

## TAXES

**Table 7.11**  
**FOOD AND DRUG SALES TAX EXEMPTIONS**  
**(As of January 2011)**

State or other jurisdiction	Tax rate (percentage)	Exemptions		
		Food (a)	Prescription drugs	Nonprescription drugs
Alabama .....	4.0	...	★	...
Alaska .....	0.0	...	...	...
Arizona .....	6.6	★	★	...
Arkansas .....	6.0	2% (b)	★	...
California (c) .....	8.25	★	★	...
Colorado .....	2.9	★	★	...
Connecticut .....	6.0	★	★	...
Delaware .....	0.0	...	...	...
Florida .....	6.0	★	★	★
Georgia .....	4.0	★(b)	★	...
Hawaii .....	4.0	...	★	...
Idaho .....	6.0	...	★	...
Illinois .....	6.25	1%	1%	1%
Indiana .....	7.0	★	★	...
Iowa .....	6.0	★	★	...
Kansas .....	6.3	...	★	...
Kentucky .....	6.0	★	★	...
Louisiana .....	4.0	★(b)	★	...
Maine .....	5.0	★	★	...
Maryland .....	6.0	★	★	★
Massachusetts .....	6.25	★	★	...
Michigan .....	6.0	★	★	...
Minnesota .....	6.875	★	★	★
Mississippi .....	7.0	...	★	...
Missouri .....	4.225	1.225%	★	...
Montana .....	0.0	...	★	...
Nebraska .....	5.5	★	★	...
Nevada .....	6.85	★	★	...
New Hampshire .....	0.0	...	...	...
New Jersey .....	7.0	★	★	★
New Mexico .....	5.125	★	★	...
New York .....	4.0	★	★	★
North Carolina .....	5.75	★(b)	★	...
North Dakota .....	5.0	★	★	...
Ohio .....	5.5	★	★	...
Oklahoma .....	4.5	...	★	...
Oregon .....	0.0	...	...	...
Pennsylvania .....	6.0	★	★	★
Rhode Island .....	7.0	★	★	★
South Carolina .....	6.0	★	★	...
South Dakota .....	4.0	...	★	...
Tennessee .....	7.0	5.5%	★	...
Texas .....	6.25	★	★	★
Utah .....	5.95	1.75 (b)(e)	★	...
Vermont .....	6.0	★	★	★
Virginia .....	5.0 (d)	2.5% (d)	★	★
Washington .....	6.5	★	★	...
West Virginia .....	6.0	3% (b)	★	...
Wisconsin .....	5.0	★	★	...
Wyoming .....	4.0	★	★	...
Dist. of Columbia .....	6.0	★	★	★

Source: The Federation of Tax Administrators, January 2011.

Key:

★ — Yes, exempt from tax.

... — Subject to general sales tax.

N.A. — Not applicable.

(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) Food sales are subject to local sales tax.

(c) The tax rate may be adjusted annually according to a formula based on balances in the unappropriated general fund and the school foundation fund. Rate scheduled to fall to 7.25 percent on July 1, 2011.

(d) Includes statewide tax of 1.0 percent levied by local governments in Virginia.

(e) Includes a 1.25 percent tax levied by local governments in Utah.