

STATE SALES TAX RATES AND FOOD & DRUG EXEMPTIONS

(As of January 1, 2008)

STATE	Tax Rate (percentage)	EXEMPTIONS		
		Food (1)	Prescription Drugs	Nonprescription Drugs
ALABAMA	4		*	
ALASKA	none			
ARIZONA	5.6	*	*	
ARKANSAS	6	3% (4)	*	
CALIFORNIA (3)	7.25 (2)	*	*	
COLORADO	2.9	*	*	
CONNECTICUT	6	*	*	*
DELAWARE	none			
FLORIDA	6	*	*	*
GEORGIA	4	* (4)	*	
HAWAII	4		*	
IDAHO	6		*	
ILLINOIS	6.25	1%	1%	1%
INDIANA	6	*	*	
IOWA	5	*	*	
KANSAS	5.3		*	
KENTUCKY	6	*	*	
LOUISIANA	4	* (4)	*	
MAINE	5	*	*	
MARYLAND (5)	6	*	*	*
MASSACHUSETTS	5	*	*	
MICHIGAN	6	*	*	
MINNESOTA	6.5	*	*	*
MISSISSIPPI	7		*	
MISSOURI	4.225	1.225%	*	
MONTANA	none			
NEBRASKA	5.5	*	*	
NEVADA	6.5	*	*	
NEW HAMPSHIRE	none			
NEW JERSEY	7	*	*	*
NEW MEXICO	5	*	*	
NEW YORK	4	*	*	*
NORTH CAROLINA (6)	4.25	* (4)	*	
NORTH DAKOTA	5	*	*	
OHIO	5.5	*	*	
OKLAHOMA	4.5		*	
OREGON	none			
PENNSYLVANIA	6	*	*	*
RHODE ISLAND	7	*	*	*
SOUTH CAROLINA	6	*	*	
SOUTH DAKOTA	4		*	
TENNESSEE	7	5.5%	*	
TEXAS	6.25	*	*	*
UTAH	4.65	1.75% (4)	*	
VERMONT	6	*	*	*
VIRGINIA	5.0 (2)	2.5% (2)	*	*
WASHINGTON	6.5	*	*	
WEST VIRGINIA	6	4% (8)	*	
WISCONSIN	5	*	*	
WYOMING	4	* (7)	*	
DIST. OF COLUMBIA	5.75	*	*	*

* -- indicates exempt from tax, blank indicates subject to general sales tax rate.

Source: Compiled by FTA from various sources.

(1) Some state tax food, but allow a rebate or income tax credit to compensate poor households. They are: HI, ID, KS, OK, SD, and WY.

(2) Includes statewide local tax of 1.0% in California and 1.0% in Virginia .

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

(4) Food sales are subject to local sales taxes.

(5) Sales tax rate increased from 5% to 6% on 1/3/08.

(6) Sales Tax rate is scheduled to increase to 4.5% in 10/1/08.

(7) Food sales exempt through 6/30/2008.

(8) Tax rate on food is scheduled to fall to 3% 7/1/08. Food subject to local tax.