

STATE SALES TAX RATES AND VENDOR DISCOUNTS

(January 1, 2016)

STATE	STATE SALES		VENDOR	
	TAX RATE	RANK	DISCOUNT	MAX/MIN
ALABAMA	4.0%	39	5.0%-2.0% (1)	\$400/month (max)
ALASKA		N/A		
ARIZONA	5.6%	28	1.0%	\$10,000/year (max)
ARKANSAS	6.5%	9	2.0%	\$1,000/month (max)
CALIFORNIA	7.50%	1	None	
COLORADO	2.9%	46	3.33% (4)	
CONNECTICUT	6.35%	12	None	
DELAWARE		N/A		
FLORIDA	6.0%	16	2.5%	\$30/report (max)
GEORGIA	4.0%	39	3.0%-0.5% (1)	
HAWAII	4.0%	39	None	
IDAHO	6.0%	16	None (5)	
ILLINOIS	6.25%	13	1.75%	\$5/year (min)
INDIANA (2)	7.0%	2	0.73% (2)	
IOWA	6.0%	16	None	
KANSAS	6.50%	9	None	
KENTUCKY	6.0%	16	1.75%-1.5% (1)	\$50/month (max)
LOUISIANA	4.0%	39	0.935%	
MAINE	5.5%	29	None (5)	
MARYLAND	6.0%	16	1.2%-0.90% (1)	\$500/return (max)
MASSACHUSETTS	6.25%	13	None	
MICHIGAN	6.0%	16	0.5% (6)	\$6/month (min), \$15,000/month (max)
MINNESOTA	6.875%	7	None	
MISSISSIPPI	7.0%	2	2.0%	\$50/month (max)
MISSOURI	4.225%	37	2.0%	
MONTANA		N/A		
NEBRASKA	5.5%	29	2.5%	\$75/month (max)
NEVADA	6.85%	7	0.25%	
NEW HAMPSHIRE (11)		N/A		
NEW JERSEY	7.0%	2	None	
NEW MEXICO	5.125%	31	None	
NEW YORK	4.0%	39	5.0%	\$200/quarter (max)
NORTH CAROLINA	4.75%	34	None	
NORTH DAKOTA	5.0%	32	1.5%	\$110/month (max)
OHIO	5.75%	26	0.75%	
OKLAHOMA	4.5%	36	1.0%	2,500/month (max)
OREGON		N/A		
PENNSYLVANIA	6.0%	16	1.0%	
RHODE ISLAND	7.0%	2	None	
SOUTH CAROLINA	6.0%	16	3.0%-2.0% (1)	\$10,000/year (max)
SOUTH DAKOTA	4.0%	39	1.5% (10)	\$70/month (max)
TENNESSEE	7.0%	2	None	
TEXAS	6.25%	13	0.5% (7)	
UTAH (3)	4.7%	34	1.31%	
VERMONT	6.0%	16	None (5)	
VIRGINIA (3)	4.3%	37	1.6%-0.8% (8)	
WASHINGTON (8)	6.5%	9	None	
WEST VIRGINIA	6.0%	16	None	
WISCONSIN	5.0%	32	0.5%	\$10/period (min), \$1,000 (max)
WYOMING	4.0%	39	1.95%-1.0% (1)	\$500/month (max)
DIST. OF COLUMBIA	5.75%	26	None	
U. S. MEDIAN	5.75%			28 states allow vendor discounts

Source: Compiled by FTA from various sources.

(1) In some states, the vendors' discount varies by the amount paid. In AL and SC, the larger discounts apply to the first \$100. In GA, the larger discount applies to the first \$3,000. In KY, the larger discounts apply to the first \$1,000, while MD applies the larger discount to annual collections of \$6,000. In WY, the larger discount applies to the first \$6,250. The lower discounts apply to the remaining collections above these amounts.

(2) Utilities are not permitted to take discount. Collection allowances are 0.73% if total sales tax collected is less than \$60,000; 0.53% if total taxes is between \$60,000 and \$600,000; 0.26% if total sales tax collected is more than \$600,000.

(3) Rate does not include a statewide local rate of 1.0% in VA and 1.25% in UT. In UT, a discount of 1% is applicable to local taxes.

(4) Local option sales tax discount varies from 0% to 3.33%.

(5) Vendors are allowed to keep any excess collections prescribed under the bracket system.

(6) Vendor discount only applies to the first 4.0% of the tax. A 0.75% discount if paid by the 12th of the month.

(7) An additional discount of 1.25% applies for early payment.

(8) Discount varies; 1.1% (1.6% for food) of the first \$62,500, 0.84% (1.2%) of the amount to \$208,000, and 0.56% (0.8%) of the remainder. Applies to the state tax only. No discount allowed on electronically file returns.

(9) Washington tax rate may fall to 5.5% on 4/15/16, if state legislature does not act on Initiative 1366.

(10) Electronic Filers only.

(11) New Hampshire imposes a 9% tax on meals and rooms, with a vendor discount of 3%.

Total 2016 Discount at 2% Claimed by Taxpayers = \$25,226,086.36

2% Discount Threshold	# Taxpayers at Threshold	Annual Discount Amount	Total Revenue Gain	GR Portion of Gain
\$1,000.00	462	\$ 25,226,086.36	\$ -	\$ 198,620.31
950.00	498	\$ 24,939,190.36	\$ 286,896.00	\$ 411,521.54
900.00	523	\$ 24,631,666.36	\$ 594,420.00	\$ 634,583.08
850.00	555	\$ 24,309,466.36	\$ 916,620.00	\$ 872,232.92
800.00	593	\$ 23,966,194.36	\$ 1,259,892.00	\$ 1,126,639.38
750.00	636	\$ 23,598,718.36	\$ 1,627,368.00	\$ 1,400,053.85
700.00	680	\$ 23,203,786.36	\$ 2,022,300.00	\$ 1,693,025.28
650.00	737	\$ 22,780,605.40	\$ 2,445,480.96	\$ 2,012,281.59
600.00	803	\$ 22,319,457.40	\$ 2,906,628.96	\$ 2,363,372.97
550.00	886	\$ 21,812,325.40	\$ 3,413,760.96	\$ 2,748,805.03
500.00	966	\$ 21,255,590.20	\$ 3,970,496.16	\$ 3,174,594.20
450.00	1083	\$ 20,640,561.40	\$ 4,585,524.96	\$ 3,652,458.84
400.00	1228	\$ 19,950,312.48	\$ 5,275,773.88	\$ 4,196,670.84
350.00	1397	\$ 19,164,228.48	\$ 6,061,857.88	\$ 4,825,288.99
300.00	1654	\$ 18,256,224.48	\$ 6,969,861.88	\$ 5,580,674.22
250.00	2010	\$ 17,165,112.48	\$ 8,060,973.88	\$ 6,519,425.93
200.00	2580	\$ 15,809,137.80	\$ 9,416,948.56	\$ 7,743,763.77
150.00	3433	\$ 14,040,649.80	\$ 11,185,436.56	\$ 9,437,303.46
100.00	4889	\$ 11,594,425.80	\$ 13,631,660.56	\$ 12,035,052.39
50.00	8225	\$ 7,842,121.80	\$ 17,383,964.56	

If Current Discount was Allowed at 1.5%

1.5% Discount Threshold	# Taxpayers at Threshold	Annual Discount Amount	Total Revenue Gain	GR Portion of Gain
\$1,000.00	347	\$ 20,084,415.57	\$ 5,141,670.79	\$ 3,559,618.24
950.00	366	\$ 19,870,721.85	\$ 5,355,364.51	\$ 3,707,560.05
900.00	387	\$ 19,644,555.09	\$ 5,581,531.27	\$ 3,864,137.03
850.00	403	\$ 19,407,029.19	\$ 5,819,057.17	\$ 4,028,578.04
800.00	428	\$ 19,156,983.09	\$ 6,069,103.27	\$ 4,201,686.88
750.00	453	\$ 18,892,623.81	\$ 6,333,462.55	\$ 4,384,704.84
700.00	507	\$ 18,604,451.91	\$ 6,621,634.45	\$ 4,584,208.47
650.00	539	\$ 18,291,542.91	\$ 6,934,543.45	\$ 4,800,837.77
600.00	590	\$ 17,953,742.91	\$ 7,272,343.45	\$ 5,034,699.31
550.00	646	\$ 17,583,431.91	\$ 7,642,654.45	\$ 5,291,068.47
500.00	711	\$ 17,176,880.91	\$ 8,049,205.45	\$ 5,572,526.85
450.00	800	\$ 16,724,090.19	\$ 8,501,996.17	\$ 5,885,997.35
400.00	914	\$ 16,210,214.19	\$ 9,015,872.17	\$ 6,241,757.66
350.00	1043	\$ 15,627,434.19	\$ 9,598,652.17	\$ 6,645,220.73
300.00	1225	\$ 14,952,631.50	\$ 10,273,454.86	\$ 7,112,391.83
250.00	1469	\$ 14,149,657.50	\$ 11,076,428.86	\$ 7,668,296.90
200.00	1875	\$ 13,157,248.50	\$ 12,068,837.86	\$ 8,355,349.29
150.00	2577	\$ 11,852,150.49	\$ 13,373,935.87	\$ 9,258,878.68
100.00	3814	\$ 9,982,952.49	\$ 15,243,133.87	\$ 10,552,938.83
50.00	6707	\$ 6,990,239.19	\$ 18,235,847.17	\$ 12,624,817.27