

TAXES

Table 7.11
STATE SALES TAX RATES AND FOOD AND DRUG EXEMPTIONS
(As of January 1, 2015)

State or other jurisdiction	Tax rate (percentage)	Exemptions		
		Food (a)	Prescription drugs	Nonprescription drugs
Alabama	4.0		★	
Alaska	none			
Arizona	5.6	★	★	
Arkansas	6.5	1.5% (f)	★	
California	7.5 (b)	★	★	
Colorado	2.9	★	★	
Connecticut	6.35	★	★	
Delaware	none			
Florida	6.0	★	★	★
Georgia	4.0	★(f)	★	
Hawaii	4.0		★	
Idaho	6.0		★	
Illinois	6.25	1%	1%	1%
Indiana	7.0	★	★	
Iowa	6.0	★	★	
Kansas	6.15		★	
Kentucky	6.0	★	★	
Louisiana	4.0	★(f)	★	
Maine	5.5	★	★	
Maryland	6.0	★	★	★
Massachusetts	6.25	★	★	
Michigan	6.0	★	★	
Minnesota	6.875	★	★	★
Mississippi	7.0		★	
Missouri	4.225	1.225%	★	
Montana	none		★	
Nebraska	5.5	★	★	
Nevada	6.85 (c)	★	★	
New Hampshire	none			
New Jersey	7.0	★	★	★
New Mexico	5.125	★	★	
New York	4.0	★	★	★
North Carolina	4.75	★(f)	★	
North Dakota	5.0	★	★	
Ohio	5.75	★	★	
Oklahoma	4.5		★	
Oregon	none			
Pennsylvania	6.0	★	★	★
Rhode Island	7.0	★	★	
South Carolina	6.0	★	★	
South Dakota	4.0		★	
Tennessee	7.0	5.0%	★	
Texas	6.25	★	★	★
Utah	5.95 (d)	1.75% (f)	★	
Vermont	6.0	★	★	★
Virginia	5.3 (e)	2.5% (e)	★	★
Washington	6.5	★	★	
West Virginia	6.0	★	★	
Wisconsin	5.0	★	★	
Wyoming	4.0	★	★	
Dist. of Columbia	5.75	★	★	★

Source: Compiled by FTA from various sources. January 2015.

Key:

★—Indicates exempt from tax, blank indicates subject to general sales tax rate.

(a) Some states tax food, but allow a rebate or income tax credit to compensate poor households. They are: Hawaii, Idaho, Kansas, Oklahoma and South Dakota.

(b) The tax rate may be adjusted annually according to a formula based on balances in the unappropriated general fund and the school foundation fund.

(c) Nevada sales tax rate scheduled to decrease to 6.5% on July 1, 2015.

(d) Includes statewide tax of 1.25 percent levied by local governments in Utah. Food sales subject to local taxes.

(e) Includes statewide 1.0% tax levied by local governments in Virginia.

(f) Food sales subject to local taxes. Includes a statewide 1.25% tax levied by local governments in Utah.