

Total state and local business taxes

State-by-state estimates for fiscal year 2009

March 2010

Total state and local business taxes in FY2009

Businesses paid US\$590 billion in total state and local taxes in FY2009, as presented in Table 1.¹ This section describes the business taxes in more detail and highlights the results.

Table 1. Total state and local business taxes, FY2008-FY2009, (US\$billions)

| Business tax | 2008 | 2009 | % Total Taxes | One-Year Change |
|--|----------------|----------------|---------------|-----------------|
| Property taxes on business property | \$209.6 | \$215.3 | 36.5% | 2.7% |
| General sales taxes on business inputs | 133.2 | 126.9 | 21.5 | -4.7 |
| Corporate income tax | 58.1 | 50.6 | 8.6 | -13.0 |
| Unemployment insurance | 32.5 | 30.7 | 5.2 | -5.5 |
| Business and corporate license | 37.5 | 38.3 | 6.5 | 2.3 |
| Individual income tax on business income | 37.6 | 32.3 | 5.5 | -14.1 |
| Public utility taxes | 28.0 | 28.8 | 4.9 | 2.9 |
| Excise taxes | 29.2 | 26.3 | 4.5 | -9.9 |
| Insurance premiums taxes | 16.4 | 15.6 | 2.6 | -5.2 |
| Other business taxes | 29.1 | 25.2 | 4.3 | -13.3 |
| Total business taxes | \$611.1 | \$590.0 | 100.0% | -3.5% |

Figures may not appear to sum due to rounding.

Figure 1. Composition of total state and local business taxes, FY2009

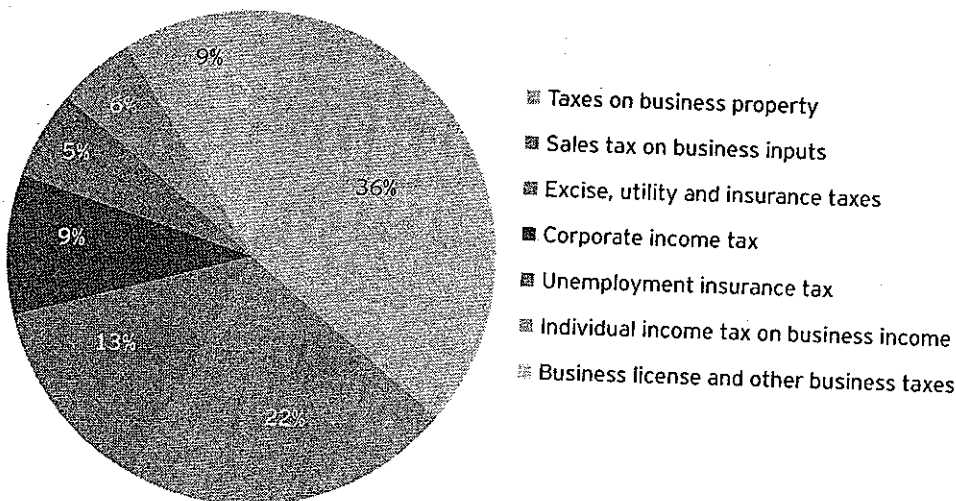


Table 5. State and local business taxes, by major tax type, FY2009 (US\$billions)

| State | Property tax | Sales tax | Excise and gross receipts | Corporate income | Individual income tax on business income | Unemp. insurance tax | License and other | Total business tax |
|----------------------|----------------|----------------|---------------------------|------------------|--|----------------------|-------------------|--------------------|
| Alabama | \$1.5 | \$1.3 | \$1.5 | \$0.5 | \$0.3 | \$0.2 | \$1.1 | \$6.5 |
| Alaska | 0.6 | | 0.1 | 0.6 | | 0.1 | 3.9 | 5.4 |
| Arizona | 4.1 | 3.5 | 1.0 | 0.6 | 0.2 | 0.3 | 0.6 | 10.3 |
| Arkansas | 1.0 | 1.2 | 0.5 | 0.3 | 0.3 | 0.3 | 0.3 | 3.9 |
| California | 18.8 | 18.4 | 8.2 | 12.3 | 6.7 | 4.7 | 8.1 | 77.2 |
| Colorado | 3.5 | 2.4 | 0.6 | 0.3 | 0.7 | 0.4 | 0.7 | 8.6 |
| Connecticut | 3.1 | 1.5 | 0.7 | 0.4 | 0.6 | 0.6 | 0.2 | 7.2 |
| Delaware | 0.3 | | 0.2 | 0.2 | 0.1 | 0.1 | 1.1 | 2.0 |
| Florida | 14.4 | 6.6 | 8.4 | 1.8 | -- | 0.9 | 2.3 | 34.5 |
| Georgia | 5.6 | 4.0 | 1.4 | 0.7 | 1.0 | 0.5 | 0.8 | 13.9 |
| Hawaii | 0.8 | 0.8 | 0.5 | 0.1 | 0.1 | 0.1 | 0.2 | 2.6 |
| Idaho | 0.7 | 0.3 | 0.2 | 0.1 | 0.2 | 0.1 | 0.2 | 1.9 |
| Illinois | 10.7 | 3.7 | 4.4 | 2.8 | 1.1 | 1.7 | 2.1 | 26.4 |
| Indiana | 4.4 | 2.0 | 0.5 | 0.8 | 0.6 | 0.5 | 0.4 | 9.3 |
| Iowa | 2.8 | 1.0 | 0.4 | 0.2 | 0.4 | 0.4 | 0.3 | 5.6 |
| Kansas | 2.5 | 1.3 | 0.5 | 0.4 | 0.4 | 0.2 | 0.3 | 5.6 |
| Kentucky | 1.6 | 1.3 | 1.3 | 0.5 | 0.5 | 0.4 | 0.7 | 6.3 |
| Louisiana | 2.4 | 4.2 | 0.8 | 0.6 | 0.5 | 0.2 | 1.4 | 10.1 |
| Maine | 1.6 | 0.4 | 0.2 | 0.1 | 0.2 | 0.1 | 0.2 | 2.8 |
| Maryland | 2.4 | 1.6 | 1.7 | 0.8 | 0.9 | 0.4 | 1.5 | 9.3 |
| Massachusetts | 5.9 | 1.5 | 0.8 | 1.9 | 1.2 | 1.5 | 0.5 | 13.3 |
| Michigan | 8.8 | 3.2 | 1.2 | 0.7 | 0.7 | 1.4 | 0.8 | 16.9 |
| Minnesota | 3.6 | 1.9 | 1.4 | 0.8 | 0.8 | 0.8 | 0.7 | 10.1 |
| Mississippi | 1.8 | 1.1 | 0.4 | 0.3 | 0.2 | 0.1 | 0.4 | 4.4 |
| Missouri | 2.8 | 2.1 | 1.2 | 0.3 | 0.6 | 0.6 | 0.8 | 8.4 |
| Montana | 0.8 | | 0.2 | 0.2 | 0.1 | 0.1 | 0.5 | 1.9 |
| Nebraska | 1.6 | 0.9 | 0.3 | 0.2 | 0.3 | 0.1 | 0.3 | 3.7 |
| Nevada | 1.8 | 1.2 | 0.9 | | | 0.3 | 1.5 | 5.8 |
| New Hampshire | 1.6 | -- | 0.3 | 0.5 | 0.0 | 0.1 | 0.2 | 2.7 |
| New Jersey | 8.3 | 3.2 | 1.9 | 2.4 | 1.1 | 1.9 | 1.2 | 20.0 |
| New Mexico | 0.6 | 1.5 | 0.4 | 0.3 | 0.1 | 0.1 | 1.1 | 3.9 |
| New York | 21.9 | 11.6 | 4.2 | 10.5 | 4.8 | 2.4 | 1.6 | 56.9 |
| North Carolina | 3.7 | 2.6 | 1.8 | 0.9 | 1.0 | 0.9 | 1.1 | 12.0 |
| North Dakota | 0.5 | 0.3 | 0.2 | 0.1 | 0.1 | 0.1 | 0.9 | 2.2 |
| Ohio | 8.4 | 3.8 | 2.7 | 1.2 | 1.4 | 1.1 | 2.5 | 21.2 |
| Oklahoma | 1.2 | 2.0 | 0.6 | 0.3 | 0.4 | 0.1 | 1.5 | 6.2 |
| Oregon | 2.0 | -- | 0.5 | 0.3 | 0.6 | 0.6 | 0.9 | 4.9 |
| Pennsylvania | 8.0 | 3.4 | 3.0 | 1.7 | 1.5 | 2.1 | 3.1 | 22.8 |
| Rhode Island | 1.2 | 0.4 | 0.3 | 0.1 | 0.1 | 0.2 | 0.1 | 2.3 |
| South Carolina | 3.0 | 0.9 | 0.6 | 0.2 | 0.3 | 0.3 | 0.7 | 6.0 |
| South Dakota | 0.7 | 0.5 | 0.1 | 0.0 | -- | 0.0 | 0.1 | 1.6 |
| Tennessee | 3.1 | 2.8 | 1.1 | 0.8 | 0.0 | 0.4 | 1.2 | 9.5 |
| Texas | 23.1 | 14.0 | 6.4 | -- | -- | 1.1 | 9.2 | 53.7 |
| Utah | 1.2 | 0.8 | 0.5 | 0.3 | 0.2 | 0.1 | 0.3 | 3.5 |
| Vermont | 0.8 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.0 | 1.4 |
| Virginia | 4.8 | 1.6 | 2.0 | 0.6 | 0.8 | 0.3 | 1.5 | 11.7 |
| Washington | 3.2 | 7.1 | 2.5 | -- | -- | 1.0 | 0.9 | 14.7 |
| West Virginia | 1.0 | 0.3 | 0.7 | 0.4 | 0.2 | 0.1 | 0.7 | 3.5 |
| Wisconsin | 4.5 | 1.6 | 0.8 | 0.7 | 0.5 | 0.7 | 1.0 | 9.7 |
| Wyoming | 1.0 | 0.5 | 0.1 | -- | -- | 0.1 | 1.3 | 3.0 |
| District of Columbia | 1.3 | 0.4 | 0.3 | 0.4 | 0.2 | 0.1 | 0.1 | 2.8 |
| United States | \$215.3 | \$126.9 | \$70.7 | \$50.6 | \$32.3 | \$30.7 | \$63.5 | \$590.0 |

Figures may not appear to sum due to rounding.
Source: Ernst & Young LLP calculations.

Total state and local business taxes State-by-state estimates for fiscal year 2009

Appendix Table A-3. Composition of state and local business taxes, by type, FY2009

| State | Property Tax | Sales Tax | Excise and gross receipts | Corporate Income | Unemployment Insurance tax | Individual income tax | License and other | Total business taxes |
|----------------------|--------------|--------------|---------------------------|------------------|----------------------------|-----------------------|-------------------|----------------------|
| Alabama | 23.5% | 19.8% | 23.1% | 7.6% | 3.4% | 5.2% | 17.4% | 100.0% |
| Alaska | 11.5 | 0.0 | 2.3 | 11.7 | 2.3 | 0.0 | 72.3 | 100.0 |
| Arizona | 39.7 | 34.3 | 9.3 | 5.8 | 2.6 | 2.1 | 6.2 | 100.0 |
| Arkansas | 25.0 | 30.1 | 14.0 | 8.9 | 6.8 | 8.4 | 6.8 | 100.0 |
| California | 24.3 | 23.8 | 10.7 | 15.9 | 6.1 | 8.7 | 10.5 | 100.0 |
| Colorado | 40.4 | 28.1 | 7.0 | 3.8 | 4.4 | 8.0 | 8.4 | 100.0 |
| Connecticut | 43.4 | 20.4 | 9.7 | 5.8 | 8.4 | 8.8 | 3.5 | 100.0 |
| Delaware | 14.4 | 0.0 | 11.5 | 10.5 | 4.6 | 5.2 | 53.9 | 100.0 |
| Florida | 41.9 | 19.1 | 24.4 | 5.3 | 2.5 | 0.0 | 6.8 | 100.0 |
| Georgia | 40.4 | 28.5 | 10.1 | 5.0 | 3.6 | 7.0 | 5.4 | 100.0 |
| Hawaii | 32.5 | 31.1 | 19.9 | 3.0 | 2.2 | 5.2 | 6.1 | 100.0 |
| Idaho | 38.5 | 17.8 | 10.1 | 7.5 | 5.8 | 10.3 | 10.0 | 100.0 |
| Illinois | 40.5 | 14.0 | 16.6 | 10.4 | 6.3 | 4.1 | 8.0 | 100.0 |
| Indiana | 47.6 | 21.4 | 5.9 | 9.0 | 5.4 | 6.0 | 4.6 | 100.0 |
| Iowa | 50.0 | 18.2 | 6.9 | 4.3 | 6.5 | 7.9 | 6.2 | 100.0 |
| Kansas | 44.9 | 23.8 | 8.3 | 6.6 | 3.9 | 6.9 | 5.7 | 100.0 |
| Kentucky | 25.5 | 21.0 | 20.7 | 7.5 | 6.3 | 7.9 | 11.1 | 100.0 |
| Louisiana | 23.9 | 41.6 | 8.1 | 5.8 | 1.6 | 5.2 | 13.7 | 100.0 |
| Maine | 57.4 | 13.5 | 8.9 | 5.2 | 3.4 | 5.8 | 5.9 | 100.0 |
| Maryland | 26.1 | 16.7 | 18.2 | 8.7 | 4.4 | 9.9 | 16.0 | 100.0 |
| Massachusetts | 44.2 | 11.4 | 5.8 | 14.4 | 11.5 | 8.9 | 3.9 | 100.0 |
| Michigan | 52.0 | 18.7 | 7.1 | 4.2 | 8.6 | 4.4 | 5.0 | 100.0 |
| Minnesota | 36.2 | 19.2 | 13.9 | 7.8 | 7.9 | 7.9 | 7.1 | 100.0 |
| Mississippi | 40.8 | 25.6 | 9.3 | 7.4 | 2.4 | 4.8 | 9.7 | 100.0 |
| Missouri | 33.2 | 25.4 | 13.9 | 3.3 | 6.9 | 7.6 | 9.7 | 100.0 |
| Montana | 42.8 | 0.0 | 10.9 | 8.7 | 4.0 | 6.3 | 27.4 | 100.0 |
| Nebraska | 44.7 | 24.9 | 7.7 | 5.4 | 2.8 | 7.1 | 7.5 | 100.0 |
| Nevada | 30.9 | 21.2 | 15.4 | 0.0 | 5.7 | 0.0 | 26.8 | 100.0 |
| New Hampshire | 58.2 | 0.0 | 11.9 | 18.1 | 2.6 | 0.4 | 8.8 | 100.0 |
| New Jersey | 41.3 | 15.9 | 9.4 | 12.1 | 9.5 | 5.6 | 6.1 | 100.0 |
| New Mexico | 14.4 | 37.3 | 9.5 | 6.6 | 2.2 | 2.0 | 28.0 | 100.0 |
| New York | 38.5 | 20.4 | 7.3 | 18.4 | 4.2 | 8.4 | 2.8 | 100.0 |
| North Carolina | 30.9 | 21.9 | 15.3 | 7.5 | 7.1 | 8.0 | 9.4 | 100.0 |
| North Dakota | 24.8 | 13.9 | 8.3 | 5.9 | 2.3 | 3.7 | 41.1 | 100.0 |
| Ohio | 39.9 | 18.0 | 12.8 | 5.6 | 5.1 | 6.6 | 12.0 | 100.0 |
| Oklahoma | 20.1 | 32.3 | 9.2 | 5.6 | 2.3 | 7.1 | 23.5 | 100.0 |
| Oregon | 41.3 | 0.0 | 10.4 | 5.9 | 11.6 | 12.4 | 18.5 | 100.0 |
| Pennsylvania | 34.8 | 14.9 | 13.1 | 7.6 | 9.1 | 6.7 | 13.7 | 100.0 |
| Rhode Island | 51.2 | 16.0 | 12.6 | 4.6 | 7.9 | 4.3 | 3.4 | 100.0 |
| South Carolina | 49.9 | 15.6 | 9.7 | 4.0 | 4.4 | 4.2 | 12.2 | 100.0 |
| South Dakota | 42.4 | 34.2 | 9.4 | 3.1 | 1.7 | 0.0 | 9.3 | 100.0 |
| Tennessee | 32.8 | 29.6 | 11.2 | 8.6 | 4.7 | 0.4 | 12.6 | 100.0 |
| Texas | 42.9 | 26.0 | 11.9 | 0.0 | 2.0 | 0.0 | 17.1 | 100.0 |
| Utah | 34.0 | 22.1 | 14.6 | 9.8 | 3.6 | 6.2 | 9.6 | 100.0 |
| Vermont | 58.7 | 9.3 | 12.7 | 6.3 | 5.0 | 4.7 | 3.4 | 100.0 |
| Virginia | 41.3 | 13.5 | 17.0 | 5.4 | 2.8 | 7.0 | 13.0 | 100.0 |
| Washington | 21.7 | 48.2 | 17.0 | 0.0 | 7.0 | 0.0 | 6.1 | 100.0 |
| West Virginia | 29.6 | 9.2 | 20.2 | 12.0 | 4.1 | 5.0 | 19.9 | 100.0 |
| Wisconsin | 46.5 | 16.2 | 8.1 | 6.7 | 6.7 | 5.6 | 10.2 | 100.0 |
| Wyoming | 34.4 | 17.9 | 3.0 | 0.0 | 1.8 | 0.0 | 42.9 | 100.0 |
| District of Columbia | 47.4 | 12.9 | 10.4 | 13.8 | 4.3 | 8.6 | 2.7 | 100.0 |
| United States | 36.5% | 21.5% | 12.0% | 8.6% | 5.2% | 5.5% | 10.8% | 100.0% |

Figures may not appear to sum due to rounding.
Source: Ernst & Young LLP calculations.