

Federation of Tax Administrators
 State Corporation Income Taxes (For the tax year
 2003 - as of January 1, 2003). Accessed on August
 24, 2004 at <http://taxpolicycenter.org/TaxFacts/TFDB/>
 Range of State Corporate Income Taxes 2003
 (For tax year 2003 -- as of January 1, 2003)

content/PDF/state-corp-2003.pdf.

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State	Tax Rates	Tax Brackets	# of Brackets	Bank Tax Rates	Federal Tax Deductible
Alabama	6.5	---Flat Rate---	1	6.5	*
Alaska	1.0 - 9.4	10,000 90,000	10	1.0 - 9.4	
Arizona	6.968	---Flat Rate---	1	6.968	
Arkansas	1.0 - 6.5	3,000 100,000	6	1.0 - 6.5	
California	8.84 (c)	---Flat Rate---	1	10.84 (c)	
Colorado	4.63	---Flat Rate---	1	4.63	
Connecticut	7.5 (d)	---Flat Rate---	1	7.5 (d)	
Delaware	8.7	---Flat Rate---	1	8.7-1.7 (e)	
Florida	5.5 (f)	---Flat Rate---	1	5.5 (f)	
Georgia	6	---Flat Rate---	1	6	
Hawaii	4.4 - 6.4 (g)	25,000 100,000	3	7.92 (g)	
Idaho	7.6 (h)	---Flat Rate---	1	7.6 (h)	
Illinois	7.3 (i)	---Flat Rate---	1	7.3 (i)	
Indiana	8.5	---Flat Rate---	1	8.5	
Iowa	6.0 - 12.0	25,000 250,000	4	5	* (k)
Kansas	4.0 (l)	---Flat Rate---	1	2.25 (l)	
Kentucky	4.0 - 8.25	25,000 250,000	5	--- (a)	*
Louisiana	4.0 - 8.0	25,000 200,000	5	--- (a)	
Maine	3.5 - 8.93 (m)	25,000 250,000	4	1	
Maryland	7	---Flat Rate---	1	7	
Massachusetts	9.5 (n)	---Flat Rate---	1	10.5 (n)	
Minnesota	9.8 (o)	---Flat Rate---	1	9.8 (o)	
Mississippi	3.0 - 5.0	5,000 10,000	3	3.0 - 5.0	
Missouri	6.25	---Flat Rate---	1	7	* (k)
Montana	6.75 (p)	---Flat Rate---	1	6.75 (p)	
Nebraska	5.58 - 7.81	50,000	2	--- (a)	
New Hampshire	8.5 (q)	---Flat Rate---	1	8.5 (q)	
New Jersey	9.0 (r)	---Flat Rate---	1	9 (r)	
New Mexico	4.8 - 7.6	500,000 1 million	3	4.8 - 7.6	
New York	7.5 (s)	---Flat Rate---	1	7.5 (s)	
North Carolina	6.9 (t)	---Flat Rate---	1	6.9 (t)	*
North Dakota	3.0 - 10.5	3,000 50,000	6	7 (b)	
Ohio	5.1 - 8.5 (u)	50,000	2	--- (u)	
Oklahoma	6	---Flat Rate---	1	6	
Oregon	6.6 (b)	---Flat Rate---	1	6.6 (b)	
Pennsylvania	9.99	---Flat Rate---	1	--- (a)	
Rhode Island	9.0 (b)	---Flat Rate---	1	9.0 (v)	
South Carolina	5	---Flat Rate---	1	4.5 (w)	
South Dakota	---	---	---	6.0-0.25% (b)	
Tennessee	6.5	---Flat Rate---	1	6.5	
Utah	5.0 (b)	---Flat Rate---	---	5.0 (b)	
Vermont	7.0 - 9.75 (b)	10,000 250,000	4	7.0 - 9.75 (b)	
Virginia	6	---Flat Rate---	1	6.0 (x)	
West Virginia	9	---Flat Rate---	1	9	
Wisconsin	7.9	---Flat Rate---	1	7.9	
District of Columbia	9.975 (y)	---Flat Rate---	---	9.975 (y)	

Range of State Corporate Income Taxes
[Footnotes]

Note: Michigan imposes a single business tax (sometimes described as a business activities tax or value added tax) of 1.9% on the sum of federal taxable income of the business, compensation paid to employees, dividends, interest, royalties paid and other items. Similarly, Texas imposes a franchise tax of 4.5% of earned surplus. Nevada,

- (a) Rates listed include the corporate tax rate applied to financial institutions or excise taxes based on income. Some states have other taxes based upon the value of deposits or shares.
 - (b) Minimum tax is \$50 in Arizona, \$50 in North Dakota (banks), \$10 in Oregon, \$250 in Rhode Island, \$500 per location in South Dakota (banks), \$100 in Utah, \$250 in Vermont.
 - (c) Minimum tax is \$800. The tax rate on S-Corporations is 1.5% (3.5% for banks).
 - (d) Or 3.1 mills per dollar of capital stock and surplus (maximum tax \$1 million) or \$250.
 - (e) The marginal rate decreases over 4 brackets ranging from \$20 to \$650 million in taxable income. Building and loan associations are taxed at a flat 8.7%.
 - (f) Or 3.3% Alternative Minimum Tax. An exemption of \$5,000 is allowed.
 - (g) Capital gains are taxed at 4%. There is also an alternative tax of 0.5% of gross annual sales.
 - (h) Minimum tax is \$20. An additional tax of \$10 is imposed on each return.
 - (i) Includes a 2.5% personal property replacement tax.
 - (k) Fifty percent of the federal income tax is deductible.
 - (l) Plus a surtax of 3.35% (2.125% for banks) taxable income in excess of \$50,000 (\$25,000).
 - (m) Or a 27% tax on Federal Alternative Minimum Taxable Income.
 - (n) Rate includes a 1% surtax, as does the following: an additional tax of \$7.00 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations); minimum tax of \$456.
 - (o) Plus a 5.8% tax on any Alternative Minimum Taxable Income over the base tax.
 - (p) A 7% tax on taxpayers using water's edge combination. Minimum tax is \$50.
 - (q) Plus a 0.50 percent tax on the enterprise base (total compensation, interest and dividends paid). Business profits tax imposed on both corporations and unincorporated associations.
- Alternative Minimum Assessment based on Gross Receipts applies if greater than corporate franchise tax. Corporations not subject to the franchise tax are subject to a 7.25% income tax. Banking and financial corporations are subject to the franchise tax. Corporations with net income under \$100,000 are taxed at 6.5%. The tax on S corporations is being phased out through 2007. The tax rate on a New Jersey S corporation that has entire net income not subject to federal corporate income tax in excess of \$100,000 will remain at 1.33% for privilege periods ending on or before June 30, 2006. The rate will be 0.67% for privilege periods ending on or after July 1, 2006, but on or before June 30, 2007; and there will be no tax imposed for privilege periods ending on or after July 1, 2007. The tax on S corporation with entire net income not subject to federal corporate income tax of \$100,000 or less is eliminated for privilege periods ending on
- (s) Or 1.78 (0.1 for banks) mills per dollar of capital (up to \$350,000); or 2.5% of the minimum taxable income; or a minimum of \$1,500 to \$100 depending on payroll size (\$250 for banks); if any of these is greater than the tax computed on net income. An addition tax of 0.9 mills per dollar of subsidiary capital is imposed on corporations. Small corporations with income under \$290,000 pay a 7.5% tax on all income.
 - (t) Financial institutions are also subject to a tax equal to \$30 per one million in assets. \$150,000. An additional litter tax is imposed equal to 0.11% on the first \$50,000 of taxable income, 0.22% on income over \$50,000; or 0.14 mills on net worth.
 - (v) For banks, the alternative tax is \$2.50 per \$10,000 of capital stock (\$100 minimum).
 - (w) Savings and Loans are taxed at a 6% rate.
 - (x) State and national banks subject to the state's franchise tax on net capital is exempt from the income tax.
 - (y) Minimum tax is \$100. Includes surtax.

Source: Compiled by Federation of Tax Administrators from various sources