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Taxation

L-4 Selected Tax Rate Comparisons

The following tables compare selected tax rates and tax bases with those of nearby states.

Sales Tax			
	Rate	Food	Non-prescription Drugs
Kansas	6.50%	6.50%	Non-exempt
Missouri	4.23%	1.23%	Non-exempt
Nebraska	5.50%	Exempt	Non-exempt
Colorado	2.90%	Exempt	Non-exempt
Iowa	6.00%	Exempt	Non-exempt
Arkansas	6.50%	1.50%	Non-exempt
Texas	6.25%	Exempt	Exempt

Source: Federation of Tax Administrators, as of January 1, 2019.

Motor Fuel Tax ¹ (cents per gallon)		
	Gasoline	Diesel Fuel
Kansas	25.03	27.03
Missouri	17.40	17.40
Nebraska	30.50	29.90
Colorado	22.00	20.50
Iowa	30.50	32.50
Arkansas	21.80	22.80
Texas	20.00	20.00

¹ Includes fees, such as environmental and inspection fees.
Source: Federation of Tax Administrators, as of January 1, 2019.

Cigarette Tax	
	Excise Tax (cents per pack)
Kansas	129
Missouri	17
Nebraska	64
Oklahoma	203
Colorado	84
Iowa	136
Arkansas	115
Texas	141

Source: Federation of Tax Administrators, as of January 1, 2019.

Corporate Income Tax				
	Tax Rate	Number of Brackets	Bracket Range	Apportionment Method
Kansas ¹	4.00%	1	Flat Rate	Three factor
Missouri	6.25%	1	Flat Rate	Three factor / Sales
Nebraska	5.58%-7.81%	2	\$100,000	Sales
Oklahoma	6.00%	1	Flat Rate	Three factor
Colorado	4.63%	1	Flat Rate	Sales
Iowa	6.00%-12.00%	4	\$25,000-\$250,001	Sales
Arkansas	1.00%-6.50%	6	\$3,000-\$100,001	Double Weighted Sales
Texas ²	N/A	N/A	N/A	Sales

¹ Kansas levies a 3.0 percent surtax on taxable income over \$50,000.

² Texas imposes a franchise tax on entities with more than \$1,130,000 total revenues at a rate of 0.75 percent, or 0.375 percent for entities primarily engaged in retail or wholesale trade, on the lesser of 70.0 percent of total revenues or 100.0 percent of gross receipts after deductions for either compensation or cost of goods sold.

Source: Federation of Tax Administrators, as of January 1, 2019.

Individual Income Tax							
	Federal IRC Starting Point	Tax Rate Range	Number of Brackets	Bracket Range	Personal Exemption Single	Personal Exemption Married	Personal Exemption Dependent
Kansas	Adjusted Gross Income	3.10%-5.70%	3	\$15,000-\$30,000	\$2,250	\$4,500	\$2,250
Missouri	Adjusted Gross Income	1.50%-5.40%	9	\$1,053-\$8,424	-	-	-
Nebraska	Adjusted Gross Income	2.46%-6.84%	4	\$3,230-\$31,160	\$137 (credit)	\$274 (credit)	\$137 (credit)
Oklahoma	Adjusted Gross Income	0.50%-5.00%	6	\$1,000-\$7,200	\$1,000	\$2,000	\$1,000
Colorado	Taxable Income	4.63%	1	Flat Rate	-. ¹	-. ¹	-. ¹
Iowa	Adjusted Gross Income (as defined in IRC effective 3/24/18)	0.33%-8.53%	9	\$1,598-\$71,910	\$40 (credit)	\$80 (credit)	\$40 (credit)
Arkansas	No Relation to Federal IRC	0.90%-6.90%	6	\$4,299-\$35,100	\$26 (credit)	\$52 (credit)	\$26 (credit)
Texas	N/A	N/A	N/A	N/A	N/A	N/A	N/A

¹ Colorado uses the personal exemption amounts provided in the current version of the IRC. The Tax Cuts and Jobs Act of 2017 set the IRC personal exemption amounts at \$0.

Source: Federation of Tax Administrators, as of July 1, 2019.

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