

STATE SALES TAX RATES AND VENDOR DISCOUNTS

(January 1, 2023)

STATE	STATE SALES		VENDOR	
	TAX RATE	RANK	DISCOUNT	MAX/MIN
ALABAMA	4.0%	41	5.0%-2.0% (1)	\$400/month (max)
ALASKA	-----N/A-----			
ARIZONA	5.6%	28	1.0% (9)	\$10,000/year (max)
ARKANSAS	6.5%	9	2.0%	\$1,000/month (max)
CALIFORNIA	7.25%	1	None	
COLORADO	2.9%	46	4.0% (4)	
CONNECTICUT	6.35%	12	None	
DELAWARE	-----N/A-----			
FLORIDA	6.0%	16	2.5%	\$30/report (max)
GEORGIA	4.0%	41	3.0%-0.5% (1)	
HAWAII	4.0%	41	None	
IDAHO	6.0%	16	None (5)	
ILLINOIS	6.25%	13	1.75%	\$5/year (min)
INDIANA (2)	7.0%	2	0.73% (2)	
IOWA	6.0%	16	None	
KANSAS	6.50%	9	None	
KENTUCKY	6.0%	16	1.75%-1.5% (1)	\$50/month (max)
LOUISIANA	4.45%	36	0.84%	\$1,500/month (max)
MAINE	5.5%	29	None (5)	
MARYLAND	6.0%	16	1.2%-0.90% (1)	\$500/return (max)
MASSACHUSETTS	6.25%	13	None	
MICHIGAN	6.0%	16	0.5% (6)	\$6/month (min), \$15,000/month (max)
MINNESOTA	6.875%	6	None	
MISSISSIPPI	7.0%	2	2.0%	\$50/month (max)
MISSOURI	4.225%	39	None	
MONTANA	-----N/A-----			
NEBRASKA	5.5%	29	2.5%	\$75/month (max)
NEVADA	6.85%	6	0.25%	
NEW HAMPSHIRE (10)	-----N/A-----			
NEW JERSEY	6.625%	8	None	
NEW MEXICO (11)	5.0%	31	None	
NEW YORK	4.0%	41	5.0%	\$200/quarter (max) small sellers only
NORTH CAROLINA	4.75%	35	None	
NORTH DAKOTA	5.0%	31	1.5%	\$110/month (max)
OHIO	5.75%	27	0.75%	
OKLAHOMA	4.5%	36	None	
OREGON	-----N/A-----			
PENNSYLVANIA	6.0%	16	1.0%	\$25/month (min)
RHODE ISLAND	7.0%	2	None	
SOUTH CAROLINA	6.0%	16	3.0%-2.0% (1)	\$10,000/year (max)
SOUTH DAKOTA	4.5%	36	1.5%	\$70/month (max)
TENNESSEE	7.0%	2	2.0%-1.15% (12)	\$25/period (max)
TEXAS	6.25%	13	0.5% (7)	
UTAH (3)	4.85%	34	1.31%	
VERMONT	6.0%	16	None (5)	
VIRGINIA (3)	4.3%	39	1.1%-0.56% (8)	
WASHINGTON	6.5%	9	None	
WEST VIRGINIA	6.0%	16	None	
WISCONSIN	5.0%	31	0.5%	\$10/period (min), \$1,000 (max)
WYOMING	4.0%	41	1.95%-1.0% (1)	\$500/month (max)
DIST. OF COLUMBIA	6.0%	16	None	
U. S. MEDIAN	6.0%			27 states allow vendor discounts

Source: Compiled by FTA from various sources.

(1) In some states, the vendors' discount varies by the amount paid. In AL and SC, the larger discounts apply to the first \$100. In GA, the larger discount applies to the first \$3,000. In KY, the larger discounts apply to the first \$1,000, while MD applies the larger discount to annual collections of \$6,000. In WY, the larger discount applies to the first \$6,250. The lower discounts apply to the remaining collections above these amounts.

(2) Utilities are not permitted to take discount. Collection allowances are 0.73% if total sales tax collected is less than \$60,000; 0.53% if total taxes is between \$60,000 and \$600,000; 0.26% if total sales tax collected is more than \$600,000.

(3) Rate does not include a statewide local rate of 1.0% in VA and 1.25% in UT. In UT, a discount of 1% is applicable to local taxes.

(4) Colorado local option sales tax discount varies from 0% to 3.33%. For Calendar year 2023, a discount of 5.3% is allowed for taxpayers with \$100,000 in sales.

(5) Vendors are allowed to keep any excess collections prescribed under the bracket system.

(6) Vendor discount only applies to the first 4.0% of the tax. A 0.75% discount if paid by the 12th of the month.

(7) An additional discount of 1.25% applies for early payment.

(8) Discount varies; 1.1% (1.6% for food) of the first \$62,500, 0.84% (1.2%) of the amount to \$208,000, and 0.56% (0.8%) of the remainder. Applies to the state tax only. No discount allowed on electronically file returns.

(9) In Arizona, vendor discount rate is 1.2% for electronic filers with a \$12,000 annual maximum.

(10) New Hampshire imposes a 9% tax on meals and rooms, with a vendor discount of 3%.

(11) New Mexico sales (GRT) tax rate is scheduled to decrease to 4.875% after 7/1/23.

(12) Tennessee vendor discounts effective 7/1/22 to 6/30/23. Higher rate applies to first \$2,500.