

**Table 17: Top State Bank Tax Rates as of January 1, 2010**

Taxes Measured by Income			Taxes Not Measured by Income		
Rank	State	Rate	Rank	State	Rate*
1	Pennsylvania (1)	11.50	1	Nevada	2.0000
2	California (2)	10.84	2	Ohio	1.3000
3	Massachusetts (3)	10.50	3	Pennsylvania	1.2500
4	Minnesota (4)	9.80	4	Kentucky	1.1000
5	Alaska (5)	9.40	5	Virginia	1.0000
6	New Jersey (6)	9.00	6	New Hampshire	0.7500
	Rhode Island (7)	9.00	7	West Virginia	0.4100
8	Delaware (8)	8.70	8	Louisiana	0.3000
9	Indiana	8.50	9	Mississippi	0.2500
	New Hampshire (9)	8.50		Tennessee	0.2500
	West Virginia	8.50	11	Michigan (23)	0.2350
12	Maryland	8.25	12	Oklahoma	0.1250
13	Hawaii (10)	7.92	13	Georgia	0.1000
14	Oregon	7.90	14	Nebraska	0.0470
	Wisconsin	7.90	15	Vermont	0.0096
16	Idaho	7.60			
	New Mexico	7.60			*Rate of tax in percent on applicable tax base.
18	Connecticut (11)	7.50			
19	<b><i>New York (12)</i></b>	<b><i>7.10</i></b>			
20	North Dakota	7.00			
21	Arizona (13)	6.97			
22	North Carolina	6.90			
23	Montana	6.75			
24	Alabama	6.50			
	Arkansas	6.50			
	Tennessee	6.50			
27	Missouri (14)	6.25			
28	Georgia	6.00			
	Oklahoma	6.00			
	South Dakota	6.00			
	Virginia (15)	6.00			
32	Florida (16)	5.50			
33	Iowa (17)	5.00			
	Mississippi	5.00			
	Utah	5.00			
36	Illinois (18)	4.80			
37	Colorado	4.63			
38	South Carolina (19)	4.50			
39	Kansas (20)	2.25			
40	Maine (21)	1.00			
	Texas (22)	1.00			
42	Kentucky	(X)			
	Louisiana	(X)			
	Michigan	(X)			

**Table 17: Top State Bank Tax Rates as of January 1, 2010 (Cont'd)**

	Taxes Measured by Income	Taxes Not Measured by Income
Nebraska	(X)	
Nevada	(X)	
Ohio	(X)	
Vermont	(X)	
Washington	(X)	
Wyoming	(X)	

(X) Does not impose tax.

(1) Only mutual thrift institutions.

(2) A 3.5% tax rate applies to financial S corporations. A 6.65% alternative minimum tax (AMT) is imposed.

(3) Plus 7.0 mills of tangible property or net worth allocated to Massachusetts. Rates include 14% surtax.

(4) AMT imposed at a rate of 5.8% along with a surcharge of up to \$5,000.

(5) Alternative rate on capital gains is 4.5%. AMT on tax preference items is 18% of the applicable Federal AMT.

(6) Corporations with net income under \$100,000 are taxed at lower rates. An additional 4% surtax applies.

(7) State chartered banks may pay an alternative tax of .25 mills of capital stock.

(8) The tax rate gradually decreases from 8.7% on net income of \$20 million or less to 1.7% on net income exceeding \$650 million.

(9) Rate is 8.5% of taxable business profits if gross income over \$50,000. Additional business enterprise tax of 0.75% applies if gross income over \$150,000 or base over \$75,000.

(10) An additional tax of 4% is levied on net capital gains for the taxable year.

(11) Or 4% of interest or dividends credited during the previous tax year.

(12) Tax equals greater of 7.1% of entire net income, 3% of allocated alternative entire net income, up to 1/50th mill of allocated taxable assets, or a minimum tax of \$250.

(13) Rate is rounded from 6.968%.

(14) Banks are subject to an additional tax franchise tax equal to the sum of (1) 0.05% of the par value of the institution's outstanding shares and surplus employed in Missouri and (2) 7% of the institution's net income for the income period minus the tax computed on their shares and surplus.

(15) Savings institutions pay the corporate income tax. Other banks pay the bank franchise tax on net capital.

(16) Taxpayers who pay federal AMT are liable for the greater of the income tax or the 3.3% Florida AMT.

(17) An AMT is imposed at the rate of 60% of the highest corporate income tax rate, rounded to the nearest 0.1%.

(18) Additional 2.5% personal property replacement tax imposed.

(19) Savings and loan associations are taxed at a rate of 6%.

(20) A 2.125% (2.25% for savings institutions) surtax is imposed on taxable income in excess of \$25,000.

(21) Plus a tax of 0.8% on Maine assets. An alternative franchise tax of 3.9% of Maine assets applies.

(22) Tax is based on gross receipts.

(23) A surcharge of 23.4% applies.

Source: Commerce Clearing House "State Tax Guide."