Florida

#4

Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
4 –	25 ▼ 6	1 –	16 ▲ 1	21 ▼ 2	9 ▼ 2

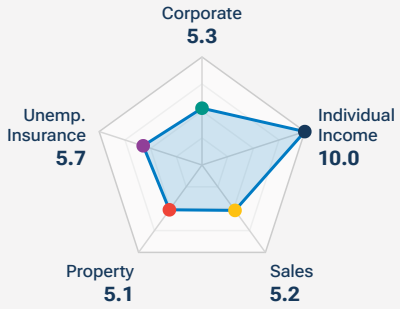
Florida boasts no individual income tax and a competitive 5.5 percent corporate income tax rate. Unlike many of its regional competitors, Florida does not tax capital stock, and its corporate income tax largely adheres to national norms, yielding a highly competitive overall tax code. However, the state falls short on its treatment of capital investment, allowing corporate taxpayers to claim just 14 percent of the federal first-year bonus depreciation allowance for qualified machinery and equipment investments. With full expensing under Section 168(k) now permanent at the federal level, Florida should consider conforming to this provision of the federal tax code.

Despite having no individual income tax and a sales tax base that contains a fair amount of exemptions and sales tax holidays, Florida's current combined state and local sales tax rate of 6.98 percent is lower than those levied in many other southern states.

Florida offers a de minimis exemption for tangible personal property, but at $25,000, it is relatively low, offering a possible avenue for improvement. Despite a few outlier provisions, in most regards, the state's current tax code is among the more competitive in the country.

Component scores

out of 10



Florida and its neighbors

Overall rank, 2027 Index, with change from 2026

Florida	#4	–
Georgia	#24	▼ 6
Alabama	#35	▲ 2