Tax Facts & Comparisons
North Dakota

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

Tax Foundation Rankings of North Dakota

State Business Tax Climate Index
25th best

State-Local Tax Burdens Rank
36th highest

Tax Freedom Day® 2015
April 29

North Dakota ranks 25th 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, North Dakota ranked 28th.

North Dakota's individual income tax ranks 36th best, its corporate income tax ranks 19th best, its sales tax ranks 20th best, its property tax ranks 2nd best, and its unemployment insurance tax ranks 16th best.

Neighboring states' ranks: Montana (6th), South Dakota (2nd), Minnesota (47th),

Estimated at 8.8% of income, North Dakota's 2011 state-local tax burden ranks 36th highest nationally, below the national average of 9.8%. North Dakota taxpayers pay $4,057 per capita in state and local taxes.

Neighboring states' ranks: Montana (38th), South Dakota (48th), Minnesota (6th),

In 2014, North Dakota taxpayers worked 119 days into the year until April 29 to pay their total tax bill, ranking 42nd highest nationally.

That's 5 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.

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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 North Dakota 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	$46,218	12th	$43,735
Federal aid as % of gen. revenue	19%	50th	32.8%
State debt per capita	$6,845	37th	$3,678

Individual Income Tax

Number of brackets	5
Bottom income bracket rate	1.22%
Bottom bracket kick In	$0
Top income tax rate	3.22%
Top bracket kick in	$405,100
Collections per capita (2012)	$624
Collections rank (2012)	37th

Property Tax

Collections per capita (2012)	$1,143
Collections rank (2012)	30th
Property taxes paid as share of owner-occupied housing value (2013)	1.11%
Property taxes paid percent rank (2013)	21st

Sources of State & Local Tax Collections

	North Dakota	All States.
Property Tax	12%	32%
Sales Tax	19%	23%
Corporate Income Tax	3%	4%
Individual Income Tax	7%	22%
Other	59%	20%

Corporate Income Tax

Number of brackets	3
Top corporate tax rate	4.53%
Collections per capita (2012)	$311
Collections rank (2012)	4th

Sales Tax

State rate	5.00%
State + average local rate	6.56%
State + average local rank	30th
Collections per capita (2011)	$1,850
Collections rank (2011)	4th

Excise Taxes

	Rate	Rank
Gasoline taxes and fees	23.0¢ per gallon	32nd
Cigarette taxes	$0.44 per pack	45th
Spirits taxes	$4.66 per gallon	30th
Beer taxes	$0.39 per gallon	16th
Cell phone taxes	11.38%	18th

Other Taxes

	Rate	Exemption
Gross receipts tax	None	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.

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