



Maine Ranks 33rd Best on Business Taxes

Annual Release of the State Business Tax Climate Index

Washington, DC (Oct 28, 2014)—Maine has the 33rd best tax climate in the U.S. according to the latest edition of the [*State Business Tax Climate Index*](#), released this morning by the nonpartisan Tax Foundation. The Pine Tree State’s rank has dropped five places from its 28th place ranking last October due to an increased state sales tax. Since the last edition of the *Index*, Maine is the only state to enact a general sales tax increase.

The *Index*, now in its 11th edition, measures how well structured each state’s code is by analyzing over 100 tax variables in five different categories: corporate, individual income, sales, property, and unemployment insurance taxes. States are punished for overly complex, burdensome, and economically harmful tax codes but are rewarded for transparent and neutral tax codes that do not distort business decisions. A state’s ranking can rise or fall significantly not only because of its own actions, but also because of changes or reforms made in other states.

The breakdown of Maine’s ranking this year is as follows (1st is best, 50th is worst):

- Maine’s overall *State Business Tax Climate* ranking: 33rd
- Corporate tax structure: 45th
- Individual income tax structure: 22nd
- Sales tax structure: 9th
- Property tax structure: 40th
- Unemployment insurance tax structure: 42nd

“The federal government is gridlocked, but state policymakers on both sides of the aisle are enacting truly fundamental reforms,” said Tax Foundation Economist and Manager of State Projects Scott Drenkard. “States are doing their part and it’s time that Washington steps up.”

The report’s key findings include:

- The 10 most competitive states are: Wyoming (#1), South Dakota (#2), Nevada (#3), Alaska (#4), Florida (#5), Montana (#6), New Hampshire (#7), Indiana (#8), Utah (#9) and Texas (#10).
- The 10 least competitive states are: New Jersey (#50), New York (#49), California (#48), Minnesota (#47), Vermont (#46), Rhode Island (#45), Ohio (#44), Wisconsin (#43), Connecticut (#42), and Iowa (#41).

- The most notable ranking changes occurred in North Carolina, Nebraska, North Dakota, New York, Wisconsin, Maine, and Kansas (see [state specific press releases](#) for more details).

The goal of the *State Business Tax Climate Index* is to start a conversation between taxpayers and policymakers about how their states fare against the rest of the country. This report helps answer the questions: How well is your tax code structured? How competitive is your state compared to the rest of the country? Are businesses in your state spending too much time complying with onerous tax provisions? Are you double taxing things you shouldn't?

Full Report: [2015 State Business Tax Climate Index](#)

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