



# FISCAL FACT

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## Major Metropolitan Area Sales Tax Rates

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### Introduction

General sales taxes levied by state, county and city governments in the United States vary greatly, even among major metropolitan areas. For purposes of this analysis, “major metropolitan areas” are those with populations greater than 200,000 individuals, of which there are 107 in the United States.

The 25 metropolitan areas with the highest combined sales tax rates—state rate plus county rate plus city rate—are shown in Table 1. Two Alabama cities, Montgomery and Birmingham, have the highest combined sales tax rates in the nation. Until recently Chicago had that distinction, but Cook County lowered its rate by 0.5%, effective July 1, 2010.

Unsurprisingly, none of the highest-taxing cities are located in the five states that levy no state-level tax: Alaska, Delaware, Montana, New Hampshire and Oregon. But some of these high-taxing cities have a zero rate at either the county or city level. In four cities—St. Louis, Memphis, Nashville and New York City—there is no county-level sales tax; and in eight cities—Oakland, Fremont, Seattle, San Francisco, San Jose, New Orleans, Baton Rouge, and Fresno—there’s no city-level tax.

Geographic Area		Sales Tax Rate				Rank
Locality	State	State	County	City	Total	
Birmingham	AL	4.000%	2.000%	4.000%	10.000%	1
Montgomery	AL	4.000%	2.500%	3.500%	10.000%	1
Long Beach	CA	7.250%	2.000%	0.500%	9.750%	3
Los Angeles	CA	7.250%	2.000%	0.500%	9.750%	3
Oakland	CA	7.250%	2.500%	0.000%	9.750%	3
Fremont	CA	7.250%	2.500%	0.000%	9.750%	3
Chicago	IL	6.250%	2.250%	1.250%	9.750%	3
Glendale	AZ	6.600%	0.800%	2.200%	9.600%	8
Seattle	WA	6.500%	3.000%	0.000%	9.500%	9
San Francisco	CA	7.250%	2.250%	0.000%	9.500%	9
St. Louis	MO	4.225%	0.000%	5.266%	9.491%	11
Phoenix	AZ	6.600%	0.800%	2.000%	9.400%	12
Memphis	TN	7.000%	0.000%	2.250%	9.250%	13
Nashville	TN	7.000%	0.000%	2.250%	9.250%	13
San Jose	CA	7.250%	2.000%	0.000%	9.250%	13
Tucson	AZ	6.600%	0.600%	2.000%	9.200%	16
Mesa	AZ	6.600%	0.800%	1.750%	9.150%	17
Scottsdale	AZ	6.600%	0.800%	1.650%	9.050%	18
Stockton	CA	7.250%	1.500%	0.250%	9.000%	19
New Orleans	LA	4.000%	5.000%	0.000%	9.000%	19
Baton Rouge	LA	4.000%	5.000%	0.000%	9.000%	19
Fresno	CA	7.250%	1.725%	0.000%	8.975%	22
Chandler	AZ	6.600%	0.800%	1.500%	8.900%	23
Gilbert	AZ	6.600%	0.800%	1.500%	8.900%	23
New York City	NY	4.000%	0.000%	4.875%	8.875%	25

Source: Sales Tax Clearinghouse, Census Bureau, and Tax Foundation

Although many of the most populous cities do rank in the highest-taxing 25 cities listed in Table 1, there are exceptions. The most populous city, New York City, barely squeezed into the top-taxing cities with an 8.875% combined tax rate, ranking 25<sup>th</sup> highest nationwide. Houston, Philadelphia, Denver and several other cities among the nation's largest are making do with even lower combined sales tax rates. Table 2 shows the state, county, and city sales tax rates in the 25 most populous cities.

**Table 2**  
**State, County and City Sales Tax Rates in the Top 25 Most Populous Cities**  
**Rates as of July 1, 2010**

Metropolitan Area		Sales Tax Rates			
City	State	State	County	City	Total
New York City	NY	4.000%	0.000%	4.875%	8.875%
Los Angeles	CA	7.250%	2.000%	0.500%	9.750%
Chicago	IL	6.250%	2.250%	1.250%	9.750%
Houston	TX	6.250%	1.000%	1.000%	8.250%
Phoenix	AZ	6.600%	0.800%	2.000%	9.400%
Philadelphia	PA	6.000%	0.000%	2.000%	8.000%
San Antonio	TX	6.250%	0.750%	1.125%	8.125%
San Diego	CA	7.250%	1.500%	0.000%	8.750%
Dallas	TX	6.250%	1.000%	1.000%	8.250%
San Jose	CA	7.250%	2.000%	0.000%	9.250%
Detroit	MI	6.000%	0.000%	0.000%	6.000%
San Francisco	CA	7.250%	2.250%	0.000%	9.500%
Jacksonville	FL	6.000%	1.000%	0.000%	7.000%
Indianapolis	IN	7.000%	0.000%	0.000%	7.000%
Austin	TX	6.250%	1.000%	1.000%	8.250%
Columbus	OH	5.500%	1.250%	0.000%	6.750%
Fort Worth	TX	6.250%	1.000%	1.000%	8.250%
Charlotte	NC	5.750%	2.500%	0.000%	8.250%
Memphis	TN	7.000%	0.000%	2.250%	9.250%
Boston	MA	6.250%	0.000%	0.000%	6.250%
Baltimore	MD	6.000%	0.000%	0.000%	6.000%
El Paso	TX	6.250%	1.000%	1.000%	8.250%
Seattle	WA	6.500%	3.000%	0.000%	9.500%
Denver	CO	2.900%	1.200%	3.620%	7.720%
Nashville	TN	7.000%	0.000%	2.250%	9.250%

Source: Sales Tax Clearinghouse, Census Bureau, and Tax Foundation

### Sales Tax Bases Are Another Story

These tables of rates do not take into account state, county or city exemptions of various items from sales taxation, nor do they account for selective lower or higher rates. For instance, some states tax groceries at the general sales tax rate, some at a reduced rate, and some grant an exemption. But even among those governments that grant a total exemption, they draw up long lists of grocery items that they deem worthy and unworthy of the exemption, and those lists change depending on the shifting opinions of state and local legislators. And groceries are just one of many hundreds of retail and wholesale goods and services on which governments decide whether to impose sales tax.

### The Tourism Factor

Sales taxes are a staple of state and local revenues. For the larger cities listed here, sales taxes also affect visitors and tourists. Florida and Nevada are renowned for imposing no wage tax on their residents, choosing instead to fund many of their government programs with sales tax revenue that often comes from tourists. Large cities have an increased demand for government services (roads, police, etc.) and a higher rate of tourism, so it should not be particularly surprising that they tend to have higher reliance on the sales tax.

### Rate Your City’s Sales Tax on a Scale of Zero to Ten

The combined sales tax rate varies from zero to 10 percent in the 107 U.S. cities with a population above 200,000. Those cities account for around 62 million residents or one-fifth of the U.S. population (see Table 3).

Birmingham and Montgomery, Alabama, have the dubious honor of levying the highest combined sales tax rate, 10%; Anchorage, Alaska, and Portland, Oregon, are the only large cities that levy a zero sales tax at all levels of state and local government.

The county level rates vary from 5% in New Orleans and Baton Rouge, Louisiana, to 0% in 28 of the 107 cities. The city-level tax has about the same rate of fluctuation, from 5.266% in St. Louis, Missouri, to 0% in 57 of the 107 cities.

<b>Table 3 State, County, and Local Tax Rates in Cities with Population of 200,000, Ranked by Total Rate Rates as of July 1, 2010</b>						
<b>Geographic Area</b>		<b>Sales Tax</b>				<b>Rank</b>
<b>Locality</b>	<b>State</b>	<b>State</b>	<b>County</b>	<b>City</b>	<b>Total</b>	
Akron	OH	5.500%	1.000%	0.000%	6.500%	88
Albuquerque	NM	5.125%	0.938%	0.937%	7.000%	85
Anaheim	CA	7.250%	1.500%	0.000%	8.750%	26
Anchorage	AK	0.000%	0.000%	0.000%	0.000%	106
Arlington	TX	6.250%	0.000%	1.750%	8.000%	57
Arlington	VA	4.000%	1.000%	0.000%	5.000%	100
Atlanta	GA	4.000%	3.000%	1.000%	8.000%	57
Aurora	CO	2.900%	1.450%	3.750%	8.100%	53
Austin	TX	6.250%	1.000%	1.000%	8.250%	43
Bakersfield	CA	7.250%	1.000%	0.000%	8.250%	43
Baltimore	MD	6.000%	0.000%	0.000%	6.000%	92
Baton Rouge	LA	4.000%	5.000%	0.000%	9.000%	19
Birmingham	AL	4.000%	2.000%	4.000%	10.000%	1
Boise City	ID	6.000%	0.000%	0.000%	6.000%	92
Boston	MA	6.250%	0.000%	0.000%	6.250%	91
Buffalo	NY	4.000%	4.750%	0.000%	8.750%	26

Chandler	AZ	6.600%	0.800%	1.500%	8.900%	23
Charlotte	NC	5.750%	2.500%	0.000%	8.250%	39
Chesapeake	VA	4.000%	0.000%	1.000%	5.000%	100
Chicago	IL	6.250%	2.250%	1.250%	9.750%	7
Chula Vista	CA	7.250%	1.500%	0.000%	8.750%	26
Cincinnati	OH	5.500%	1.000%	0.000%	6.500%	88
Cleveland	OH	5.500%	2.250%	0.000%	7.750%	62
Colorado Springs	CO	2.900%	2.000%	2.500%	7.400%	71
Columbus	OH	5.500%	1.250%	0.000%	6.750%	86
Corpus Christi	TX	6.250%	0.625%	1.375%	8.250%	39
Dallas	TX	6.250%	1.000%	1.000%	8.250%	43
Denver	CO	2.900%	1.200%	3.620%	7.720%	69
Detroit	MI	6.000%	0.000%	0.000%	6.000%	92
Durham	NC	5.750%	2.000%	0.000%	7.750%	62
El Paso	TX	6.250%	1.000%	1.000%	8.250%	43
Fort Wayne	IN	7.000%	0.000%	0.000%	7.000%	73
Fort Worth	TX	6.250%	1.000%	1.000%	8.250%	43
Fremont	CA	7.250%	2.500%	0.000%	9.750%	3
Fresno	CA	7.250%	1.725%	0.000%	8.975%	22
Garland	TX	6.250%	1.000%	1.000%	8.250%	43
Gilbert	AZ	6.600%	0.800%	1.500%	8.900%	23
Glendale	AZ	6.600%	0.800%	2.200%	9.600%	8
Greensboro	NC	5.750%	2.000%	0.000%	7.750%	62
Henderson	NV	6.850%	1.250%	0.000%	8.100%	53
Hialeah	FL	6.000%	1.000%	0.000%	7.000%	79
Honolulu	HI	4.000%	0.000%	0.500%	4.500%	105
Houston	TX	6.250%	1.000%	1.000%	8.250%	43
Indianapolis	IN	7.000%	0.000%	0.000%	7.000%	73
Irvine	CA	7.250%	1.500%	0.000%	8.750%	26
Irving	TX	6.250%	1.000%	1.000%	8.250%	43
Jacksonville	FL	6.000%	1.000%	0.000%	7.000%	79
Jersey City	NJ	7.000%	0.000%	0.000%	7.000%	73
Kansas City	MO	4.225%	1.125%	2.375%	7.725%	67
Laredo	TX	6.250%	0.750%	1.250%	8.250%	39
Las Vegas	NV	6.850%	1.250%	0.000%	8.100%	53
Lexington	KY	6.000%	0.000%	0.000%	6.000%	92
Lincoln	NE	5.500%	0.000%	1.500%	7.000%	73
Long Beach	CA	7.250%	2.000%	0.500%	9.750%	3
Los Angeles	CA	7.250%	2.000%	0.500%	9.750%	3
Louisville	KY	6.000%	0.000%	0.000%	6.000%	92
Lubbock	TX	6.250%	0.500%	1.500%	8.250%	39
Madison	WI	5.000%	0.500%	0.000%	5.500%	99
Memphis	TN	7.000%	0.000%	2.250%	9.250%	13
Mesa	AZ	6.600%	0.800%	1.750%	9.150%	17
Miami	FL	6.000%	1.000%	0.000%	7.000%	79
Milwaukee	WI	5.000%	0.600%	0.000%	5.600%	98

Minneapolis	MN	6.875%	0.150%	0.750%	7.775%	61
Modesto	CA	7.250%	1.125%	0.000%	8.375%	36
Montgomery	AL	4.000%	2.500%	3.500%	10.000%	1
Nashville	TN	7.000%	0.000%	2.250%	9.250%	13
New Orleans	LA	4.000%	5.000%	0.000%	9.000%	19
New York City	NY	4.000%	0.000%	4.875%	8.875%	25
Newark	NJ	7.000%	0.000%	0.000%	7.000%	73
Norfolk	VA	4.000%	0.000%	1.000%	5.000%	100
North Las Vegas	NV	6.850%	1.250%	0.000%	8.100%	53
Oakland	CA	7.250%	2.500%	0.000%	9.750%	3
Oklahoma City	OK	4.500%	0.000%	3.875%	8.375%	36
Omaha	NE	5.500%	0.000%	1.500%	7.000%	73
Orlando	FL	6.000%	0.500%	0.000%	6.500%	88
Philadelphia	PA	6.000%	0.000%	2.000%	8.000%	57
Phoenix	AZ	6.600%	0.800%	2.000%	9.400%	12
Pittsburgh	PA	6.000%	1.000%	0.000%	7.000%	79
Plano	TX	6.250%	1.000%	1.000%	8.250%	43
Portland	OR	0.000%	0.000%	0.000%	0.000%	106
Raleigh	NC	5.750%	2.000%	0.000%	7.750%	62
Reno	NV	6.850%	0.875%	0.000%	7.725%	67
Richmond	VA	4.000%	0.000%	1.000%	5.000%	100
Riverside	CA	7.250%	1.500%	0.000%	8.750%	26
Rochester	NY	4.000%	4.000%	0.000%	8.000%	57
Sacramento	CA	7.250%	1.500%	0.000%	8.750%	26
San Antonio	TX	6.250%	0.750%	1.125%	8.125%	52
San Diego	CA	7.250%	1.500%	0.000%	8.750%	26
San Francisco	CA	7.250%	2.250%	0.000%	9.500%	9
San Jose	CA	7.250%	2.000%	0.000%	9.250%	13
Santa Ana	CA	7.250%	1.500%	0.000%	8.750%	26
Scottsdale	AZ	6.600%	0.800%	1.650%	9.050%	18
Seattle	WA	6.500%	3.000%	0.000%	9.500%	9
Spokane	WA	6.500%	1.600%	0.600%	8.700%	34
St. Louis	MO	4.225%	0.000%	5.266%	9.491%	11
St. Paul	MN	6.875%	0.000%	0.750%	7.625%	70
St. Petersburg	FL	6.000%	1.000%	0.000%	7.000%	79
Stockton	CA	7.250%	1.500%	0.250%	9.000%	19
Tampa	FL	6.000%	1.000%	0.000%	7.000%	79
Toledo	OH	5.500%	1.250%	0.000%	6.750%	86
Tucson	AZ	6.600%	0.600%	2.000%	9.200%	16
Tulsa	OK	4.500%	1.017%	3.000%	8.517%	35
Virginia Beach	VA	4.000%	0.000%	1.000%	5.000%	100
Washington	DC	6.000%	0.000%	0.000%	6.000%	92
Wichita	KS	6.300%	1.000%	0.000%	7.300%	72
Winston-Salem	NC	5.750%	2.000%	0.000%	7.750%	62
Yonkers	NY	4.000%	1.375%	3.000%	8.375%	36

Source: Sales Tax Clearinghouse, Census Bureau, and Tax Foundation

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