



2026 STATE BUSINESS TAX CLIMATE RANKING

State	Overall Rank	Corporate Tax Index Rank	Individual Income Tax Index Rank	Sales Tax Index Rank	Property Tax Index Rank	Unemployment Insurance Tax Index Rank
Wyoming	1	1	1	6	37	33
South Dakota	2	1	1	31	8	20
New Hampshire	3	37	1	1	44	23
Alaska	4	35	1	5	31	50
Florida	5	17	1	16	20	8
Montana	6	24	12	3	17	25
Texas	7	46	1	36	38	31
Tennessee	8	48	1	47	32	16
Idaho	9	21	14	8	3	36
Indiana	10	7	20	14	4	15
North Dakota	11	11	18	17	6	14
Missouri	12	5	17	25	12	5
North Carolina	13	3	22	15	21	7
Arizona	14	13	9	45	10	1
Utah	15	12	10	26	14	29
Michigan	16	22	19	10	29	28
Iowa	17	25	11	11	33	35
Georgia	18	9	16	18	35	22
Oklahoma	19	4	29	32	11	6
Nevada	20	39	8	41	9	47
Wisconsin	21	31	34	7	7	32
Nebraska	22	14	26	12	46	3
Kansas	23	26	28	21	26	4
Delaware	24	50	43	2	2	2
Kentucky	25	19	25	20	30	30
Maine	26	40	23	9	45	21
Mississippi	27	6	32	23	39	13
New Mexico	28	23	37	38	1	17
South Carolina	29	8	24	28	40	27
Virginia	30	18	36	13	24	37
Louisiana	31	10	15	50	22	9
West Virginia	32	29	27	33	19	24
Colorado	33	20	21	39	34	40
Arkansas	34	15	40	43	16	10
Oregon	35	49	41	4	28	41
Pennsylvania	36	34	38	24	13	34
Alabama	37	16	35	48	18	19
Illinois	38	42	13	37	41	42
Ohio	39	45	33	44	5	11
Rhode Island	40	32	30	27	43	48
Hawaii	41	27	45	29	15	43
Vermont	42	38	39	30	50	12
Massachusetts	43	33	42	22	48	45
Minnesota	44	43	44	35	23	44
Washington	45	47	31	49	25	49
Maryland	46	36	47	40	36	18
Connecticut	47	30	46	19	49	39
California	48	41	49	46	27	26
District of Columbia	48	32	46	43	47	24
New Jersey	49	44	48	34	42	46
New York	50	28	50	42	47	38

Note: Rankings do not average across to total. States without a given tax rank equally as number 1.
 Source: Tax Foundation, October 2025