

Table 17. Comparison of Business Taxes
Major State Taxes on General Business Activities, 2011

State	Net Income	Other General Business Taxes*			Comments
	Tax On Corporations	Tax	Tax Base	Major Rates	
Alabama	Yes				
Alaska	Yes				
Arizona	Yes	Transaction Privilege	gross income	6.6%	basically a sales tax
Arkansas	Yes				
California	Yes				
Colorado	Yes				
Connecticut	Yes				
Delaware	Yes	Gross Receipts	gross receipts	0.1037 - 2.074%	broader form of sales tax
Florida	Yes				
Georgia	Yes				
Hawaii	Yes	General Excise	gross income	0.096 - 4%	broader form of sales tax
Idaho	Yes				
Illinois	Yes				
Indiana	Yes				
Iowa	Yes				
Kansas	Yes				
Kentucky	Yes	Alternative Minimum	gross receipts	0.095%	part of corporate income tax
Louisiana	Yes				
Maine	Yes				
Maryland	Yes				
Massachusetts	Yes				
Michigan	Yes**				
Minnesota	Yes				
Mississippi	Yes				
Missouri	Yes				
Montana	Yes				
Nebraska	Yes				
Nevada	No	Modified Bus. Tax	wages paid	0.63%	
New Hampshire	Yes	Bus. Enterprise Tax	gross receipts	0.75%	
New Jersey	Yes	Minimum Tax	gross receipts	\$500-\$2000	part of corporate income tax
New Mexico	Yes	Gross Receipts Tax	gross receipts	5%	broader form of sales tax
New York	Yes				
North Carolina	Yes				
North Dakota	Yes				
Ohio	No	Commercial Activities	gross receipts	0.26% (2010)	receipts > \$1 million
Oklahoma	Yes				
Oregon	Yes				
Pennsylvania	Yes				
Rhode Island	Yes				
South Carolina	Yes				
South Dakota	No				
Tennessee	Yes				
Texas	No	Franchise Tax	value-added**	0.5 - 1%	adopted 5/06; effective 1/08
Utah	Yes				
Vermont	Yes				
Virginia	Yes				
WASHINGTON	No	B&O Tax	gross receipts	0.484%	in addition to retail sales tax
West Virginia	Yes				
Wisconsin	Yes				
Wyoming	No				

*Excludes taxes on specific industries or activities (utilities, insurance, severance, etc.) & corporate franchise or license fees.

**Michigan's new corporate net income tax replaces their Single Business Tax, effective 1/1/2012.

**Based on total revenue but allows deduction of wages paid or cost of goods sold; sole proprietors are exempt.

of states levying a corporate net income tax = 44 (all except OH, NV, SD, TX, WA, and WY)

of states with a gross receipts tax that is broader than a traditional retail sales tax = 6 (AZ, DE, HI, NH, OH, & WA)

of states that rely exclusively on a gross receipts business tax = 2 (OH & WA)