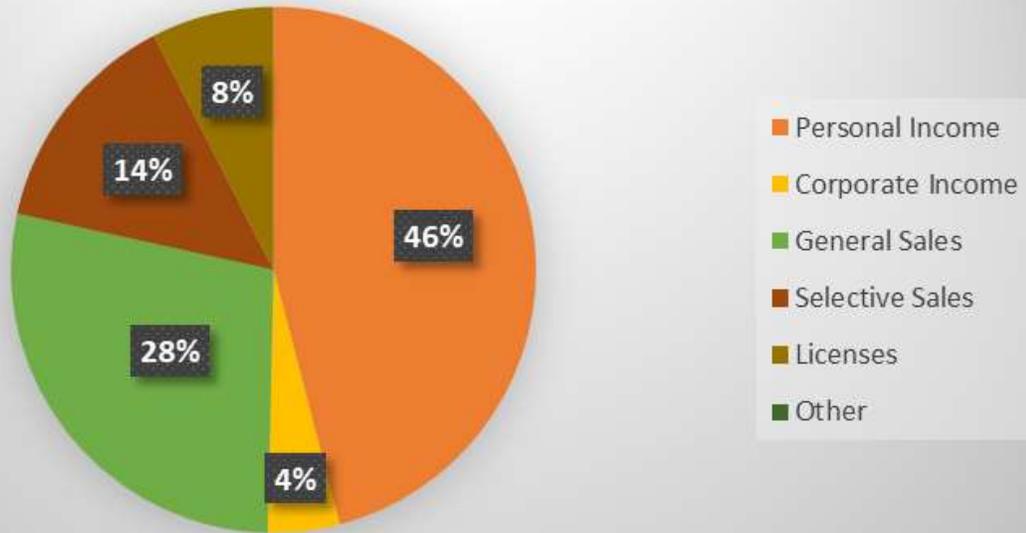


State Tax Revenue



There are three main areas that are taxed: income, sales, and property. Income and sales tax fund most of the state's revenue. Property taxes are collected at the local level, not by the state. At the local level, most revenue comes from property tax. Counties can also implement additional sales taxes in some cases.

Comparison of North Carolina Income Tax to other states

By population

State	Population [i]	Income Tax Structure [ii]	Corporate Income Tax Rate [iii]
North Carolina	10.5M	Flat	2.50%
Georgia	10.7M	Graduated	5.75%
Michigan	10M	Flat	6.00%
Virginia	8.6M	Graduated	6.00%
Pennsylvania	12.9M	Flat	9.99%
Illinois	12.6M	Flat	9.50%
Ohio	11.7M	Graduated	No Corporate Income Tax

By region

State	Income Tax Structure [iv]	Corporate Income Tax Rate [v]
North Carolina	Flat	2.50%
South Carolina	Graduated	5.00%

Georgia	Graduated	5.75%
Virginia	Graduated	6.00%
West Virginia	Graduated	6.50%
Alabama	Graduated	6.50%
Mississippi	Graduated	5.00%
Tennessee	No Income Tax	6.50%
Texas	No Income Tax	No Corporate Income Tax
Florida	No Income Tax	5.50%

[i] US Census. July 2021 Population Estimates.

[ii] Timothy Vermeer & Katherine Loughead. "[State Individual Income Tax Rates and Tax Brackets for 2022.](#)" *Tax Foundation*. February 2022.

[iii] Janelle Fritts. "[State Corporate Income Tax Rates and Brackets for 2022.](#)" *Tax Foundation*. January 2022.

[iv] Timothy Vermeer & Katherine Loughead. "[State Individual Income Tax Rates and Tax Brackets for 2022.](#)" *Tax Foundation*. February 2022.

[v] Janelle Fritts. "[State Corporate Income Tax Rates and Brackets for 2022.](#)" *Tax Foundation*. January 2022.