

Tax Facts & Comparisons

District of Columbia

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



Tax Foundation Rankings of District of Columbia

State Business Tax Climate Index

45th
best

District of Columbia ranks 45th 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, District of Columbia ranked 44th.

District of Columbia's individual income tax ranks 35th best, its corporate income tax ranks 38th best, its sales tax ranks 42nd best, its property tax ranks 44th best, and its unemployment insurance tax ranks 27th best.

Neighboring states' ranks: Maryland (40th), Virginia (27th), ()

State-Local Tax Burdens Rank

20th
highest

Estimated at 9.7% of income, District of Columbia's 2011 state-local tax burden ranks 20th highest nationally, below the national average of 9.8%. District of Columbia taxpayers pay \$6,641 per capita in state and local taxes.

Neighboring states' ranks: Maryland (7th), Virginia (30th), ()

Tax Freedom Day®

2015
April
23

In 2014, District of Columbia taxpayers worked 113 days into the year until April 23 to pay their total tax bill, ranking 36th highest nationally.

That's 1 day before 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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District of Columbia 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 District of Columbia 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	\$68,795	1st	\$43,735
Federal aid as % of gen. revenue	38%	N/A	32.8%
State debt per capita	\$18,521	1st	\$3,678

Individual Income Tax

Number of brackets	5
Bottom income bracket rate	4.00%
Bottom bracket kick in	\$0
Top income tax rate	8.95%
Top bracket kick in	\$350,000
Collections per capita (2012)	\$2,379
Collections rank (2012)	2nd

Property Tax

Collections per capita (2012)	\$2,997
Collections rank (2012)	1st
Property taxes paid as share of owner-occupied housing value (2013)	0.57%
Property taxes paid percent rank (2013)	46th

Sources of State & Local Tax Collections

	District of Columbia	All States.
Property Tax	32%	32%
Sales Tax	19%	23%
Corporate Income Tax	8%	4%
Individual Income Tax	25%	22%
Other	17%	20%

Corporate Income Tax

Number of brackets	1
Top corporate tax rate	9.40%
Collections per capita (2012)	\$744
Collections rank (2012)	2nd

Sales Tax

State rate	5.75%
State + average local rate	5.75%
State + average local rank	41st
Collections per capita (2011)	\$1,773
Collections rank (2011)	5th

Excise Taxes

	Rate	Rank
Gasoline taxes and fees	23.5¢ per gallon	32nd
Cigarette taxes	\$2.50 per pack	11th
Spirits taxes	\$5.37 per gallon	30th
Beer taxes	\$0.58 per gallon	9th
Cell phone taxes	11.56%	17th

Other Taxes

	Rate	Exemption
Gross receipts tax	None	N/A
Capital stock tax	None	N/A
Inheritance tax	None	N/A
Estate tax	0.8-16%	\$1,000,000

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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