

Tax Facts & Comparisons California

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



Tax Foundation Rankings of California

State Business Tax Climate Index

48th
best

California ranks 48th 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, California ranked 48th.

California's individual income tax ranks 50th best, its corporate income tax ranks 34th best, its sales tax ranks 42nd best, its property tax ranks 14th best, and its unemployment insurance tax ranks 14th best.

Neighboring states' ranks: Oregon (12th), Nevada (3rd), Arizona (23rd), Hawaii (30th)

State-Local Tax Burdens Rank

4th
highest

Estimated at 11.4% of income, California's 2011 state-local tax burden ranks 4th highest nationally, above the national average of 9.8%. California taxpayers pay \$5,136 per capita in state and local taxes.

Neighboring states' ranks: Oregon (16th), Nevada (43rd), Arizona (34th), Hawaii (20th)

Tax Freedom Day®

2015
May
3

In 2014, California taxpayers worked 123 days into the year until May 3 to pay their total tax bill, ranking 47th highest nationally.

That's 9 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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California 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 California 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	\$45,254	15th	\$43,735
Federal aid as % of gen. revenue	25%	42nd	32.8%
State debt per capita	\$11,094	8th	\$3,678

Individual Income Tax

Number of brackets	10
Bottom income bracket rate	1.00%
Bottom bracket kick in	\$0
Top income tax rate	13.30%
Top bracket kick in	\$1,000,000
Collections per capita (2012)	\$1,454
Collections rank (2012)	7th

Property Tax

Collections per capita (2012)	\$1,363
Collections rank (2012)	21st
Property taxes paid as share of owner-occupied housing value (2013)	0.81%
Property taxes paid percent rank (2013)	34th

Sources of State & Local Tax Collections

	California	All States.
Property Tax	28%	32%
Sales Tax	22%	23%
Corporate Income Tax	4%	4%
Individual Income Tax	30%	22%
Other	15%	20%

Corporate Income Tax

Number of brackets	1
Top corporate tax rate	8.84%
Collections per capita (2012)	\$210
Collections rank (2012)	9th

Sales Tax

State rate	7.50%
State + average local rate	8.44%
State + average local rank	8th
Collections per capita (2011)	\$1,082
Collections rank (2011)	17th

Excise Taxes

	Rate	Rank
Gasoline taxes and fees	45.4¢ per gallon	2nd
Cigarette taxes	\$0.87 per pack	32nd
Spirits taxes	\$3.30 per gallon	39th
Beer taxes	\$0.20 per gallon	28th
Cell phone taxes	10.21%	24th

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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