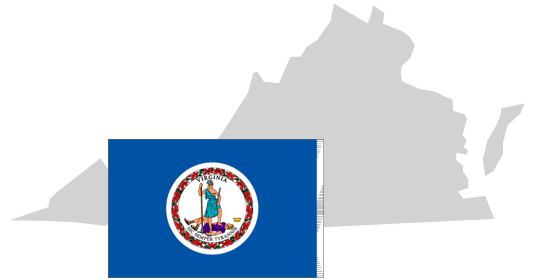


# Tax Facts & Comparisons Virginia

Taxes are complicated. Each state's tax code is a multifaceted system with many moving parts, and Virginia is no exception. The Tax Foundation produces a number of rankings that evaluate states on tax structures and overall tax burdens. Here's how Virginia scores.



## Tax Foundation Rankings of Virginia

### State Business Tax Climate Index

**27<sup>th</sup>**  
best

Virginia ranks 27th out of the 50 states on the Tax Foundation's 2014 *State Business Tax Climate Index*, which annually compares the states' tax systems on over 100 variables that impact business. Last year, Virginia ranked 26th.

Virginia's individual income tax ranks 39th best, its corporate income tax ranks 6th best, its sales tax ranks 6th best, its property tax ranks 26th best, and its unemployment insurance tax ranks 37th best.

Neighboring states' ranks: Maryland (40th), West Virginia (21st), Kentucky (26th), Tennessee (15th) North Carolina (16th)

### State-Local Tax Burdens Rank

**30<sup>th</sup>**  
highest

Estimated at 9.2% of income, Virginia's 2011 state-local tax burden ranks 30th highest nationally, below the national average of 9.8%. Virginia taxpayers pay \$4,469 per capita in state and local taxes.

Neighboring states' ranks: Maryland (7th), West Virginia (19th), Kentucky (23rd), Tennessee (45th) North Carolina (17th)

### Tax Freedom Day<sup>®</sup>

**2015**  
**April**  
**27**

In 2014, Virginia taxpayers worked 117 days into the year until April 27 to pay their total tax bill, ranking 40th highest nationally.

That's 3 days after national Tax Freedom Day (April 21), the day when Americans finally have earned enough money to pay their total tax bill for the year.

More at [taxfoundation.org/publications](http://taxfoundation.org/publications)

# Virginia Taxes at a Glance

Each state uses a variety of tax tools to raise revenue, including individual income taxes, property taxes, and sales taxes, among others. Here are some facts on how Virginia structures their different tax types:

Note: All collections listed on this page are combined state and local tax collections as reported by the Census Bureau's Government Finance Division. For all ranks, 1 indicates highest among the 50 states.

## General Info

		Rank	Nat. Avg.
Income per capita	\$48,498	7th	\$43,735
Federal aid as % of gen. revenue	23%	47th	32.8%
State debt per capita	\$8,020	23rd	\$3,678

## Individual Income Tax

Number of brackets	4
Bottom income bracket rate	2.00%
Bottom bracket kick in	\$0
Top income tax rate	5.75%
Top bracket kick in	\$17,000
Collections per capita (2012)	\$1,254
Collections rank (2012)	10th

## Property Tax

Collections per capita (2012)	\$1,392
Collections rank (2012)	17th
Property taxes paid as share of owner-occupied housing value (2013)	0.78%
Property taxes paid percent rank (2013)	37th

## Sources of State & Local Tax Collections

	Virginia	All States.
Property Tax	34%	32%
Sales Tax	14%	23%
Corporate Income Tax	3%	4%
Individual Income Tax	31%	22%
Other	19%	20%

## Corporate Income Tax

Number of brackets	1
Top corporate tax rate	6.00%
Collections per capita (2012)	\$103
Collections rank (2012)	34th

## Sales Tax

State rate	5.30%
State + average local rate	5.63%
State + average local rank	41st
Collections per capita (2011)	\$559
Collections rank (2011)	45th

## Excise Taxes

	Rate	Rank
Gasoline taxes and fees	22.4¢ per gallon	34th
Cigarette taxes	\$0.30 per pack	49th
Spirits taxes	\$19.18 per gallon	3rd
Beer taxes	\$0.26 per gallon	24th
Cell phone taxes	6.54%	43rd

## Other Taxes

	Rate	Exemption
Gross receipts tax	0.02% - 0.58%	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	None	N/A

## About the Tax Foundation



The Tax Foundation is the nation's leading independent tax policy research organization. Since 1937, our principled research, insightful analysis, and engaged experts have informed smarter tax policy at the federal, state, and local levels. Our Center for

State Tax Policy is routinely relied upon for presentations, testimony, and media appearances on state tax and fiscal policy, and our website is a comprehensive resource for information on tax and spending policy in each U.S. state.

More at [taxfoundation.org](http://taxfoundation.org)