

State Corporate Income Tax Rates

As of January 1, 2009

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	6.5%	Federal deductibility
Alaska	1.0% > \$0 2.0 > 10K 3.0 > 20K 4.0 > 30K 5.0 > 40K 6.0 > 50K 7.0 > 60K 8.0 > 70K 9.0 > 80K 9.4 > 90K	4.5% alternative tax rate on capital gains. Alternative minimum tax equal to 18% of federal alternative minimum tax.
Arizona	6.968%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0 > 3K 3.0 > 6K 5.0 > 11K 6.0 > 25K 6.5 > 100K	
California	8.84%	Minimum tax is \$800. 10.84% on financial institutions. The tax rate on S-Corporations is 1.5% (3.5% for financial S-Corporations). A 6.65% AMT is also
Colorado	4.63%	
Connecticut	7.5%	Pay higher of income tax or tax on capital (3.1 mills per dollar, with a minimum of \$250 and a maximum of \$1,000,000).
Delaware	8.7%	Banking tax: 8.7% on first \$20 million, 6.7% for next \$5 million, 4.7% for next \$5 million, 2.7% for next \$620 million, and 1.7% for amounts greater than \$650 million. A franchise tax is due on the greater of the tax calculated on authorized shares or gross assets (\$35 minimum, \$165,000 maximum).
Florida	5.5%	Taxpayers who owe federal AMT must pay higher of FL corporate income tax or 3.3% alternative minimum rate.
Georgia	6.0%	Financial institutions, 0.25% of Georgia gross receipts.
Hawaii	4.4% > \$0 5.4 > 25K 6.4 > 100K	Banks and financial institutions are taxed at 7.92%. An alternative tax rate on capital gains is imposed at a rate of 4%.
Idaho	7.6%	Minimum tax \$20.

Illinois	7.3%	Includes 2.5% income replacement tax. S-Corporations pay only a 1.5% replacement tax.
Indiana	8.5%	
Iowa	6.0% > \$0 8.0 > 25K 10.0 > 100K 12.0 > 250K	50% federal deductibility. 7.2% alternative minimum tax. Financial institutions are subject to a 5% franchise tax.
Kansas	4.0% > \$0 7.1 > 50K	The top rate is a result of a 3.1% surtax on income over \$50,000. Corporate Franchise tax of 0.09375% in 2008; 0.0625% in 2009; and 0.03125% in 2010 on total net worth for entities of \$1,000,000 or more. Banking Privilege tax is 2.25% of total net income plus 2.125% surtax on taxable income over \$25,000.
Kentucky	4.0% > \$0 5.0 > 50K 6.0 > 100K	Corporations must also pay the Limited Liability Entity Tax, which is the lesser of 0.095% of gross receipts or 0.75% of gross profits. The tax phases in between \$3 million and \$6 million of gross receipts or profits. Minimum tax \$175.
Louisiana	4.0% > \$0 5.0 > 25K 6.0 > 50K 7.0 > 100K 8.0 > 200K	Federal deductibility. Corporation franchise tax: \$1.50 for each \$1000 up to \$300,000 of capital employed in LA; and \$3 for each \$1000 over \$300,000 (\$10 minimum).
Maine	3.5% > \$0 7.93 > 25K 8.33 > 75K 8.93 > 250K	An AMT is imposed at 5.4%. Banks and financial institutions choose to pay either 1% of income plus 0.008% of assets, or 0.039% of assets only.
Maryland	8.25%	
Massachusetts	9.5%	There is an additional tax of \$2.60 per \$1,000 on taxable tangible property (or net worth allocable to the state, for intangible property corporations); minimum tax of \$456. 10.5% on financial institutions.
Michigan	4.95%	There is an additional modified gross receipts tax (sales minus purchases from other firms) at a rate of 0.8%. The income and gross receipts taxes are subject to a 21.99% surtax on the calculated liability, with the maximum surtax being \$6 million. Banks pay a tax on net worth at a rate of 0.235%.
Minnesota	9.8%	5.8% alternative minimum tax rate. A minimum tax ranging from \$0 to \$5000 is levied based on

		Minnesota property, payroll and sales.
Mississippi	3.0% > \$0 4.0 > 5K 5.0 > 10K	Franchise tax of \$2.50 per \$1,000 of taxable capital, with a minimum tax of \$25
Missouri	6.25%	Additional franchise tax at 0.0333% of taxable capital. Financial institutions pay a 7% net income tax. 50% of federal tax deductible.
Montana	6.75%	7% for corporations filing under a water's edge election. Minimum tax is \$50.
Nebraska	5.58% > \$0 7.81 > 100K	Financial institutions, lesser of 0.047% of average deposits or 3.81% of net income before taxes and extraordinary items.
Nevada	None	
New Hampshire	8.5%	NH has two corporate taxes: the Business Profits Tax (BPT) and the Business Enterprise Tax (BET). The BPT rate is 8.5% of income for corporations with gross receipts over \$50K. The BET rate is 0.75% on the enterprise value tax base (total compensation paid out, including dividends and interest). The BET is assessed on corporations with gross receipts over \$150K or an enterprise value tax base over \$75K.
New Jersey	6.5% > \$0 7.5 > 50K 9.0 > 100K	Companies with income greater than \$100K pay 9% on all income, companies with income greater than \$50K but less than \$100K pay 7.5 % on all income and companies with income under \$50K pay 6.5%. The minimum tax is \$500. An Alternative Minimum Assessment based on gross receipts or profits applies if greater than corporate franchise tax. 4% surtax applied to tax liability for 2008. Banking and financial institutions are subject to the income tax.
New Mexico	4.8% > \$0 6.4 > 500K 7.6 > 1,000,000	
New York	7.1%	Businesses pay greatest of regular income tax, 1.5% AMT, 0.178% of capital base, or a fixed dollar minimum tax between \$100 and \$1500. There is an additional 0.09% tax on subsidiary capital. Some banking corporations are subject to a tax of 7.5% of entire net income, or an alternative tax on net income or assets. A surcharge of 17% of the computed tax is imposed on business activity within the Metropolitan Commuter Transportation District.

North Carolina	6.9%	The franchise tax rate is \$1.50 per \$1,000 and is applied to the greatest of three different tax bases, with a minimum of \$35.
North Dakota	2.6% > \$0 4.1 > 3K 5.6 > 8K 6.4 > 20K 6.5 > 30K	7% for financial institutions, with a minimum of \$50. Corporations making a water's-edge election must pay an additional 3.5% tax.
Ohio	5.1% > \$0 8.5 > 50K	A value added-style tax on gross receipts, the Commercial Activity Tax (CAT), was instituted in 2005. It will be phased in through 2010 while the Corporate Franchise Tax (Ohio's income tax) is phased out. From April 2008 through March 2009, the CAT rate is 0.208%. Beginning April 1, 2009 the CAT rate is fully phased in and equals 0.26%. For tax year 2009 companies owe 20% of Corporate Franchise Tax liability. For Tax Year 2010 and thereafter the Corporate Franchise Tax is fully phased out.
Oklahoma	6.0%	Additional franchise tax of \$1.25 for each \$1,000 of capital invested or used in Oklahoma.
Oregon	6.6%	Minimum tax \$10. Financial institutions are subject to the income tax.
Pennsylvania	9.99%	Imposes a capital stock and foreign franchise tax of 0.189% on taxable income over \$125K. Bank and Trust Company Shares Tax is 1.25%.
Rhode Island	9.0%	Greater of 9% of net income apportioned to Rhode Island or a franchise tax on authorized capital stock at the rate of \$2.50 for each \$10,000.00 or fractional part thereof (minimum of \$500).
South Carolina	5.0%	4.5% for banks; 6% for savings and loans.
South Dakota	None	Banks pay 6% on net income. Minimum tax is \$200 per location.
Tennessee	6.5%	Franchise tax of 0.25% of the greater of net worth or real and tangible property (minimum \$100)
Texas	None	Texas has a 1% franchise tax which is a gross receipts tax paid by most taxable entities. Qualified entities with \$10 million or less in total revenue pay 0.575%. Qualifying retailers and wholesalers pay 0.5%. Taxable entities with total revenue of \$300,000

or less will owe no tax. Taxable entities with tax due of less than \$1,000 will owe no tax.

Utah	5.0%	Minimum tax \$100.
Vermont	6.0% > \$0 7.0 > 10k 8.5 > 25k	Minimum tax \$250.
Virginia	6.0%	Bank franchise tax is 1.0% of net capital.
Washington	None	Washington has no income tax but has a gross receipts tax called the Business & Occupation (B&O) Tax which is levied at various rates. The major rates are 0.471% for retail sales, 0.484% for wholesale and manufacturing, and 1.5% for service and other activities.
West Virginia	8.75%	Business franchise tax of 0.55% of taxable capital (minimum of \$50).
Wisconsin	7.9%	
Wyoming	None	
District of Columbia	9.975%	Minimum tax is \$100. DC's Ballpark Fee is levied on gross receipts over \$5 million at varying rates.

Sources: Tax Foundation and each state's tax forms and instructions.

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