New Jersey

#48

Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
48 ▲ 1	44 –	48 –	27 –	41 ▲ 5	45 ▲ 1

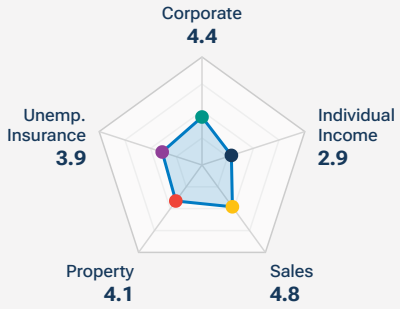
New Jersey levies all major categories of tax, typically at high rates and significant levels of complexity.

In 1976, the Garden State enacted an individual income tax, in part to provide relief from rising property taxes. Now, individual taxpayers are subject to seven individual income tax brackets, a top marginal rate of 10.75 percent, and among the highest per capita property tax collections in the nation. Moreover, individual taxpayers are subject to a marriage penalty. New Jersey property taxpayers also pay the fourth highest effective rate in the country. The state repealed its estate tax but continues to levy an inheritance tax.

Corporations face a top marginal tax rate of 11.5 percent, taking into account a surtax on large businesses known as the Corporate Transit Fee. Recently, however, New Jersey has largely removed global intangible low-taxed income (GILTI), now net CFC tested income (NCTI), from its tax base, and tangible personal property is largely exempt from property taxation. Additionally, the state allows up to 20 years of net operating loss carryforwards with an 80 percent cap.

Component scores

out of 10



New Jersey and its neighbors

Overall rank, 2027 Index, with change from 2026

Delaware	#22	▼ 1
Pennsylvania	#30	–
New Jersey	**#48**	▲ 1
New York	#50	–