# Nevada

**#21**

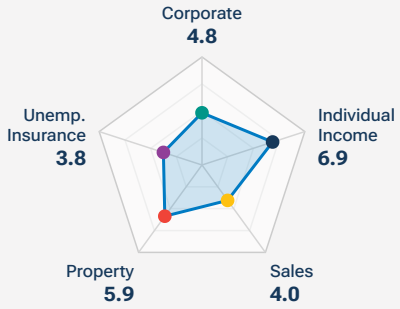
| Overall Rank | Corporate Tax Rank | Individual Income Tax Rank | Sales Tax Rank | Property Tax Rank | Unemployment Insurance Tax Rank |
|---|---|---|---|---|---|
| **21** ▲ 1 | **36** – | **7** – | **41** ▲ 1 | **10** ▼ 2 | **47** – |

Nevada forgoes both individual and corporate income taxes, though it levies a low-rate payroll tax (for purposes other than unemployment insurance) that exclusively taxes wage income, and places a low multi-rate gross receipts tax, the Commerce Tax, on businesses. The Commerce Tax is structurally unsound, as it taxes gross revenue rather than profits, but it is imposed at rates low enough to make the tax's distortions less damaging.

Nevada's sales tax is higher than average, as an offset for not levying broad-based income taxes. Its remote seller threshold takes the number of transactions into account, whereas best practice is to adopt a dollar-denominated threshold. The state does not impose a capital stock tax, and, absent income taxes, avoids many of the structural questions faced by other states. However, the state's unemployment insurance tax regime is relatively uncompetitive.

## Component scores

out of 10




## Nevada and its neighbors

Overall rank, 2027 Index, with change from 2026

| | | |
|---|---|---|
| Utah | #10 | ▲ 5 |
| Idaho | #13 | ▼ 4 |
| Arizona | #17 | ▼ 3 |
| **Nevada** | **#21** | ▲ 1 |
| Oregon | #37 | ▼ 1 |
| California | #49 | ▼ 1 |