					<u> </u>						į	
	[3 Factor]												İ	
Virginia	6%	Rate applicable to banks [State	7,365	328,444	2.53%	44.60	40	6,775,746	52.24%	919.99	2,692,151	20.76%	365.5	
, g	[Double wtd. sales ++]	and national banks subject to	7,000	020,	2,00			0,7.70,7.10	0212170	72707	2,0>2,101	2017070		
	[Double wear sales 11]	the franchise tax on net capital											į	
		are exempt from the income tax.]											•	
****	00/		1.011	102.264	5.050/	100 50	1.4	1 055 522	20.250/	502.04	050 022	25.210/	540.0	
West	9%	Rate applicable to banks	1,811	182,364	5.07%	100.70	14	1,055,523	29.37%	582.84	978,022	27.21%	540.0	
Virginia	[Double wtd. sales ++]													
Wisconsin	7.9%	Rate applicable to banks	5,474	526,500	4.35%	96.18	17	5,252,500	43.45%	959.54	3,738,000	30.92%	682.8	
	[Double wtd. sales ++]						ł					}	<u> </u>	

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.

Sources: U.S. Census Bureau, Governments Division. Table NST-EST2004-01-State Population Estimates: July 1, 2003, Population Division, December 22, 2004 release.

Per capita amounts based on midyear population estimates of the Bureau of the Census.

U.S. Census Bureau, Governments Division. State Government Tax Collections: 2003.; Tax Foundation; Federation of Tax Administrators

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

^{**}Data for some states include state-collected local sales tax. North Carolina sales tax data include \$13,204,065 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 46 states levying a corporation income tax. ++State has adopted substantial portions of the UDITPA.