

**Table 34: History of Corporate Tax Rates in New York State, 1917-2009**

Year	Corporation		
	Franchise (1) (Income Base)	Banks (2) (Income Base)	Insurance (3) (Income Base)
1917	3.000%	--	--
1918-25	4.500%	--	--
1926-34	4.500%	4.500%	--
1935-44	6.000%	4.500%	--
1945-48	4.500%	4.500%	--
1948-67	5.500%	4.500%	--
1968-70	7.000%	6.000%	--
1971-73	9.000%	8.000%	--
1974	9.000%	8.000%	9.000%
1975-76 (4)	12.000%	15.600%	9.000%
1977 (5)	10.000%	15.600%	9.000%
1978-84	10.000%	12.000%	9.000%
1985-86	10.000%	9.000%	9.000%
1987-88	9.000%	9.000%	9.000%
1989 (6)	9.000%	9.225%	9.225%
1990-93 (7)	10.350%	10.350%	10.350%
1994 (8)	10.125%	10.125%	10.125%
1995 (9)	9.675%	9.675%	9.675%
1996 (10)	9.225%	9.225%	9.225%
1997-99	9.000%	9.000%	9.000%
1999-00 (11)	8.500%	9.000%	9.000%
2000-01 (12)	8.000%	8.500%	8.500%
2001-02	7.500%	8.000%	8.000%
2002-03 (13)	7.500%	7.500%	7.500%
2003-06 (14)	7.500%	7.500%	7.500%
2007-09	7.100%	7.100%	7.100%

(1) The franchise tax on corporations dates back to 1874, but the tax imposed on net income began in 1917.

(2) Bank tax revenues went to local governments until 1940 when it became a state revenue source.

(3) Prior to 1974, insurance companies were taxed under Article 9.

(4) Includes a 20% surcharge on corporations and 30% on banks.

(5) Includes a 30% surcharge on banks.

(6) Includes a 2.5% surcharge on banks and insurance companies.

(7) Includes a 15% surcharge on corporations, banks and insurance companies.

(8) Includes a 12.5% surcharge on corporations, banks and insurance companies.

(9) Includes a 7.5% surcharge on corporations, banks and insurance companies.

(10) The tax rate on corporations, banks and insurance companies is 9% plus a 2.5% surcharge.

(11) The tax rate fell to 8% after 6/30/00.

(12) The tax rate fell to 7.5% after 6/30/01.

(13) The bank and insurance tax rate reductions were effective for tax years beginning after 6/30/01. The tax rate fell to 7.5% after 7/1/02.

(14) Non-life insurance companies are not subject to the corporate income tax after 2002-03. They are now subject only to the insurance premiums tax.

Source: NYS Department of Taxation and Finance, Office of Tax Policy Analysis.