

3 Percent and Dropping

State Corporate Tax Avoidance

in the Fortune 500

2008 to 2015

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The **Institute on Taxation and Economic Policy (ITEP)** has engaged in tax policy research for over thirty years. ITEP is best known for its unique microsimulation tax model, an important tool that produces critical analyses to help the public and federal, state and local lawmakers understand how current and proposed tax laws affect taxpayers at different income levels.

Since the 1980s, ITEP and its sister organization Citizens for Tax Justice (CTJ) have collaborated on a series of studies about the taxes paid or not paid by America's largest and most profitable corporations. Those eye-opening reports played an important role in educating lawmakers about the tax issues that were ultimately addressed in the Tax Reform Act of 1986. That path-breaking federal legislation curbed tax shelters for corporations and the well-off and cut taxes on low- and middle-income families. *The Washington Post* called the reports a "key turning point" in the tax reform debate that, "had the effect of touching a spark to kindling," and "helped to raise public ire against corporate tax evaders." *The Wall Street Journal* said that the studies, "helped propel the tax-overhaul effort," and the Associated Press reported that they, "assured that something would be done ... to make profitable companies pay their share." More recently these reports have brought the issues of offshore tax avoidance to the forefront of the public debate.

This new report provides a detailed examination of what has happened to corporate taxation in recent years. It is intended to provide context about the current state of corporate taxes as lawmakers consider another major overhaul of the tax code in the coming year.

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INTRODUCTION

The trend is clear: states are experiencing a rapid decline in state corporate income tax revenue. Despite rebounding and even booming bottom lines for many corporations, this downward trend has become increasingly apparent in recent years. Since our last analysis of these data, in 2014, the state effective corporate tax rate paid by profitable Fortune 500 corporations has declined, dropping from 3.1 percent to 2.9 percent of their U.S. profits. A number of factors are driving this decline, including: a race to the bottom by states providing significant “incentives” for specific companies to relocate or stay put; blatant manipulation of loopholes in state tax systems by corporate accountants; significant cuts in state corporate tax rates; and the erosion of state corporate tax bases, largely due to ill-advised state-level linkages to the federal system.

How is this playing out in the states? Indiana offers one illustration. In 2011, state lawmakers enacted a significant across-the-board tax cut for corporations, which is still being phased-in and will eventually slash the state’s effective tax rate from 8.5 to 4.9 percent. But even with this cut on the way, the Carrier Corporation announced in February of 2016 that it was going to move 2,100 jobs from Indiana to Mexico. Later the same year, in a move that made national headlines, the “Carrier Deal” was struck by incoming President Trump and Indiana Governor Mike Pence, keeping 1,000 jobs in the state in exchange for a package of state and local tax incentives. Oddly enough, however, those incentives were dwarfed in size by the cost savings the company stood to receive from making the move to Mexico. There has since been speculation that tax considerations were inconsequential to the company’s decision-making process and that Carrier, whose parent company depends heavily on taxpayer-funded federal contracts for its business, simply wished to remain in the good graces of the Trump Administration. Nonetheless, Carrier accepted both the incentives and the rate cuts while the state’s revenue collections for vital programs suffered as a result.

This report is the third in a series of comprehensive studies that look at the taxes paid by the most consistently profitable Fortune 500 corporations (over the eight-year period from 2008 to 2015). In March of 2017, we released ***The 35 Percent Corporate Tax Myth***, showing that many Fortune 500 corporations have been able to sharply reduce their federal income tax bills, often reducing them to zero—or less—in years when they were quite profitable. Here, we take a hard look at what many of these same corporations paid over that eight-year span in state income taxes nationwide.

Of the 258 profitable Fortune 500 corporations included in our federal study, 240 fully disclosed their state and local income tax payments.¹ Here are some of the key facts that these companies' annual reports reveal:

- Between 2008 and 2015, these 240 companies paid state income taxes equal to less than 2.9 percent of their U.S. profits. Since the average statutory state corporate tax rate is about 6.25 percent (weighted by gross state product), that means that over this period, more than half of their profits escaped state taxes entirely.
- If these 240 corporations had paid the 6.25 percent average state corporate tax rate on the \$3.7 trillion in U.S. profits that they reported to their shareholders, they would have paid \$231.8 billion in state corporate income taxes over the 2008-15 period. Instead, they paid only \$105.8 billion. Thus, these 240 companies avoided a total of \$126 billion in state corporate income taxes over the eight years.
- 92 of the 240 companies managed to pay no state income tax at all in at least one year from 2008 through 2015, despite telling their shareholders they made \$348 billion in pretax U.S. profits in those no-tax years. Forty-nine of these companies enjoyed multiple no-tax years.
- Nine companies, including Dupont, International Paper, and Facebook, paid no net state income tax in at least four years during this eight-year period.
- And four companies, Pepco Holdings, International Paper, Levi Strauss and Ameren, managed to pay zero or less in state income tax during the eight-year period taken as a whole.
- In 2015 alone, 24 companies paid no state income tax. Another 131 of the companies paid less than half the weighted-average statutory state corporate tax rate that year, meaning that more than half of the companies in our sample paid less than half the average legal state tax rate in that year.

This report comes at a time when lawmakers in a number of states (including Louisiana, Oklahoma, and West Virginia) have considered outright repeal of their state corporate income taxes, and when several other states (including Arizona, Illinois, Indiana, Mississippi, New Mexico, North Carolina, and the District of Columbia) have moved to cut their corporate tax rates. In a continued “race to the bottom” in corporate tax policy, many states are also moving toward a “single sales factor”—more on this below.

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¹A full methodology for the report is available in the appendix.

92 Corporations Paying No State Income Tax in at Least One Year, 2008–2015

Company (\$-millions)	In No-State-Income-Tax Years			# of No-Tax Years	Company (\$-millions)	In No-State-Income-Tax Years			# of No-Tax Years
	Profit	Tax	Rate			Profit	Tax	Rate	
Pepco Holdings	\$ 2,029	\$ -177	-8.7%	6	Corning	1,003	—	—	2
Sempra Energy	4,758	-48	-1.0%	6	Time Warner	\$ 9,527	\$ —	—	2
Facebook	13,798	—	—	5	Centene	\$ 17	\$ -8	-45.2%	1
International Paper	1,819	-135	-7.4%	4	FirstEnergy	\$ 171	\$ -72	-42.1%	1
Rockwell Automation	1,044	-19	-1.8%	4	HollyFrontier	\$ 10	\$ -2	-20.4%	1
DuPont	2,972	-23	-0.8%	4	McKesson	\$ 766	\$ -111	-14.5%	1
Boeing	22,167	-159	-0.7%	4	Williams	\$ 80	\$ -7	-8.8%	1
Texas Instruments	7,728	-2	-0.0%	4	Mosaic	\$ 208	\$ -15	-7.3%	1
Qualcomm	13,529	—	—	4	Eastman Chemical	\$ 193	\$ -11	-5.7%	1
R.R. Donnelley & Sons	340	-26	-7.6%	3	H&R Block	\$ 512	\$ -27	-5.3%	1
Health Net	379	-18	-4.7%	3	Visa	\$ 1,611	\$ -71	-4.4%	1
Merck	9,703	-441	-4.5%	3	Molina Healthcare	\$ 38	\$ -2	-4.1%	1
Entergy	4,810	-163	-3.4%	3	Comcast	\$ 5,106	\$ -156	-3.1%	1
PG&E Corp.	4,585	-108	-2.4%	3	Core-Mark Holding	\$ 69	\$ -2	-2.8%	1
Windstream	794	-16	-2.0%	3	CenturyLink	\$ 557	\$ -15	-2.7%	1
Eli Lilly	3,826	-70	-1.8%	3	Cablevision Systems	\$ 193	\$ -4	-1.9%	1
Eversource Energy	2,397	-41	-1.7%	3	Trinity Industries	\$ 114	\$ -2	-1.9%	1
DISH Network	3,302	-57	-1.7%	3	Wells Fargo	\$ 20,804	\$ -337	-1.6%	1
Ameren	2,735	-46	-1.7%	3	Insight Enterprises	\$ 15	\$ -0	-1.6%	1
American Electric Power	5,802	-97	-1.7%	3	WellPoint	\$ 3,715	\$ -48	-1.3%	1
NiSource	1,616	-26	-1.6%	3	Polo Ralph Lauren	\$ 275	\$ -3	-1.1%	1
Exelon	9,080	-115	-1.3%	3	American Express	\$ 3,204	\$ -32	-1.0%	1
Southern	9,254	-97	-1.0%	3	PNC Financial Services Group	\$ 3,529	\$ -33	-0.9%	1
AT&T	48,365	-212	-0.4%	3	Consolidated Edison	\$ 1,319	\$ -12	-0.9%	1
Devon Energy	5,232	-16	-0.3%	3	NextEra Energy	\$ 3,645	\$ -29	-0.8%	1
Verizon Communications	23,785	-42	-0.2%	3	Best Buy	\$ 410	\$ -3	-0.7%	1
Yum Brands	1,202	-1	-0.1%	3	Monsanto	\$ 1,203	\$ -8	-0.7%	1
Air Products & Chemicals	1,373	—	—	3	Southwest Airlines	\$ 164	\$ -1	-0.6%	1
Levi Strauss	197	-35	-17.6%	2	Tutor Perini	\$ 70	\$ -0	-0.6%	1
Paccar	136	-12	-9.0%	2	DTE Energy	\$ 950	\$ -4	-0.4%	1
Exxon Mobil	9,227	-531	-5.8%	2	Kimberly-Clark	\$ 1,643	\$ -7	-0.4%	1
Interpublic Group	373	-21	-5.6%	2	HCA Holdings	\$ 3,186	\$ -12	-0.4%	1
Constellation Brands	1,040	-46	-4.4%	2	J.P. Morgan Chase & Co.	\$ 12,458	\$ -28	-0.2%	1
Consol Energy	371	-16	-4.4%	2	MDU Resources	\$ 572	\$ -1	-0.2%	1
Darden Restaurants	623	-19	-3.0%	2	CVR Energy	\$ 271	\$ -0	-0.2%	1
Andersons	79	-1	-1.9%	2	Public Service Enterprise Group	\$ 2,011	\$ -2	-0.1%	1
Principal Financial	2,522	-42	-1.7%	2	Cigna	\$ 983	\$ -0	-0.0%	1
Dover	1,283	-18	-1.4%	2	Campbell Soup	\$ 912	\$ —	—	1
Asbury Automotive Group, Inc.	116	-2	-1.3%	2	CBS	\$ 1,790	\$ —	—	1
PPL	2,709	-22	-0.8%	2	Dominion Resources	\$ 2,153	\$ —	—	1
Scana	1,308	-10	-0.8%	2	Flowserve	\$ 202	\$ —	—	1
United Technologies	5,377	-37	-0.7%	2	NVR	\$ 298	\$ —	—	1
Duke Energy	7,148	-49	-0.7%	2	Priceline.com	\$ 86	\$ —	—	1
Intel	9,346	-40	-0.4%	2	Phillips-Van Heusen	\$ 46	\$ —	—	1
Netflix	421	-2	-0.4%	2	Thermo Fisher Scientific	\$ 852	\$ —	—	1
Goldman Sachs Group	8,337	-12	-0.1%	2	Totals	\$ 347,601	\$ -4,135	-1.2%	
Rockwell Collins	1,627	-2	-0.1%	2					

But the report’s findings suggest that the first step in true corporate tax reform should be ensuring that the very biggest and most profitable corporations are paying something resembling the legal tax rate. When these large companies are able to dodge state income taxes on their U.S. profits, the inevitable impact is a tax shift away from big corporations and onto everyone else, including small businesses and middle-income families. Creating a level playing field between large businesses and “mom and pop” businesses should be a priority for state policymakers—but that is best done by repealing harmful tax giveaways, not by repealing the corporate tax outright.

Note on interpreting the findings of this report

The companies in our survey typically operate all over the country. But they don’t disclose their profits and taxes on a state-by-state basis—so the findings of this report don’t tell us conclusively whether individual companies paid any income tax in specific states. Instead, what we know is how much these companies have paid to all states in which they do business. The tables at the end of this report sort the tax data for all 240 companies not only alphabetically and by tax rates, but also by the location of each company’s headquarters. On the pages that follow, we give details about the 92 firms that paid no state income tax in at least one year from 2008 through 2015.

THE LONG-TERM DECLINE OF STATE CORPORATE INCOME TAXES

Few state tax trends are as striking as the rapid decline of state corporate income tax revenues. As recently as 1986, state corporate income taxes equaled 0.5 percent of nationwide Gross State Product (GSP) (a measure of statewide economic activity). But in fiscal year 2013 (the last year for which data are available), state and local corporate income taxes were just 0.33 percent of nationwide GSP—representing a decline of over 30 percent. Even more worrisome is that as corporate profits have rebounded (and boomed) in recent years, state and local corporate taxes have not kept pace: corporate taxes as a share of nationwide corporate profits remain near the lowest point in the past quarter century.

This long-term decline in the state corporate income tax has three broad causes: the trickle-down impact of federal corporate tax cuts, ill-advised tax “incentives” intentionally enacted by state lawmakers, and unintended tax shelters created by companies armed with creative accounting staffs.

State tax “incentives”

State elected officials often find it difficult to resist entreaties from corporations for tax breaks justified on the dubious grounds that they will stimulate “economic development.” Hardly a week goes by without a state contemplating some kind of new corporate tax break, either as an across-the-board entitlement for all corporations or to attract a high priority target.

Individual corporations often push for special tax breaks to supposedly encourage new business investment—or to prevent a company from leaving the state—and will make threats of what will happen if these demands are not met. But these standoffs gloss over an important fact: that taxes and public investment go hand in hand. A sustainable, loophole-free tax system is vital to maintaining high-quality infrastructure that ultimately makes a state a good place to live, work, and invest.²

And yet, more than half the states continue to offer investment tax credits against their corporate tax, more than thirty years after the federal government abandoned its investment credit because Congress and President Reagan concluded that it was ineffective in stimulating investment. According to a study by University of Iowa economist Peter Fisher, the effective corporate tax rate on manufacturing companies in the 20 states he studied fell by 30 percent between 1990 and 1998 alone. Tax incentives, most of them corporate tax credits, offset 30 percent of corporate tax liability in these states in 1998—up from 10 percent in 1990.³ State corporate tax credits for everything from providing child care to employees, to conducting product research and development, to cleaning up polluted “brownfields” continue to proliferate.

In the short run, it may be too much to ask for states to stop offering company-specific tax breaks. But as the work of the nonprofit watchdog group Good Jobs First has documented, states can at least adopt straightforward job-creation requirements and “clawback rules” designed to ensure that states get their money’s worth when they offer companies tax breaks to expand, relocate or simply stay where they are.

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² See Institute on Taxation and Economic Policy. “Taxes and Economic Development 101.” September 2011.
http://itep.org/itep_reports/2011/09/taxes-and-economic-development-101.php

³ See Peter Fisher, “*Tax Incentives and the Disappearing State Corporate Income Tax*,” State Tax Notes, Mar. 4, 2002, pp. 767-774. Policy Priorities, revised Sept. 2005.

Corporate tax sheltering through profit-shifting among states

Besides extorting new tax incentives from state officials, big corporations have become increasingly adept at taking advantage of loopholes in state corporate tax systems—loopholes over and above the ones that plague the federal corporate income tax and flow down to the state level. Most of these loopholes allow corporations to artificially shift their profits (on paper) from the states in which they are actually earned into states that tax them at lower rates or not at all.

Profit shifting among states is enabled by a provision of most states' corporate tax laws that treats every individual corporation in a multi-corporate group (that is, the parent and potentially dozens or even hundreds of subsidiaries) as a separate corporation for tax purposes. This practice—known as “separate-entity taxation”—enables a number of tax avoidance techniques:

The Toys “R” Us Shelter: The most notorious tax shelter that separate-entity taxation facilitates is the “Delaware Holding Company,” used most famously by Toys “R” Us. In the most common scenario, a corporation that operates retail stores transfers its logos and other trademarks to a subsidiary corporation it has created in a tax-haven state such as Delaware or Nevada. The stores then pay royalties to this subsidiary for the right to display the trademarks. These royalties are tax-deductible (as a cost of doing business) and hence can be used to largely or entirely eliminate corporate income tax liability in the states in which the corporation is actually operating stores and earning its profits. Meanwhile, the royalty payments are not taxed by the tax-haven state.⁴

Asset-Transfer Shelters: A second tax-avoidance strategy exploiting state corporate income taxes that treat parents and subsidiaries as separate taxpaying entities involves spinning off income generating assets into subsidiaries in tax haven states. This technique received a lot of attention in Wisconsin.⁵ There, state auditors discovered that the vast majority of banks in the state had set up subsidiaries in corporate-income-tax-free Nevada, to which they had transferred the ownership of loans, mortgage-backed securities, and “other intangible assets” in a tax-free transaction involving taking back an equal amount of stock. Even though the intangible assets had been purchased with deposits from Wisconsin households and businesses, and even though the interest paid to those depositors was presumably being deducted by the banks (not to mention the depreciation on the bank branches and the wages

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⁴ See Michael Mazerov, “Closing Three Common Corporate Income Tax Loopholes Could Raise Additional Revenue for Many States,” Center on Budget and Policy Priorities, Revised May 21, 2003, pp. 6-9.

⁵ See Paul Gores, “State Reaches 87 Deals with Banks on Tax Shelters,” Milwaukee Journal Sentinel, Dec. 1, 2004.

paid to the bank employees), the interest and capital gains generated by the Nevada-based intangibles had been placed beyond the tax reach of Wisconsin. If small-town banks in Wisconsin had discovered how to use Nevada subsidiaries to cut their taxes, it's a safe bet that big multistate banks have figured it out, too.

Transfer-Pricing Shelters: Finally, most state corporate income taxes are vulnerable to serious erosion through what is called “transfer pricing.” If a widget manufacturer in Georgia (with a top corporate income tax rate of 6 percent) has a warehouse in South Carolina (top rate of 5 percent), it can reduce its total taxes due to the two states by incorporating the warehouse as a “wholesaling subsidiary.” The plant then charges the subsidiary an artificially-low price for the widgets, which reduces its taxable income in Georgia and shifts it into South Carolina, where it will be taxed at a lower rate. This same transfer-pricing game, played internationally, is widely understood to be a major source of the recent erosion of the federal corporate income tax. The IRS, with all of its tax lawyers and economists, has had a poor track record in proving that multinational corporations’ international transfer prices are resulting in an abusive shifting of income beyond U.S. borders. State revenue officials are well aware of this, and some make no more than a token effort to police interstate transfer prices—opening the door to significant revenue losses.

State level policy changes

Over the past decade, states have seen a long-term decline in their corporate income taxes. In the name of economic development, there has been an onslaught of corporate income tax rate cuts and steps taken to gradually phase out these taxes. Such attempts to roll back corporate taxes across the country have resulted in extensive revenue loss, deeper budget gaps, and resulting cuts to vital programs. Yet, this session alone, despite revenue shortfalls, Oklahoma’s Gov. Mary Fallin, Louisiana’s Gov. John Bel Edwards, and the West Virginia legislature have called for the elimination of the tax.

In the past two decades, business lobbyists have prioritized one particular tax break, the “single sales factor,” in their state tax lobbying efforts. The single sales factor is an arcane, but costly change in the formula that states use to divide the profits of multistate corporations among themselves for tax purposes.⁶ Historically, many states taxed multistate businesses using a “three-factor” formula that takes

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⁶See Michael Mazerov, “The ‘Single Sales Factor’ Formula for State Corporate Taxes: A Boon to Economic Development or a Costly Giveaway?,” Center on Budget and Policy Priorities, revised Sept. 2005.

into account the proportion of a company's property, payroll and sales that were made in each state. But in the name of economic development, these corporations are now pressuring states to tax them only in proportion to the sales they make in a state. Among the problems with this approach, however, is the fact that federal law says that merely making sales in a state doesn't necessarily make a corporation taxable. So if a state adopts the sales-only formula, then a resident corporation whose sales are entirely out of state won't pay anything to its home state, and it may not be taxable in any of its customers' states, either. This could lead to no corporate income tax liability to any state—what is often called “100 percent nowhere income.”

The single sales factor is a classic example of the “race to the bottom” in state corporate tax policy. When only a few states offered this giveaway, it may have helped to convince some companies to relocate or expand. But when a majority of states have abandoned the traditional “three-factor” formula in favor of heavily weighting sales, it is likely that companies will be rewarded with tax cuts no matter where they invest—which means that this incentive has no incentive effect in any particular state. As Appendix A shows, all but eight of the states with corporate income taxes have increased the weight of their sales factor. Under these circumstances, the only winners from the single sales factor are the companies that ultimately pay less in taxes.

Linkage to federal tax laws means a steady stream of federally-imposed tax cuts

States levying a corporate income tax generally use federal income definitions as a starting point in calculating their own corporate tax base, so that the first line on state corporate tax forms is typically “taxable income” as previously calculated on federal tax forms. This makes state tax compliance and enforcement easier—but also means that in many states, every new corporate loophole that gets tucked into the federal code will also erode the state tax base. Even if these federal tax breaks, many of which are ostensibly designed to encourage business investment, are having an effect nationally, it makes little sense for any state to piggyback on a tax cut that could encourage investment anywhere in the United States.

Fortunately, every state has the option of “decoupling” from specific federal corporate giveaways—and many have chosen to disallow some of the costly tax deductions enacted by Congress in the last decade. For example, more than half of the states with corporate income taxes decoupled from the “bonus depreciation” first enacted by Congress in 2002, and almost half the states rejected the special

manufacturing tax breaks ratified by Congress in 2004. But dozens of states have seen their tax bases shrink due to federal base-narrowing measures, often because they cannot marshal the legislative votes to decouple in a timely way.

POTENTIAL PATHS TO STATE CORPORATE TAX REFORM

Some people have looked at the wide variety of corporate state-tax-avoidance strategies and concluded that the state corporate income tax is beyond repair. But the truth is that states have lots of tools in their arsenals to revitalize this still important—and progressive—source of revenue. Appendix A provides a state-by-state matrix showing which of these options are currently available to each state. Here are some of the most promising possibilities:

Combined Reporting

The single most important corporate tax reform available to states is to adopt a practice used by 25 states and the District of Columbia called “combined reporting,” which effectively treats a parent and its subsidiaries as one corporation for state tax purposes. Combined reporting eliminates most of the tax benefits of shifting profits into Delaware or Nevada by adding them back to the profits of the corporation that is taxable in the state and then taxing a share of the combined profit.⁷ As the visibility of corporate “income shifting” scams has increased in recent years, support for this reform has grown nationwide: in the past decade, several states have enacted combined reporting. The two most recent states to enact combined reporting are Rhode Island in 2014 and Connecticut in 2015.

It is likely that the spread of combined reporting has helped to keep the state income tax from experiencing a much more serious decline, and it is a tremendous accomplishment that more than half of the states with broad-based corporate income taxes now require combined reporting. Yet the combined-reporting states could make their reporting regime even more leakproof by adopting “worldwide” combined reporting. Combined reporting is usually limited to the “water’s edge”—that is, to U.S.-based parents and subsidiaries. About a half-dozen states, most notably California, have adopted worldwide combined reporting, but each of these states allow companies to elect to use water’s edge rules—which any company engaged in international tax avoidance would presumably choose to do. Several states, most

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⁷ See Michael Mazerov, “A Majority of States have Now Adopted A Key Corporate Tax Reform—Combined Reporting,” Center on Budget and Policy Priorities, April 3, 2009.

recently Oregon, have taken a valuable half-step toward worldwide combined reporting by including in the combined report subsidiaries set up in a number of foreign tax havens—eliminating the state corporate income tax benefits of artificially shifting income into those countries. Almost all of the other states with combined reporting could productively enact a similar change.

“Nowhere Income”

Another key reform is a rule implemented by about half the corporate income tax states that eliminates “nowhere income” arising from the mismatch between the laws that establish when a corporation has crossed the taxability or “nexus” threshold in a state and the rules that divide a corporation’s profit for tax purposes among the states. As noted above, federal law prevents a state from automatically being allowed to tax any corporation that makes sales to its residents. At the same time, the income-division rules always take sales into account to some extent in assigning income for tax purposes—meaning that income can be assigned to states that don’t have the authority to tax it. “Nowhere income” can be eliminated by a so-called “throw-back rule” that effectively assigns any corporate profit that cannot be taxed in the states where a corporation’s customers are located back to the state(s) where the goods are produced. About half the states lack this rule.⁸

Alternative Corporate Taxes

States can consider adopting some form of alternative minimum tax (AMT) to ensure that corporations pay some tax no matter how many loopholes they are able to take advantage of. A number of states piggyback on the federal corporate AMT, but this has become much less useful because the federal AMT has been seriously watered-down over time by Congress. States could consider rejuvenating the older federal AMT rules as an alternative, less loophole-prone tax regime. States could also consider using the pretax profits that companies report to their shareholders as the basis for an alternative tax. Since companies are usually reluctant to tell their shareholders they aren’t making healthy profits, this approach provides a built-in check against corporate tax avoidance. Corporations are required to show their profits reported to shareholders on their federal tax returns, and this could prove helpful to states in obtaining the necessary data.

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⁸ See Michael Mazerov, “Closing Three Common Corporate Income Tax Loopholes Could Raise Additional Revenue for Many States,” Center on Budget and Policy Priorities, Revised May 21, 2003.

A second-best approach to alternative corporate taxes is a flat-dollar minimum tax, which over a dozen states currently require. These taxes can act as a vital backstop to ensure that large corporations have some “skin in the game,” although these flat-dollar taxes are often set perilously close to zero. For example, a 2009 report from the Oregon Center for Public Policy found that more than 5,000 profitable corporations operating in Oregon had paid no income taxes in 2006 beyond the state’s \$10 minimum tax.⁹ (While Oregon lawmakers have not responded to this finding by eliminating corporate tax loopholes, they did subsequently increase the minimum tax for large corporations.) Flat-dollar minimum taxes are typically between \$100 (as is the case in Utah) and \$300 (Vermont). Appendix A shows the states that have not yet adopted a meaningful corporate minimum tax, by our standards one that exceeds \$100.

REPEAL CORPORATE INCOME TAXES?

Policymakers in a number of states have contemplated repealing state corporate income taxes in recent years. This session alone, Oklahoma’s governor pushed a tax agenda that would eliminate the state’s corporate income tax and West Virginia’s legislature moved proposals to do the same. Both states touted elimination despite sizable revenue gaps and in many cases without much discussion of how difficult it would be to structure a sustainable replacement for the corporate tax. Our 2011 *ITEP Guide to Fair State and Local Taxes* discusses the strong arguments for preserving, rather than repealing the corporate tax.

Texas, a state that repealed its limited corporate tax in the last decade, has found that neither the revenue yield nor the popularity of its gross receipts tax replacement have lived up to expectations. The result has been a series of funding crises for vital Texas public investments.

Enacting a Corporate Income Tax

Six states currently do not levy a broad-based corporate income tax at all. Three of these (Ohio, Texas and Washington) have chosen to levy a tax that falls primarily on a company’s gross receipts in lieu of a corporate income tax, usually on the theory that such a tax will be less volatile than a tax on profits. The other three states (Nevada, South Dakota and Wyoming) have neither a broad profits tax nor a meaningful gross receipts tax, although South Dakota does tax the income of certain financial

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⁹ See “New Data Show Thousands of Profitable Corporations Pay No Oregon Income Taxes Except the \$10 Minimum,” Oregon Center for Public Policy, February 23, 2009. <http://www.ocpp.org/2009/02/23/new-data-show-thousands-profitable-corporations/>

corporations. Each of these six states could make their tax systems fairer and more sustainable by enacting a general tax on corporate profits.

Stop Providing State Corporate Tax Subsidies

When you find yourself in a hole, the first thing you need to do is stop digging. States need to stop giving away corporate taxes in the name of economic development. Chasing after businesses by fighting over who can give the largest tax concessions is a zero-sum game.¹⁰ States should coordinate and agree to stop this futile, destructive competition. They should sunset ineffective tax credits and enter into pacts with each other not to use tax giveaways to compete for jobs. A good place to start would be to renounce the single-sales factor interstate income division formula that threatens to eviscerate what is left of the state corporate tax and return to a more balanced formula that all states can follow.

Decoupling from federal tax giveaways

The focal point of state “decoupling” efforts has been the so-called “bonus depreciation” measures enacted by Congress. This provision has been repeatedly extended and is set to phasedown and then expire at the end of 2019. These measures generally allow companies to deduct the cost of investments in machinery and equipment faster than they would otherwise be able to. When President George W. Bush pushed through a 2002 plan to allow companies to immediately write off 30 percent of the cost of eligible investments in the first year, more than 30 states decoupled from this measure by requiring companies to add back the **bonus depreciation deduction** to their taxable income. Similar numbers of states have decoupled from the more generous 50 percent bonus depreciation measures signed by President Bush in 2008 and extended by President Barack Obama in 2009, 2010, 2013 and 2015 but fifteen states lost corporate income tax revenue due to the federal bonus depreciation laws during the years covered in this report.

States have been less successful in decoupling from the so-called deduction for “**qualified production activities income (QPAI)**.” This deduction was enacted in October of 2004 to compensate manufacturers for the loss of an unjustified and illegal (under World Trade Organization law) export subsidy. It is bad enough that Congress decided to hold manufacturers harmless for the loss of a tax break they didn’t need or deserve to begin with. But more than half of the states with corporate income

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¹⁰ See Institute on Taxation and Economic Policy. “Tax Incentives: Costly for States, Drag on the Nation,” August 2013. http://itep.org/itep_reports/2013/08/tax-incentives-costly-for-states-drag-on-the-nation.php

taxes have compounded this error by conforming to a tax break that in no way is tied to the creation of manufacturing jobs in any particular state. Twenty-two states are now losing substantial amounts of corporate tax revenue due to this misguided federal tax break.¹¹

The QPAI deduction is one major factor reducing state corporate tax rates over the past eight years—but its effect on state revenues in the future will likely be worse. This is because the deduction only took full effect at the beginning of 2010: from 2004 to 2006, the deduction was equal to 3 percent of qualifying income, increasing to 6 percent in 2007 and its permanent 9 percent rate at the beginning of 2010. This means that the full effect of this tax break on states was only felt for six of the eight years studied in this report.

A third type of federal tax break that has a pass-through effect on states is the “**net operating loss carry-back**” provision, which allows companies to use current-year income losses to offset income from earlier years. While virtually every state allows companies to carry losses forward, in accordance with federal rules, many states have decoupled from the federal provision that allows companies to rewrite history by carrying their losses back two years. Seventeen states, however, have not done so, and face continued revenue losses from their inaction on this tax break.¹²

Of course, if the perpetual rumblings about federal corporate tax reform develop into viable legislation in Congress, decoupling from at least some of these federal tax breaks may become a moot point: if federal law no longer allows these tax breaks, then neither will the states. While both the Trump administration and Republican leaders in Congress have put forth plans that would pare back some corporate tax breaks, however, the details of these plans have not yet been codified into legislation. And it’s likely that corporate lobbyists will put on a full court press to preserve their tax breaks when this legislation emerges.

Apart from decoupling their corporate income taxes from unwise federal corporate tax provisions, there are many other useful steps states can take on their own to revitalize their corporate income taxes.

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¹¹ See Institute on Taxation and Economic Policy, “*The QPAI Corporate Tax Break: How it Works and How States can Respond*,” 2001, <http://www.itep.org/pdf/pb33qpai.pdf>

¹² See Michael Mazerov, “*Minority of States Still Granting Net Operating Loss ‘Carryback’ Deductions Should Eliminate Them Now*,” Center on Budget and Policy Priorities, May 11, 2009.

CORPORATE TAX DISCLOSURE: A VITAL FIRST STEP TOWARD CORPORATE TAX FAIRNESS

While closing the corporate tax loopholes described above should be the immediate goal of any state policymakers who seek a sustainable corporate income tax, wishing cannot make it so. An important first step toward achieving these reforms is to build awareness among policymakers of the need for loophole-closing measures. Unfortunately, the deck is stacked against those who would create a more level playing field for business taxation at the state level, because typically no one—from lawmakers to the media to the general public—knows how their corporate tax system actually works. The vast majority of states now require “tax expenditure reports,” which provide a complete list of the corporate tax breaks allowed under state law along with an annual cost estimate for each tax provision. (Amazingly, a handful of states do not provide even this basic information; these states are listed in Appendix A.) But virtually none of the states provide comprehensive company-specific information on the wide array of corporate tax breaks allowed by the tax laws. This harsh reality affects the implications of this report as well: our finding that many companies are paying zero or less in state income taxes nationwide does not tell us whether they paid—or did not pay—the tax in any specific state. This is because the financial reports that all publicly traded companies must file with the Securities and Exchange Commission (SEC) each year include information on the nationwide amount of state corporate income taxes paid by each company in a given year, but do not provide similar numbers for each state in which the companies do business.

For this reason, a vital starting point for state corporate tax reform is a procedural move: states need to require corporations to disclose publicly, on a state-by-state basis, the amount of corporate income tax they pay and the major factors determining that liability (or lack thereof). Studies like the present one can show that there’s a serious problem with the state corporate tax on a national basis. However, without some clearer sense of the specific states in which tax payments are low—or nonexistent—and whether the low payments are due to “nexus” thresholds, income-division rules, the definition of taxable profits, and/or tax credits, policymakers cannot readily identify what they can do to rectify the situation, or even determine the seriousness of their particular state’s corporate tax problems.

Sensible goals for corporate tax disclosure efforts include:

- ✓ ***Identifying all the substantial tax deductions, exemptions and credits claimed by each large corporation in a state.***
- ✓ ***Evaluating the net impact of these tax breaks on the bottom-line income tax payments of each corporation.***
- ✓ ***Assessing the effectiveness of these tax breaks in creating jobs and growing the state's economy.***

While the measures listed above can help identify prominent “zero-tax” corporations, they are insufficient in determining whether corporations are paying their “fair share” of corporate taxes. Only disclosure of a company’s in-state profits and tax payments can allow an accurate analysis of whether specific companies are paying anywhere close to the statutory tax rate in their state.

Efforts to publicly “name names” of corporate tax avoiders, or even to publish statistics showing the aggregate number of profitable companies avoiding tax liability, have played a key role in encouraging meaningful loophole-closing reforms.

Happily, as the tax-subsidy watchdog group Good Jobs First has documented, a number of states have opened the door to corporate tax disclosure by requiring disclosure of a limited number of tax breaks claimed by specific companies. In dozens of states, companies claiming specific tax breaks must disclose how much they received, and how many jobs they have created in exchange for these tax breaks.

The policy path to a more sustainable state corporate income tax is clear. But absent detailed information about the extent of corporate tax avoidance and the effectiveness of the tax breaks lawmakers have chosen to allow, policymakers will likely never see corporate tax reform as a goal worth pursuing. Disclosure of company-specific tax breaks can help lawmakers to see the light.

CONGRESSIONAL ACTIONS THREATEN TO FURTHER WEAKEN THE CORPORATE TAX

Tax breaks enacted by the federal government are at least partly to blame for the long, slow decline of the state corporate income tax—and Congress has shown remarkably little interest in minimizing the damage its enacted tax breaks do to state finances.

From this perspective, the good news is that Congress seems at least somewhat aware of the impact federal laws can have on state corporate taxes. The bad news is that leading tax writers in the U.S. House of Representatives appear ready to use this knowledge to hamstring state corporate taxes rather than enabling them. In June of 2015, Representative Steve Chabot re-introduced the so-called “Business Activity Tax Simplification Act” (BATSA), which would make it substantially more difficult for states to effectively tax the income earned by corporations from activities within their borders. An earlier version of this bill was approved by the House Judiciary Committee in 2011.

The bill’s sponsors—and the corporate lobbyists pushing this plan— say that the goal of the bill is to limit state and local governments to taxing only those businesses with a “physical presence” in a state. But this argument is problematic in two important ways.

First, the “physical presence” standard may have made sense in an earlier era, but doesn’t make any sense in the internet age. We all buy many goods and services from companies that do not have physical facilities in our state, and these companies clearly benefit from the state and local services that make these purchases possible.

Second, even if physical presence were a sensible standard, the current BATSA legislation’s definition of physical presence is so loophole-ridden as to be meaningless. The bill has a variety of loopholes that allow large corporations with lobbying clout to avoid state and local taxes even though they have what any rational person would call a “physical presence” in the jurisdiction. For example, under BATSA, a company that sends a full-time worker into another state each day to install equipment could be subject to that state’s taxes. But if the company simply created two subsidiaries which each provided half of the equipment and which each hired the worker to perform the installations, the state would be unable to tax the business under BATSA.

Under BATSA, the state would also be able to tax a business if the employee was only sent into the state for 14 days each year, or if the company created several subsidiaries that each hired the employee and sent him or her into the state for 14 days each year. Even warehousing items in a state before shipping them to customers could easily be done in a way that avoided the “physical presence” standard, if a company hired a second company to warehouse the goods before shipping them to in-state customers.

Put another way, the BATSA legislation currently before Congress would greatly increase the complexity of tax administration while providing clear incentives for companies to “game the system” in an effort to avoid paying any state corporate taxes on their income.

ECONOMIC NEXUS: A SENSIBLE STANDARD FOR DEFINING CORPORATE TAXABILITY

Even as some corporate lobbyists are encouraging Congress to enact a “substantial physical presence” standard that would further curtail the ability of states to tax at least some of the income of multi-state corporations, a number of states are taking somewhat aggressive—but sensible—steps to tax some of the income of companies that clearly benefit from using their infrastructure to sell into a state, yet don’t satisfy the “physical presence” standard because they don’t have property or employees based in the state. The common-sense observation behind this alternative “economic presence” standard is that in the internet age, multi-state companies can routinely do millions of dollars in business in a given state without ever setting foot there—and that there needs to be a way to define the threshold level of business activity above which these companies should be taxed by each state.

Economic nexus has been upheld by a number of courts. Most recently (in 2011), the U.S. Supreme Court declined to consider overturning a decision by the Iowa Supreme Court that allowed the state of Iowa to tax fast-food giant KFC, which avoids having a traditional “physical presence” in Iowa by leasing its secret recipe (and logo) to independent franchisees based in the state. This series of court decisions clearly indicates that many states could (and should) do more to prevent companies like KFC from using the physical presence standard to avoid paying their fair share of state corporate income taxes. While almost every state asserts nexus over at least some corporations based on economic activities (with California, Colorado, Connecticut, Michigan, New Hampshire, New York, Oregon and Wisconsin each adopting an economic nexus standard in the last decade), virtually none of the states have fully exercised this ability.

CONCLUSION

The data in this report show in stark terms just how successful large, multistate and multinational corporations have become at shirking their tax responsibilities to state and local governments. They have been abetted in this effort by America's major accounting firms, have used heavy lobbying and even threats to extract further tax breaks, and have often persuaded state elected officials to become their facilitators. As a result, individual taxpayers and purely in-state (usually smaller) businesses are paying a heavy price, in the form of higher taxes, reduced public services and unfair competition.

But the report is as notable for what it does not tell us—and for what state policymakers are simply not equipped to know—about how businesses in each state are paying taxes.

State taxpayers can continue to tolerate this situation, or they can call on their elected representatives to take steps to address it. This report outlines some pathways to state corporate tax reform. If adopted, they would help restore state corporate income taxes to the progressive—and popular—way to pay for needed state programs.

Appendix A: Corporate Income Tax Reform Options Available to States in 2017

✓ Reform Option Available in State	Decouple from Federal Tax Breaks		State Loophole-Closing Strategies					Other Available Reforms				✓ Reform Option Available in State
	Qualified Production (QPAI)	NOL Carryback	Combined Reporting	Tax Havens in Combined Report	Throwback Rule	Three-factor formula	Economic Nexus	Substantial Minimum Tax*	Corporate Disclosure	Tax Expenditure Estimates	Enact Corporate Income Tax	
Alabama	✓	Enacted	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Alabama
Alaska	✓	✓	Enacted	Enacted	Enacted	Enacted	✓	Enacted	✓	Enacted	Enacted	Alaska
Arizona	✓	Enacted	Enacted	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Arizona
Arkansas	Enacted	Enacted	✓	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Arkansas
California	Enacted	Enacted	Enacted	✓	Enacted	✓	✓	Enacted	✓	Enacted	Enacted	California
Colorado	✓	Enacted	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Colorado
Connecticut	Enacted	Enacted	Enacted	Enacted	✓	✓	✓	Enacted	✓	Enacted	Enacted	Connecticut
Delaware	✓	✓	✓	✓	✓	Enacted	✓	✓	✓	Enacted	Enacted	Delaware
Dist. of Col.	Enacted	Enacted	Enacted	Enacted	Enacted	✓	✓	✓	✓	Enacted	Enacted	Dist. of Col.
Florida	✓	Enacted	✓	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	Florida
Georgia	Enacted	✓	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Georgia
Hawaii	Enacted	✓	Enacted	✓	Enacted	Enacted	✓	✓	✓	✓	Enacted	Hawaii
Idaho	✓	✓	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Idaho
Illinois	Enacted	Enacted	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Illinois
Indiana	Enacted	✓	✓	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Indiana
Iowa	✓	Enacted	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Iowa
Kansas	✓	✓	Enacted	✓	Enacted	Enacted	✓	✓	✓	Enacted	Enacted	Kansas
Kentucky	✓	Enacted	✓	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	Kentucky
Louisiana	✓	✓	✓	✓	✓	Enacted	✓	✓	✓	Enacted	Enacted	Louisiana
Maine	Enacted	Enacted	Enacted	✓	Enacted	✓	✓	Enacted	✓	Enacted	Enacted	Maine
Maryland	Enacted	✓	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Maryland
Massachusetts	Enacted	Enacted	Enacted	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	Massachusetts
Michigan	Enacted	Enacted	Enacted	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Michigan
Minnesota	Enacted	Enacted	Enacted	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	Minnesota
Mississippi	Enacted	✓	✓	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Mississippi
Missouri	✓	✓	✓	✓	Enacted	✓ <small>(single sales election)</small>	✓	✓	✓	Enacted	Enacted	Missouri

✓ Reform Option Available in State	Decouple from Federal Tax Breaks		State Loophole-Closing Strategies					Other Available Reforms				✓ Reform Option Available in State
	Qualified Production (QPAI)	NOL Carryback	Combined Reporting	Tax Havens in Combined Report	Throwback Rule	Three-factor formula	Economic Nexus	Substantial Minimum Tax*	Corporate Disclosure	Tax Expenditure Estimates	Enact Corporate Income Tax	
Montana	✓	✓	Enacted	Enacted	Enacted	Enacted	✓	✓	✓	Enacted	Enacted	Montana
Nebraska	✓	Enacted	Enacted	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Nebraska
Nevada			No Corporate Income Tax					No Corporate Income Tax			✓	Nevada
New Hampshire	Enacted	Enacted	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	New Hampshire
New Jersey	✓	Enacted	✓	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	New Jersey
New Mexico	✓	Enacted	Partially Enacted	✓	Enacted	✓ (equal weigh for most business)	✓	✓	✓	Enacted	Enacted	New Mexico
New York	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	✓	Enacted	Enacted	New York
North Carolina	Enacted	Enacted	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	North Carolina
North Dakota	Enacted	Enacted	Enacted	✓	Enacted	Enacted	✓	✓	✓	✓	Enacted	North Dakota
Ohio			No Corporate Income Tax					No Corporate Income Tax			✓	Ohio
Oklahoma	✓	✓	✓	✓	Enacted	Enacted	✓	✓	✓	Enacted	Enacted	Oklahoma
Oregon	Enacted	Enacted	Enacted	Enacted	Enacted	✓	✓	Enacted	✓	Enacted	Enacted	Oregon
Pennsylvania	✓	Enacted	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Pennsylvania
Rhode Island	✓	Enacted	Enacted	Enacted	Enacted	✓	✓	Enacted	✓	Enacted	Enacted	Rhode Island
South Carolina	Enacted	Enacted	✓	✓	✓	✓	✓	✓	✓	✓	Enacted	South Carolina
South Dakota			No Corporate Income Tax					No Corporate Income Tax			✓	South Dakota
Tennessee	Enacted	Enacted	✓	✓	✓	✓	✓	✓	✓	Enacted	Enacted	Tennessee
Texas			No Corporate Income Tax					No Corporate Income Tax			✓	Texas
Utah	✓	✓	Enacted	✓	Enacted	✓	✓	✓	✓	✓	Enacted	Utah
Vermont	✓	Enacted	Enacted	✓	Enacted	✓	✓	Enacted	✓	Enacted	Enacted	Vermont
Virginia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Enacted	Virginia
Washington			No Corporate Income Tax					No Corporate Income Tax			✓	Washington
West Virginia	Enacted	✓	Enacted	Enacted	Enacted	✓	✓	✓	✓	Enacted	Enacted	West Virginia
Wisconsin	Enacted	Enacted	Enacted	✓	Enacted	✓	✓	✓	✓	Enacted	Enacted	Wisconsin
Wyoming			No Corporate Income Tax					No Corporate Income Tax			✓	Wyoming
Total # of states	10	6	7	15	8	15	19	14	19	4	6	Total # of states

* Some states with check marks have minimum taxes on the books; however, they are \$100 or less.

Sources: Center on Budget and Policy Priorities (QPAI, Throwback rule), Commerce Clearinghouse State Tax Guide (NOL carrybacks), RIA All States Tax Handbook 2012 (Three factor formula, Minimum tax), Virginia Joint Legislative Audit and Review Commission (Economic Nexus), ITEP tabulation and tracking (Combined Reporting and Tax Expenditure Reporting)

Appendix B: State Corporate Income Tax Rates in 2017

State	Rate (%)	State	Rate (%)	State	Rate (%)
Alabama	6.5	Kentucky	4 to 6	North Dakota	1.41 to 4.31
Alaska	0 to 9.4	Louisiana	4 to 8	Ohio	<i>No CIT</i>
Arizona	4.9	Maine	3.5 to 8.93	Oklahoma	6
Arkansas	1 to 6.5	Maryland	8.25	Oregon	6.6 to 7.6
California	8.84	Massachusetts	8	Pennsylvania	9.99
Colorado	4.63	Michigan	6	Rhode Island	7
Connecticut	7.5+ 20% srchrg	Minnesota	9.8	South Carolina	5
Delaware	8.7	Mississippi	3 to 5	South Dakota	<i>No CIT</i>
Dist. of Col.	9	Missouri	6.25	Tennessee	6.5
Florida	5.5	Montana	6.75	Texas	<i>No CIT</i>
Georgia	6	Nebraska	5.58 to 7.81	Utah	5
Hawaii	4.4 to 6.4	Nevada	<i>No CIT</i>	Vermont	6 to 8.5
Idaho	7.4	New Hampshire	8.2	Virginia	6
Illinois	7.75	New Jersey	9	Washington	<i>No CIT</i>
Indiana	6.25	New Mexico	4.8 to 6.2	West Virginia	6.5
Iowa	6 to 12	New York	6.5	Wisconsin	7.9
Kansas	4 to 7	North Carolina	3	Wyoming	<i>No CIT</i>

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Pepco Holdings	447	12	2.7%	380	-26	-6.8%	429	-9	-2.1%	1,605	-138	-8.6%	2,861	-161	-5.6%
International Paper	1,147	12	1.0%	565	9	1.6%	394	-95	-24.1%	2,808	-22	-0.8%	4,914	-96	-2.0%
Levi Strauss	195	1	0.6%	32	4	12.5%	86	3	4.0%	607	-24	-4.0%	919	-16	-1.7%
Ameren	942	-4	-0.4%	964	-37	-3.8%	823	19	2.3%	4,513	21	0.5%	7,242	-1	-0.0%
Boeing	6,828	—	—	6,829	49	0.7%	5,946	—	—	20,472	-1	-0.0%	40,075	48	0.1%
Texas Instruments	3,218	—	—	2,684	—	—	1,507	—	—	9,003	25	0.3%	16,412	25	0.2%
Facebook	2,802	—	—	4,918	—	—	3,197	—	—	3,908	37	0.9%	14,825	37	0.3%
American Electric Power	2,623	15	0.6%	2,490	25	1.0%	2,110	29	1.4%	9,991	-25	-0.3%	17,214	44	0.3%
Intel	8,800	12	0.1%	11,565	17	0.1%	9,374	60	0.6%	47,973	125	0.3%	77,712	214	0.3%
Sempra Energy	1,111	-24	-2.2%	934	-7	-0.7%	878	-5	-0.6%	4,097	56	1.4%	7,020	20	0.3%
Devon Energy	1,855	-6	-0.3%	4,316	19	0.4%	1,779	-6	-0.3%	13,813	64	0.5%	21,763	71	0.3%
NiSource	340	6	1.8%	841	11	1.3%	753	-10	-1.3%	2,482	9	0.4%	4,416	16	0.4%
Rockwell Collins	835	9	1.0%	754	3	0.4%	755	9	1.3%	3,997	5	0.1%	6,341	26	0.4%
Rockwell Automation	661	15	2.2%	607	5	0.8%	514	10	1.9%	1,503	-16	-1.0%	3,285	14	0.4%
Merck	2,247	130	5.8%	15,730	375	2.4%	3,513	-133	-3.8%	20,160	-126	-0.6%	41,650	246	0.6%
Duke Energy	3,828	-12	-0.3%	3,600	56	1.6%	3,320	-37	-1.1%	9,141	115	1.3%	19,889	122	0.6%
PNC Financial Services Group	5,371	28	0.5%	5,336	63	1.2%	5,141	13	0.3%	17,349	140	0.8%	33,197	244	0.7%
Williams	80	-7	-8.8%	3,269	2	0.1%	728	7	1.0%	4,937	68	1.4%	9,014	70	0.8%
Oneok	388	3	0.8%	471	3	0.7%	430	3	0.6%	2,723	27	1.0%	4,012	36	0.9%
American Financial Group	649	8	1.2%	579	8	1.4%	659	5	0.8%	2,857	24	0.8%	4,744	45	0.9%
Southern	3,629	-33	-0.9%	3,008	93	3.1%	2,559	-10	-0.4%	15,628	187	1.2%	24,824	237	1.0%
DuPont	1,397	7	0.5%	2,780	62	2.2%	962	23	2.4%	3,624	-7	-0.2%	8,763	85	1.0%
NextEra Energy	3,990	31	0.8%	3,645	-29	-0.8%	2,521	69	2.7%	11,575	142	1.2%	21,731	213	1.0%
Corning	426	20	4.7%	2,384	32	1.3%	1,274	12	0.9%	3,448	10	0.3%	7,532	74	1.0%
MasterCard	3,397	38	1.1%	3,263	38	1.2%	2,996	30	1.0%	7,160	62	0.9%	16,816	167	1.0%
Xcel Energy	1,527	2	0.2%	1,545	9	0.6%	1,432	8	0.5%	5,895	90	1.5%	10,399	109	1.0%
DISH Network	1,133	19	1.7%	1,210	-45	-3.7%	1,128	-2	-0.2%	8,112	153	1.9%	11,583	125	1.1%
Dover	530	12	2.2%	790	6	0.7%	775	16	2.0%	2,539	17	0.7%	4,635	50	1.1%
MDU Resources	182	6	3.2%	411	5	1.1%	415	4	1.0%	1,979	19	1.0%	2,987	34	1.1%
AT&T	19,025	72	0.4%	17,248	-63	-0.4%	19,174	-98	-0.5%	87,800	1,712	2.0%	143,247	1,623	1.1%
Spectra Energy	372	13	3.5%	907	3	0.3%	938	4	0.4%	4,370	56	1.3%	6,587	76	1.2%
Constellation Brands	599	—	—	482	7	1.4%	2,051	7	0.4%	2,524	52	2.0%	5,656	65	1.2%
Loews	387	21	5.4%	1,317	12	0.9%	1,770	19	1.1%	7,711	78	1.0%	11,185	130	1.2%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Alliant Techsystems	265	0	0.1%	144	1	0.9%	510	6	1.2%	2,071	29	1.4%	2,991	37	1.2%
United Technologies	2,782	-37	-1.3%	4,270	29	0.7%	3,658	35	1.0%	14,026	288	2.1%	24,736	315	1.3%
PPL	968	25	2.6%	1,157	30	2.6%	196	1	0.5%	4,878	37	0.8%	7,199	93	1.3%
WellPoint	4,631	116	2.5%	4,368	58	1.3%	3,715	-48	-1.3%	22,867	337	1.5%	35,581	464	1.3%
Qualcomm	2,993	—	—	3,213	—	—	3,798	—	—	10,850	272	2.5%	20,854	272	1.3%
Principal Financial	1,407	1	0.0%	1,449	-25	-1.7%	1,073	-17	-1.6%	3,967	148	3.7%	7,896	106	1.3%
Trinity Industries	1,241	17	1.4%	1,051	15	1.4%	571	12	2.1%	1,321	17	1.3%	4,184	62	1.5%
Eli Lilly	1,217	48	3.9%	1,204	-2	-0.2%	2,831	126	4.5%	10,098	61	0.6%	15,350	233	1.5%
Archer Daniels Midland	1,155	17	1.5%	2,224	57	2.6%	1,509	14	0.9%	6,466	86	1.3%	11,354	174	1.5%
Molina Healthcare	322	7	2.1%	135	3	1.9%	81	0	0.4%	364	4	1.2%	903	14	1.5%
Honeywell International	3,361	64	1.9%	3,340	21	0.6%	3,002	74	2.5%	7,075	99	1.4%	16,778	258	1.5%
Time Warner	4,489	116	2.6%	4,616	—	—	4,912	—	—	17,528	380	2.2%	31,544	496	1.6%
Cigna	2,943	54	1.8%	2,953	46	1.5%	941	38	4.0%	7,830	93	1.2%	14,667	231	1.6%
Monsanto	2,217	61	2.8%	2,436	53	2.2%	2,385	38	1.6%	8,449	98	1.2%	15,487	251	1.6%
Eversource Energy	1,426	44	3.1%	1,295	23	1.8%	1,221	-8	-0.7%	2,872	52	1.8%	6,814	110	1.6%
Tech Data	195	6	3.0%	100	1	1.5%	124	3	2.1%	558	6	1.0%	977	16	1.6%
Air Products & Chemicals	739	11	1.5%	556	8	1.4%	429	—	—	2,462	49	2.0%	4,186	68	1.6%
Yum Brands	471	19	4.1%	506	—	—	464	14	3.1%	1,840	21	1.1%	3,281	55	1.7%
Scana	1,139	57	5.0%	786	-4	-0.5%	694	17	2.4%	2,747	21	0.8%	5,366	91	1.7%
Biogen Idec	3,387	25	0.7%	2,557	49	1.9%	1,953	86	4.4%	5,670	72	1.3%	13,567	231	1.7%
Raytheon	2,506	24	1.0%	2,901	33	1.1%	2,651	39	1.5%	13,346	271	2.0%	21,404	367	1.7%
General Mills	1,910	15	0.8%	1,682	16	1.0%	2,170	26	1.2%	9,801	211	2.2%	15,563	268	1.7%
3M	4,424	74	1.7%	3,815	79	2.1%	3,194	75	2.4%	12,781	191	1.5%	24,214	419	1.7%
Twenty-First Century Fox	3,585	99	2.8%	9,808	88	0.9%	5,303	76	1.4%	21,737	447	2.1%	40,432	710	1.8%
Wesco International	289	4	1.5%	327	6	1.9%	338	4	1.2%	1,178	24	2.1%	2,132	39	1.8%
Joy Global	314	1	0.3%	294	6	2.0%	531	6	1.2%	2,400	52	2.2%	3,540	65	1.8%
Fifth Third Bancorp	2,263	55	2.4%	1,736	34	2.0%	2,318	23	1.0%	4,903	99	2.0%	11,220	211	1.9%
HCA Holdings	3,540	78	2.2%	2,322	79	3.4%	2,951	66	2.3%	10,680	153	1.4%	19,493	377	1.9%
Westrock	607	4	0.7%	665	13	1.9%	637	23	3.6%	1,208	21	1.8%	3,117	61	1.9%
Eastman Chemical	618	22	3.6%	627	6	1.0%	1,437	30	2.1%	2,554	44	1.7%	5,236	102	1.9%
Atmos Energy	511	7	1.4%	477	6	1.2%	373	8	2.2%	1,522	35	2.3%	2,882	56	1.9%
Group 1 Automotive	250	5	1.9%	180	5	2.5%	182	4	2.0%	478	8	1.8%	1,089	21	2.0%
Flowserve	217	4	1.7%	231	6	2.6%	231	6	2.5%	942	16	1.7%	1,622	32	2.0%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Harley-Davidson	1,116	37	3.3%	1,208	29	2.4%	1,027	20	2.0%	3,343	46	1.4%	6,694	132	2.0%
Aetna	4,236	103	2.4%	3,500	77	2.2%	2,941	41	1.4%	12,343	234	1.9%	23,019	455	2.0%
Darden Restaurants	451	-0	-0.1%	173	-19	-10.8%	189	4	1.9%	2,805	87	3.1%	3,617	72	2.0%
Praxair	980	30	3.0%	1,004	30	3.0%	890	19	2.1%	3,394	47	1.4%	6,268	126	2.0%
Community Health Systems	310	7	2.3%	231	3	1.3%	230	3	1.5%	1,969	43	2.2%	2,740	56	2.1%
Airgas	527	13	2.5%	572	15	2.6%	539	17	3.1%	2,129	34	1.6%	3,767	78	2.1%
Insight Enterprises	91	3	2.9%	90	3	3.5%	95	3	2.6%	314	4	1.3%	590	12	2.1%
Andersons	33	-1	-3.0%	161	5	3.3%	136	0	0.0%	483	13	2.6%	813	17	2.1%
Precision Castparts	1,035	19	1.8%	2,154	42	1.9%	2,197	38	1.7%	7,319	177	2.4%	12,705	276	2.2%
Thermo Fisher Scientific	852	—	—	1,153	24	2.1%	915	5	0.6%	3,787	117	3.1%	6,707	146	2.2%
DTE Energy	950	-4	-0.4%	1,275	24	1.9%	922	16	1.7%	4,498	131	2.9%	7,645	167	2.2%
Asbury Automotive Group, Inc.	273	9	3.4%	183	6	3.5%	165	4	2.2%	353	2	0.5%	975	21	2.2%
Exelon	3,330	-86	-2.6%	2,486	42	1.7%	2,773	181	6.5%	18,424	454	2.5%	27,013	591	2.2%
Kroger	3,094	20	0.7%	2,649	50	1.9%	2,282	36	1.6%	8,567	267	3.1%	16,592	373	2.3%
McKesson	2,503	96	3.8%	1,893	90	4.8%	1,517	64	4.2%	6,060	20	0.3%	11,973	270	2.3%
PG&E Corp.	861	11	1.3%	1,795	-41	-2.3%	1,096	-26	-2.4%	7,342	307	4.2%	11,094	251	2.3%
Ross Stores	1,612	30	1.8%	1,485	31	2.1%	1,343	30	2.3%	4,429	110	2.5%	8,869	202	2.3%
Ryder System	409	6	1.5%	276	6	2.3%	303	3	1.1%	1,105	32	2.9%	2,093	48	2.3%
Casey's General Stores	349	8	2.4%	282	6	2.3%	207	5	2.6%	831	18	2.2%	1,668	38	2.3%
UnitedHealth Group	10,231	281	2.7%	9,656	271	2.8%	8,915	237	2.7%	34,568	681	2.0%	63,370	1,470	2.3%
FirstEnergy	893	30	3.4%	171	-72	-42.1%	570	70	12.3%	7,418	182	2.5%	9,052	210	2.3%
Union Pacific	7,656	199	2.6%	8,343	219	2.6%	7,048	186	2.6%	22,640	467	2.1%	45,687	1,071	2.3%
Norfolk Southern	2,442	59	2.4%	3,134	105	3.3%	2,965	91	3.1%	12,415	245	2.0%	20,956	500	2.4%
Interpublic Group	446	13	3.0%	372	7	1.8%	244	-15	-6.0%	1,358	53	3.9%	2,419	59	2.4%
AutoZone	1,677	34	2.0%	1,550	50	3.2%	1,486	35	2.4%	5,979	144	2.4%	10,692	263	2.5%
Wells Fargo	32,635	1,591	4.9%	31,917	442	1.4%	30,065	689	2.3%	95,086	1,957	2.1%	189,703	4,678	2.5%
Campbell Soup	850	30	3.5%	995	28	2.8%	815	22	2.7%	4,805	106	2.2%	7,465	185	2.5%
CenturyLink	1,252	40	3.2%	1,098	26	2.4%	1,277	62	4.9%	5,199	91	1.8%	8,826	219	2.5%
Centene	713	22	3.0%	464	10	2.1%	268	5	1.8%	617	15	2.5%	2,062	52	2.5%
CBS	2,013	39	1.9%	1,790	—	—	2,518	66	2.6%	7,058	229	3.2%	13,379	334	2.5%
United Parcel Service	6,348	88	1.4%	4,697	103	2.2%	6,040	205	3.4%	23,376	622	2.7%	40,460	1,018	2.5%
Danaher	1,411	24	1.7%	1,439	31	2.1%	1,708	68	4.0%	4,970	118	2.4%	9,528	241	2.5%
J.B. Hunt Transport Services	690	20	2.9%	605	17	2.8%	554	15	2.7%	1,786	41	2.3%	3,635	93	2.5%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Coca-Cola	1,764	69	3.9%	1,641	81	4.9%	2,487	102	4.1%	18,581	375	2.0%	24,473	627	2.6%
Consol Energy	325	-5	-1.5%	183	7	4.0%	46	-11	-24.8%	3,090	103	3.3%	3,644	94	2.6%
Verizon Communications	24,643	803	3.3%	15,861	668	4.2%	12,483	201	1.6%	45,248	866	1.9%	98,235	2,538	2.6%
Health Net	455	21	4.6%	200	-15	-7.7%	270	12	4.6%	806	27	3.3%	1,731	45	2.6%
BB&T Corp.	2,909	99	3.4%	2,699	82	3.0%	2,912	100	3.4%	10,507	215	2.0%	19,027	496	2.6%
Entergy	1,305	158	12.1%	1,673	-13	-0.8%	1,298	21	1.6%	8,520	168	2.0%	12,796	334	2.6%
Automatic Data Processing	2,029	65	3.2%	1,895	31	1.7%	1,960	61	3.1%	8,902	231	2.6%	14,786	388	2.6%
CSX	3,138	94	3.0%	3,044	89	2.9%	2,922	85	2.9%	12,476	305	2.4%	21,580	573	2.7%
Exxon Mobil	147	-12	-8.4%	9,080	-519	-5.7%	9,746	389	4.0%	43,172	1,806	4.2%	62,145	1,663	2.7%
Core-Mark Holding	81	3	3.5%	64	3	4.1%	64	2	3.2%	229	4	1.9%	438	12	2.7%
Kellogg	537	40	7.4%	521	34	6.5%	2,149	64	3.0%	5,783	105	1.8%	8,991	242	2.7%
Walt Disney	12,464	279	2.2%	10,997	162	1.5%	8,594	63	0.7%	32,246	1,231	3.8%	64,302	1,735	2.7%
ConAgra Foods	731	31	4.2%	919	24	2.6%	1,100	36	3.2%	4,652	112	2.4%	7,403	202	2.7%
Time Warner Cable	2,988	91	3.0%	3,248	74	2.3%	3,039	75	2.5%	12,242	351	2.9%	21,517	591	2.7%
Southwest Airlines	3,479	114	3.3%	1,816	29	1.6%	1,209	44	3.6%	2,195	53	2.4%	8,699	240	2.8%
FedEx	2,967	71	2.4%	2,433	93	3.8%	2,888	48	1.7%	9,172	270	2.9%	17,460	483	2.8%
J.M. Smucker	959	37	3.8%	501	17	3.4%	827	22	2.6%	3,318	81	2.4%	5,606	156	2.8%
Phillips-Van Heusen	97	5	5.6%	36	1	4.2%	46	—	—	834	21	2.6%	1,013	28	2.8%
Viacom	2,047	58	2.8%	2,924	107	3.7%	3,040	6	0.2%	10,784	362	3.4%	18,795	534	2.8%
SpartanNash	100	3	2.9%	90	1	0.7%	2	0	23.2%	252	9	3.4%	445	13	2.9%
Emerson Electric	2,921	106	3.6%	2,096	59	2.8%	1,724	60	3.5%	8,112	206	2.5%	14,853	431	2.9%
Tractor Supply Company	648	13	2.0%	588	22	3.7%	514	12	2.3%	1,368	45	3.3%	3,117	91	2.9%
Procter & Gamble	8,788	224	2.5%	8,863	252	2.8%	9,005	237	2.6%	42,361	1,315	3.1%	69,017	2,028	2.9%
LifePoint Health	303	8	2.6%	203	1	0.7%	212	9	4.3%	1,199	38	3.2%	1,916	56	2.9%
O'Reilly Automotive	1,460	36	2.5%	1,222	35	2.8%	1,059	33	3.1%	3,246	102	3.1%	6,988	206	2.9%
Windstream	45	23	52.0%	64	-13	-19.6%	225	-3	-1.1%	2,545	77	3.0%	2,879	85	3.0%
Omnicom Group	742	25	3.4%	671	33	4.9%	567	24	4.2%	2,921	64	2.2%	4,900	146	3.0%
Capital One Financial	6,364	207	3.3%	6,219	197	3.2%	5,517	194	3.5%	13,982	362	2.6%	32,082	960	3.0%
AGL Resources	566	10	1.8%	912	38	4.2%	504	35	6.9%	1,812	31	1.7%	3,794	114	3.0%
American Express	6,759	332	4.9%	8,005	255	3.2%	6,431	273	4.3%	21,779	439	2.0%	42,973	1,299	3.0%
Macy's	1,678	67	4.0%	2,390	88	3.7%	2,290	98	4.3%	6,341	132	2.1%	12,699	384	3.0%
International Business Machines	5,915	128	2.2%	7,509	541	7.2%	6,857	178	2.6%	46,472	1,178	2.5%	66,753	2,025	3.0%
Clorox	900	22	2.5%	829	21	2.5%	756	31	4.1%	3,273	104	3.2%	5,758	178	3.1%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
R.R. Donnelley & Sons	241	16	6.5%	20	14	70.5%	61	-5	-8.0%	1,341	27	2.0%	1,662	52	3.1%
Parker Hannifin	673	23	3.4%	780	21	2.7%	1,198	38	3.2%	2,891	90	3.1%	5,542	172	3.1%
Consolidated Edison	1,798	38	2.1%	1,660	59	3.6%	1,538	151	9.8%	7,730	149	1.9%	12,726	397	3.1%
Deere	1,838	29	1.6%	3,270	121	3.7%	4,179	136	3.3%	10,929	347	3.2%	20,217	633	3.1%
Kimberly-Clark	451	50	11.0%	1,571	42	2.6%	1,764	101	5.7%	7,245	153	2.1%	11,031	345	3.1%
GameStop	554	16	2.8%	559	17	3.0%	492	22	4.5%	2,695	80	3.0%	4,299	135	3.1%
Mosaic	676	7	1.1%	313	12	3.8%	208	-15	-7.3%	5,839	218	3.7%	7,036	222	3.2%
Wyndham Worldwide Corporation	745	28	3.8%	692	34	4.9%	561	20	3.6%	1,959	43	2.2%	3,956	125	3.2%
Bemis	260	8	2.9%	255	11	4.4%	229	7	2.8%	969	29	3.0%	1,713	54	3.2%
L-3 Communications	482	1	0.1%	760	1	0.1%	890	34	3.9%	5,731	214	3.7%	7,863	249	3.2%
Advance Auto Parts	701	31	4.4%	721	18	2.4%	591	22	3.8%	2,605	76	2.9%	4,619	147	3.2%
Humana	2,431	87	3.6%	2,170	79	3.6%	1,921	52	2.7%	8,490	264	3.1%	15,012	482	3.2%
PepsiCo	2,864	42	1.5%	2,572	190	7.4%	3,072	104	3.4%	18,768	547	2.9%	27,277	883	3.2%
Publix Super Markets	2,869	38	1.3%	2,570	78	3.0%	2,466	85	3.5%	10,030	385	3.8%	17,935	586	3.3%
Gap	1,401	20	1.4%	1,842	54	3.0%	1,817	55	3.0%	7,351	277	3.8%	12,411	407	3.3%
VF	803	24	3.0%	631	28	4.4%	735	14	1.9%	2,956	104	3.5%	5,125	169	3.3%
Anixter International	167	7	4.2%	189	4	2.3%	187	5	2.8%	773	27	3.5%	1,315	44	3.3%
Paccar	1,640	61	3.7%	1,343	59	4.4%	870	21	2.4%	1,789	48	2.7%	5,642	189	3.3%
Target	4,550	265	5.8%	3,392	116	3.4%	3,984	148	3.7%	21,277	587	2.8%	33,203	1,116	3.4%
Kohl's	1,057	32	3.1%	1,349	35	2.6%	1,404	44	3.2%	8,215	293	3.6%	12,025	405	3.4%
CVR Energy	254	15	5.7%	272	17	6.1%	554	22	3.9%	1,557	37	2.4%	2,637	89	3.4%
NVR	603	32	5.3%	454	27	6.0%	419	27	6.4%	1,271	7	0.6%	2,746	93	3.4%
Hershey	1,358	44	3.2%	1,321	43	3.3%	1,252	40	3.2%	3,963	143	3.6%	7,893	270	3.4%
AmerisourceBergen	61	31	51.0%	592	29	4.9%	793	30	3.8%	4,886	129	2.6%	6,332	220	3.5%
Walgreen	2,725	121	4.4%	3,386	109	3.2%	3,477	134	3.9%	17,637	581	3.3%	27,225	945	3.5%
Sherwin-Williams	1,549	60	3.9%	1,258	50	4.0%	1,086	33	3.0%	3,664	119	3.2%	7,557	262	3.5%
Nike	956	22	2.3%	1,967	42	2.1%	3,066	81	2.6%	4,661	225	4.8%	10,650	371	3.5%
Universal Health Services	1,035	31	3.0%	855	17	2.0%	819	25	3.1%	2,636	116	4.4%	5,345	189	3.5%
Cardinal Health	2,050	68	3.3%	1,733	74	4.3%	1,665	44	2.7%	6,232	227	3.6%	11,680	414	3.5%
Hormel Foods	1,015	36	3.5%	891	30	3.3%	777	27	3.4%	3,029	112	3.7%	5,713	205	3.6%
Comcast	12,668	521	4.1%	12,090	128	1.1%	10,562	546	5.2%	32,027	1,273	4.0%	67,346	2,467	3.7%
Wal-Mart Stores	16,685	622	3.7%	18,610	810	4.4%	19,412	719	3.7%	90,352	3,165	3.5%	145,059	5,316	3.7%
CMS Energy	796	24	3.0%	727	24	3.3%	754	34	4.5%	2,568	97	3.8%	4,845	179	3.7%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Cablevision Systems	343	15	4.3%	425	3	0.6%	193	-4	-1.9%	1,589	81	5.1%	2,550	95	3.7%
Pitney Bowes	497	11	2.3%	368	7	2.0%	287	5	1.9%	2,390	109	4.6%	3,542	133	3.8%
United Stationers	123	8	6.7%	194	8	4.2%	198	7	3.7%	851	28	3.3%	1,366	52	3.8%
Express Scripts	3,793	93	2.4%	3,046	130	4.3%	3,057	185	6.0%	8,729	310	3.6%	18,625	717	3.9%
Fiserv	1,013	24	2.4%	1,007	37	3.7%	850	33	3.9%	3,657	158	4.3%	6,527	252	3.9%
H&R Block	512	-27	-5.3%	680	32	4.6%	751	33	4.4%	3,387	170	5.0%	5,330	207	3.9%
W.W. Grainger	1,204	45	3.7%	1,300	41	3.2%	1,168	32	2.8%	4,113	184	4.5%	7,784	303	3.9%
PPG Industries	823	22	2.7%	354	25	7.1%	519	14	2.7%	2,607	107	4.1%	4,303	168	3.9%
Ball	46	3	7.1%	280	15	5.2%	243	2	0.6%	1,464	61	4.2%	2,033	81	4.0%
Public Service Enterprise Group	2,680	84	3.2%	2,456	58	2.4%	2,055	42	2.0%	11,561	566	4.9%	18,752	750	4.0%
Illinois Tool Works	1,660	63	3.8%	1,669	44	2.7%	1,444	60	4.1%	6,908	303	4.4%	11,681	469	4.0%
Discover Financial Services	3,612	143	4.0%	3,694	167	4.5%	3,920	87	2.2%	12,256	547	4.5%	23,482	944	4.0%
Charles Schwab	2,279	99	4.3%	2,115	72	3.4%	1,705	57	3.3%	7,245	309	4.3%	13,344	537	4.0%
Arrow Electronics	282	17	6.0%	353	19	5.4%	327	15	4.5%	1,742	59	3.4%	2,703	109	4.0%
Limited Brands	1,667	84	5.0%	1,484	62	4.1%	1,315	84	6.4%	4,858	149	3.1%	9,324	378	4.1%
U.S. Bancorp	7,936	346	4.4%	7,833	331	4.2%	7,743	216	2.8%	27,907	1,195	4.3%	51,419	2,088	4.1%
Dominion Resources	2,820	74	2.6%	1,762	14	0.8%	2,681	110	4.1%	12,802	626	4.9%	20,065	825	4.1%
Alliance Data Systems	834	50	6.0%	717	25	3.5%	564	31	5.4%	1,327	36	2.7%	3,441	142	4.1%
CF Industries Holdings	1,003	38	3.8%	2,034	78	3.8%	2,099	68	3.3%	7,113	323	4.5%	12,249	508	4.1%
Netflix	96	-2	-1.6%	325	—	—	159	1	0.6%	979	65	6.7%	1,559	65	4.1%
Quanta Services	268	10	3.6%	296	9	3.1%	508	23	4.5%	1,274	56	4.4%	2,346	98	4.2%
DaVita	771	26	3.4%	1,169	23	2.0%	1,001	62	6.2%	3,694	166	4.5%	6,636	277	4.2%
CarMax	1,010	40	3.9%	969	38	4.0%	797	35	4.4%	2,531	109	4.3%	5,308	222	4.2%
Visa	6,782	153	2.3%	7,591	221	2.9%	1,611	-71	-4.4%	15,409	1,025	6.7%	31,393	1,329	4.2%
AutoNation	723	31	4.3%	682	29	4.3%	604	27	4.5%	2,045	85	4.2%	4,054	173	4.3%
C.H. Robinson Worldwide	690	36	5.2%	642	31	4.8%	571	22	3.8%	3,224	132	4.1%	5,127	220	4.3%
Packaging Corp. of America	665	19	2.9%	614	31	5.0%	415	11	2.7%	1,304	69	5.3%	2,998	130	4.3%
Dollar General	1,846	82	4.4%	1,676	80	4.8%	1,623	96	5.9%	4,428	160	3.6%	9,573	417	4.4%
SAIC	183	10	5.6%	709	11	1.6%	176	5	2.8%	3,217	164	5.1%	4,285	191	4.5%
CA	729	49	6.8%	737	36	4.9%	699	32	4.6%	3,837	151	3.9%	6,002	269	4.5%
Home Depot	10,207	466	4.6%	9,217	373	4.0%	7,770	346	4.5%	23,761	1,098	4.6%	50,955	2,283	4.5%
Reliance Steel & Aluminum	447	21	4.8%	489	25	5.2%	452	19	4.2%	2,221	96	4.3%	3,608	162	4.5%
Best Buy	1,299	48	3.7%	1,129	51	4.5%	635	45	7.1%	7,095	312	4.4%	10,158	456	4.5%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Genuine Parts	965	44	4.6%	1,289	40	3.1%	290	45	15.4%	4,597	193	4.2%	7,141	322	4.5%
Franklin Resources	2,026	81	4.0%	2,161	80	3.7%	1,904	73	3.8%	6,220	322	5.2%	12,311	557	4.5%
Big Lots	227	10	4.6%	222	12	5.5%	186	14	7.6%	1,565	64	4.1%	2,199	100	4.6%
Dollar Tree	446	12	2.8%	953	47	4.9%	953	44	4.6%	3,252	153	4.7%	5,603	256	4.6%
Staples	463	2	0.5%	545	36	6.6%	881	36	4.1%	4,568	221	4.8%	6,457	296	4.6%
Bed Bath & Beyond	1,327	38	2.9%	1,504	62	4.1%	1,613	61	3.8%	6,165	325	5.3%	10,610	487	4.6%
Dick's Sporting Goods	531	26	4.9%	556	28	5.1%	546	23	4.2%	1,621	73	4.5%	3,254	150	4.6%
Waste Management	984	47	4.8%	1,864	60	3.2%	1,037	77	7.4%	7,175	328	4.6%	11,061	513	4.6%
HollyFrontier	1,147	72	6.3%	422	40	9.5%	1,127	7	0.6%	4,716	228	4.8%	7,412	346	4.7%
Costco Wholesale	2,574	116	4.5%	2,145	92	4.3%	2,070	98	4.8%	7,729	379	4.9%	14,518	686	4.7%
Sonic Automotive	145	6	4.4%	162	6	3.6%	129	6	4.4%	404	22	5.5%	840	40	4.7%
LKQ Corporation	479	23	4.9%	461	21	4.6%	361	18	4.9%	1,294	62	4.8%	2,595	124	4.8%
Laboratory Corp. of America	600	38	6.3%	759	29	3.8%	844	28	3.3%	4,215	214	5.1%	6,417	308	4.8%
Nordstrom	996	29	3.0%	1,196	57	4.8%	1,189	60	5.0%	4,639	245	5.3%	8,020	392	4.9%
Tutor Perini	70	-0	-0.6%	171	11	6.5%	128	9	6.9%	753	36	4.8%	1,121	56	5.0%
Oracle	4,033	250	6.2%	5,220	268	5.1%	5,397	294	5.4%	27,303	1,286	4.7%	41,953	2,097	5.0%
Goldman Sachs Group	3,443	-12	-0.3%	7,224	441	6.1%	6,895	449	6.5%	35,297	1,770	5.0%	52,859	2,648	5.0%
McDonald's	2,598	131	5.0%	2,682	136	5.1%	2,913	159	5.5%	14,315	702	4.9%	22,508	1,128	5.0%
Graybar Electric	143	8	5.6%	137	7	5.3%	128	7	5.5%	519	24	4.7%	926	46	5.0%
Lowe's	4,419	248	5.6%	4,276	221	5.2%	3,673	203	5.5%	15,602	756	4.8%	27,970	1,428	5.1%
Discovery Communications, Inc.	1,281	55	4.3%	1,251	59	4.7%	1,104	60	5.5%	3,774	204	5.4%	7,410	378	5.1%
Owens & Minor	167	11	6.8%	155	10	6.3%	192	10	5.4%	917	43	4.7%	1,432	75	5.2%
Raymond James Financial	805	50	6.2%	716	29	4.0%	540	37	6.9%	1,952	98	5.0%	4,013	213	5.3%
Polo Ralph Lauren	275	-3	-1.1%	620	34	5.4%	710	45	6.4%	2,668	151	5.7%	4,273	227	5.3%
Coach, Inc.	358	27	7.7%	361	36	10.0%	819	58	7.1%	5,113	235	4.6%	6,650	357	5.4%
Altria Group	8,078	451	5.6%	7,763	480	6.2%	6,929	423	6.1%	27,395	1,343	4.9%	50,165	2,697	5.4%
Henry Schein	563	29	5.2%	520	27	5.2%	494	26	5.2%	1,734	98	5.6%	3,310	180	5.4%
J.P. Morgan Chase & Co.	22,962	547	2.4%	21,118	787	3.7%	12,458	-28	-0.2%	65,007	5,469	8.4%	121,544	6,775	5.6%
State Street Corp.	1,105	80	7.2%	1,124	27	2.4%	1,517	30	2.0%	7,174	473	6.6%	10,920	610	5.6%
Quest Diagnostics	1,048	26	2.5%	800	34	4.3%	1,295	58	4.5%	5,193	351	6.7%	8,336	469	5.6%
TJX	3,102	197	6.4%	2,944	164	5.6%	2,747	163	5.9%	9,187	504	5.5%	17,980	1,028	5.7%
Arthur Gallagher	313	19	6.0%	264	20	7.4%	229	11	4.6%	927	54	5.8%	1,733	103	5.9%
CVS Caremark	8,616	533	6.2%	7,678	477	6.2%	7,528	426	5.7%	29,148	1,829	6.3%	52,970	3,265	6.2%

State Income Taxes for 240 Major Corporations, 2008–2015, by 8-Year Tax Rate (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Apollo Group	122	3	2.5%	367	17	4.7%	551	30	5.5%	5,093	328	6.4%	6,134	378	6.2%
Synnex	197	14	7.0%	199	14	7.1%	201	11	5.6%	703	41	5.8%	1,301	80	6.2%
Jacobs Engineering Group	284	16	5.7%	289	19	6.6%	352	24	6.8%	1,766	108	6.1%	2,691	167	6.2%
UGI	419	31	7.3%	504	29	5.7%	345	23	6.8%	1,507	91	6.0%	2,774	174	6.3%
Emcor Group	265	21	7.9%	267	13	4.9%	219	2	1.0%	1,152	84	7.3%	1,903	120	6.3%
United Natural Foods	227	14	6.0%	201	12	6.1%	167	13	7.8%	551	34	6.2%	1,146	73	6.4%
ABM Industries	61	3	5.5%	118	8	6.9%	109	11	10.1%	467	36	7.7%	754	58	7.7%
Priceline.com	35	6	18.2%	98	25	25.3%	49	10	21.4%	576	19	3.2%	758	60	8.0%
Whole Foods Market	882	74	8.4%	938	80	8.6%	882	67	7.6%	2,085	166	8.0%	4,787	387	8.1%
All 240 Companies	537,440	15,449	2.9%	568,550	14,206	2.5%	506,344	13,182	2.6%	2,096,589	62,921	3.0%	3,708,922	105,758	2.9%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
3M	4,424	74	1.7%	3,815	79	2.1%	3,194	75	2.4%	12,781	191	1.5%	24,214	419	1.7%
ABM Industries	61	3	5.5%	118	8	6.9%	109	11	10.1%	467	36	7.7%	754	58	7.7%
Advance Auto Parts	701	31	4.4%	721	18	2.4%	591	22	3.8%	2,605	76	2.9%	4,619	147	3.2%
Aetna	4,236	103	2.4%	3,500	77	2.2%	2,941	41	1.4%	12,343	234	1.9%	23,019	455	2.0%
AGL Resources	566	10	1.8%	912	38	4.2%	504	35	6.9%	1,812	31	1.7%	3,794	114	3.0%
Air Products & Chemicals	739	11	1.5%	556	8	1.4%	429	—	—	2,462	49	2.0%	4,186	68	1.6%
Airgas	527	13	2.5%	572	15	2.6%	539	17	3.1%	2,129	34	1.6%	3,767	78	2.1%
Alliance Data Systems	834	50	6.0%	717	25	3.5%	564	31	5.4%	1,327	36	2.7%	3,441	142	4.1%
Alliant Techsystems	265	0	0.1%	144	1	0.9%	510	6	1.2%	2,071	29	1.4%	2,991	37	1.2%
Altria Group	8,078	451	5.6%	7,763	480	6.2%	6,929	423	6.1%	27,395	1,343	4.9%	50,165	2,697	5.4%
Ameren	942	-4	-0.4%	964	-37	-3.8%	823	19	2.3%	4,513	21	0.5%	7,242	-1	-0.0%
American Electric Power	2,623	15	0.6%	2,490	25	1.0%	2,110	29	1.4%	9,991	-25	-0.3%	17,214	44	0.3%
American Express	6,759	332	4.9%	8,005	255	3.2%	6,431	273	4.3%	21,779	439	2.0%	42,973	1,299	3.0%
American Financial Group	649	8	1.2%	579	8	1.4%	659	5	0.8%	2,857	24	0.8%	4,744	45	0.9%
AmerisourceBergen	61	31	51.0%	592	29	4.9%	793	30	3.8%	4,886	129	2.6%	6,332	220	3.5%
Andersons	33	-1	-3.0%	161	5	3.3%	136	0	0.0%	483	13	2.6%	813	17	2.1%
Anixter International	167	7	4.2%	189	4	2.3%	187	5	2.8%	773	27	3.5%	1,315	44	3.3%
Apollo Group	122	3	2.5%	367	17	4.7%	551	30	5.5%	5,093	328	6.4%	6,134	378	6.2%
Archer Daniels Midland	1,155	17	1.5%	2,224	57	2.6%	1,509	14	0.9%	6,466	86	1.3%	11,354	174	1.5%
Arrow Electronics	282	17	6.0%	353	19	5.4%	327	15	4.5%	1,742	59	3.4%	2,703	109	4.0%
Arthur Gallagher	313	19	6.0%	264	20	7.4%	229	11	4.6%	927	54	5.8%	1,733	103	5.9%
Asbury Automotive Group, Inc.	273	9	3.4%	183	6	3.5%	165	4	2.2%	353	2	0.5%	975	21	2.2%
AT&T	19,025	72	0.4%	17,248	-63	-0.4%	19,174	-98	-0.5%	87,800	1,712	2.0%	143,247	1,623	1.1%
Atmos Energy	511	7	1.4%	477	6	1.2%	373	8	2.2%	1,522	35	2.3%	2,882	56	1.9%
Automatic Data Processing	2,029	65	3.2%	1,895	31	1.7%	1,960	61	3.1%	8,902	231	2.6%	14,786	388	2.6%
AutoNation	723	31	4.3%	682	29	4.3%	604	27	4.5%	2,045	85	4.2%	4,054	173	4.3%
AutoZone	1,677	34	2.0%	1,550	50	3.2%	1,486	35	2.4%	5,979	144	2.4%	10,692	263	2.5%
Ball	46	3	7.1%	280	15	5.2%	243	2	0.6%	1,464	61	4.2%	2,033	81	4.0%
BB&T Corp.	2,909	99	3.4%	2,699	82	3.0%	2,912	100	3.4%	10,507	215	2.0%	19,027	496	2.6%
Bed Bath & Beyond	1,327	38	2.9%	1,504	62	4.1%	1,613	61	3.8%	6,165	325	5.3%	10,610	487	4.6%
Bemis	260	8	2.9%	255	11	4.4%	229	7	2.8%	969	29	3.0%	1,713	54	3.2%
Best Buy	1,299	48	3.7%	1,129	51	4.5%	635	45	7.1%	7,095	312	4.4%	10,158	456	4.5%
Big Lots	227	10	4.6%	222	12	5.5%	186	14	7.6%	1,565	64	4.1%	2,199	100	4.6%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Biogen Idec	3,387	25	0.7%	2,557	49	1.9%	1,953	86	4.4%	5,670	72	1.3%	13,567	231	1.7%
Boeing	6,828	—	—	6,829	49	0.7%	5,946	—	—	20,472	-1	-0.0%	40,075	48	0.1%
C.H. Robinson Worldwide	690	36	5.2%	642	31	4.8%	571	22	3.8%	3,224	132	4.1%	5,127	220	4.3%
CA	729	49	6.8%	737	36	4.9%	699	32	4.6%	3,837	151	3.9%	6,002	269	4.5%
Cablevision Systems	343	15	4.3%	425	3	0.6%	193	-4	-1.9%	1,589	81	5.1%	2,550	95	3.7%
Campbell Soup	850	30	3.5%	995	28	2.8%	815	22	2.7%	4,805	106	2.2%	7,465	185	2.5%
Capital One Financial	6,364	207	3.3%	6,219	197	3.2%	5,517	194	3.5%	13,982	362	2.6%	32,082	960	3.0%
Cardinal Health	2,050	68	3.3%	1,733	74	4.3%	1,665	44	2.7%	6,232	227	3.6%	11,680	414	3.5%
CarMax	1,010	40	3.9%	969	38	4.0%	797	35	4.4%	2,531	109	4.3%	5,308	222	4.2%
Casey's General Stores	349	8	2.4%	282	6	2.3%	207	5	2.6%	831	18	2.2%	1,668	38	2.3%
CBS	2,013	39	1.9%	1,790	—	—	2,518	66	2.6%	7,058	229	3.2%	13,379	334	2.5%
Centene	713	22	3.0%	464	10	2.1%	268	5	1.8%	617	15	2.5%	2,062	52	2.5%
CenturyLink	1,252	40	3.2%	1,098	26	2.4%	1,277	62	4.9%	5,199	91	1.8%	8,826	219	2.5%
CF Industries Holdings	1,003	38	3.8%	2,034	78	3.8%	2,099	68	3.3%	7,113	323	4.5%	12,249	508	4.1%
Charles Schwab	2,279	99	4.3%	2,115	72	3.4%	1,705	57	3.3%	7,245	309	4.3%	13,344	537	4.0%
Gigamon	2,943	54	1.8%	2,953	46	1.5%	941	38	4.0%	7,830	93	1.2%	14,667	231	1.6%
Clorox	900	22	2.5%	829	21	2.5%	756	31	4.1%	3,273	104	3.2%	5,758	178	3.1%
CMS Energy	796	24	3.0%	727	24	3.3%	754	34	4.5%	2,568	97	3.8%	4,845	179	3.7%
Coach, Inc.	358	27	7.7%	361	36	10.0%	819	58	7.1%	5,113	235	4.6%	6,650	357	5.4%
Coca-Cola	1,764	69	3.9%	1,641	81	4.9%	2,487	102	4.1%	18,581	375	2.0%	24,473	627	2.6%
Comcast	12,668	521	4.1%	12,090	128	1.1%	10,562	546	5.2%	32,027	1,273	4.0%	67,346	2,467	3.7%
Community Health Systems	310	7	2.3%	231	3	1.3%	230	3	1.5%	1,969	43	2.2%	2,740	56	2.1%
ConAgra Foods	731	31	4.2%	919	24	2.6%	1,100	36	3.2%	4,652	112	2.4%	7,403	202	2.7%
Consolidated Edison	325	-5	-1.5%	183	7	4.0%	46	-11	-24.8%	3,090	103	3.3%	3,644	94	2.6%
Consolidated Edison	1,798	38	2.1%	1,660	59	3.6%	1,538	151	9.8%	7,730	149	1.9%	12,726	397	3.1%
Constellation Brands	599	—	—	482	7	1.4%	2,051	7	0.4%	2,524	52	2.0%	5,656	65	1.2%
Core-Mark Holding	81	3	3.5%	64	3	4.1%	64	2	3.2%	229	4	1.9%	438	12	2.7%
Corning	426	20	4.7%	2,384	32	1.3%	1,274	12	0.9%	3,448	10	0.3%	7,532	74	1.0%
Costco Wholesale	2,574	116	4.5%	2,145	92	4.3%	2,070	98	4.8%	7,729	379	4.9%	14,518	686	4.7%
CSX	3,138	94	3.0%	3,044	89	2.9%	2,922	85	2.9%	12,476	305	2.4%	21,580	573	2.7%
CVR Energy	254	15	5.7%	272	17	6.1%	554	22	3.9%	1,557	37	2.4%	2,637	89	3.4%
CVS Caremark	8,616	533	6.2%	7,678	477	6.2%	7,528	426	5.7%	29,148	1,829	6.3%	52,970	3,265	6.2%
Danaher	1,411	24	1.7%	1,439	31	2.1%	1,708	68	4.0%	4,970	118	2.4%	9,528	241	2.5%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Darden Restaurants	451	-0	-0.1%	173	-19	-10.8%	189	4	1.9%	2,805	87	3.1%	3,617	72	2.0%
DaVita	771	26	3.4%	1,169	23	2.0%	1,001	62	6.2%	3,694	166	4.5%	6,636	277	4.2%
Deere	1,838	29	1.6%	3,270	121	3.7%	4,179	136	3.3%	10,929	347	3.2%	20,217	633	3.1%
Devon Energy	1,855	-6	-0.3%	4,316	19	0.4%	1,779	-6	-0.3%	13,813	64	0.5%	21,763	71	0.3%
Dick's Sporting Goods	531	26	4.9%	556	28	5.1%	546	23	4.2%	1,621	73	4.5%	3,254	150	4.6%
Discover Financial Services	3,612	143	4.0%	3,694	167	4.5%	3,920	87	2.2%	12,256	547	4.5%	23,482	944	4.0%
Discovery Communications, Inc.	1,281	55	4.3%	1,251	59	4.7%	1,104	60	5.5%	3,774	204	5.4%	7,410	378	5.1%
DISH Network	1,133	19	1.7%	1,210	-45	-3.7%	1,128	-2	-0.2%	8,112	153	1.9%	11,583	125	1.1%
Dollar General	1,846	82	4.4%	1,676	80	4.8%	1,623	96	5.9%	4,428	160	3.6%	9,573	417	4.4%
Dollar Tree	446	12	2.8%	953	47	4.9%	953	44	4.6%	3,252	153	4.7%	5,603	256	4.6%
Dominion Resources	2,820	74	2.6%	1,762	14	0.8%	2,681	110	4.1%	12,802	626	4.9%	20,065	825	4.1%
Dover	530	12	2.2%	790	6	0.7%	775	16	2.0%	2,539	17	0.7%	4,635	50	1.1%
DTE Energy	950	-4	-0.4%	1,275	24	1.9%	922	16	1.7%	4,498	131	2.9%	7,645	167	2.2%
Duke Energy	3,828	-12	-0.3%	3,600	56	1.6%	3,320	-37	-1.1%	9,141	115	1.3%	19,889	122	0.6%
DuPont	1,397	7	0.5%	2,780	62	2.2%	962	23	2.4%	3,624	-7	-0.2%	8,763	85	1.0%
Eastman Chemical	618	22	3.6%	627	6	1.0%	1,437	30	2.1%	2,554	44	1.7%	5,236	102	1.9%
Eli Lilly	1,217	48	3.9%	1,204	-2	-0.2%	2,831	126	4.5%	10,098	61	0.6%	15,350	233	1.5%
Emcor Group	265	21	7.9%	267	13	4.9%	219	2	1.0%	1,152	84	7.3%	1,903	120	6.3%
Emerson Electric	2,921	106	3.6%	2,096	59	2.8%	1,724	60	3.5%	8,112	206	2.5%	14,853	431	2.9%
Entergy	1,305	158	12.1%	1,673	-13	-0.8%	1,298	21	1.6%	8,520	168	2.0%	12,796	334	2.6%
Eversource Energy	1,426	44	3.1%	1,295	23	1.8%	1,221	-8	-0.7%	2,872	52	1.8%	6,814	110	1.6%
Exelon	3,330	-86	-2.6%	2,486	42	1.7%	2,773	181	6.5%	18,424	454	2.5%	27,013	591	2.2%
Express Scripts	3,793	93	2.4%	3,046	130	4.3%	3,057	185	6.0%	8,729	310	3.6%	18,625	717	3.9%
Exxon Mobil	147	-12	-8.4%	9,080	-519	-5.7%	9,746	389	4.0%	43,172	1,806	4.2%	62,145	1,663	2.7%
Facebook	2,802	—	—	4,918	—	—	3,197	—	—	3,908	37	0.9%	14,825	37	0.3%
FedEx	2,967	71	2.4%	2,433	93	3.8%	2,888	48	1.7%	9,172	270	2.9%	17,460	483	2.8%
Fifth Third Bancorp	2,263	55	2.4%	1,736	34	2.0%	2,318	23	1.0%	4,903	99	2.0%	11,220	211	1.9%
FirstEnergy	893	30	3.4%	171	-72	-42.1%	570	70	12.3%	7,418	182	2.5%	9,052	210	2.3%
Fiserv	1,013	24	2.4%	1,007	37	3.7%	850	33	3.9%	3,657	158	4.3%	6,527	252	3.9%
Flowserve	217	4	1.7%	231	6	2.6%	231	6	2.5%	942	16	1.7%	1,622	32	2.0%
Franklin Resources	2,026	81	4.0%	2,161	80	3.7%	1,904	73	3.8%	6,220	322	5.2%	12,311	557	4.5%
GameStop	554	16	2.8%	559	17	3.0%	492	22	4.5%	2,695	80	3.0%	4,299	135	3.1%
Gap	1,401	20	1.4%	1,842	54	3.0%	1,817	55	3.0%	7,351	277	3.8%	12,411	407	3.3%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
General Mills	1,910	15	0.8%	1,682	16	1.0%	2,170	26	1.2%	9,801	211	2.2%	15,563	268	1.7%
Genuine Parts	965	44	4.6%	1,289	40	3.1%	290	45	15.4%	4,597	193	4.2%	7,141	322	4.5%
Goldman Sachs Group	3,443	-12	-0.3%	7,224	441	6.1%	6,895	449	6.5%	35,297	1,770	5.0%	52,859	2,648	5.0%
Graybar Electric	143	8	5.6%	137	7	5.3%	128	7	5.5%	519	24	4.7%	926	46	5.0%
Group 1 Automotive	250	5	1.9%	180	5	2.5%	182	4	2.0%	478	8	1.8%	1,089	21	2.0%
H&R Block	512	-27	-5.3%	680	32	4.6%	751	33	4.4%	3,387	170	5.0%	5,330	207	3.9%
Harley-Davidson	1,116	37	3.3%	1,208	29	2.4%	1,027	20	2.0%	3,343	46	1.4%	6,694	132	2.0%
HCA Holdings	3,540	78	2.2%	2,322	79	3.4%	2,951	66	2.3%	10,680	153	1.4%	19,493	377	1.9%
Health Net	455	21	4.6%	200	-15	-7.7%	270	12	4.6%	806	27	3.3%	1,731	45	2.6%
Henry Schein	563	29	5.2%	520	27	5.2%	494	26	5.2%	1,734	98	5.6%	3,310	180	5.4%
Hershey	1,358	44	3.2%	1,321	43	3.3%	1,252	40	3.2%	3,963	143	3.6%	7,893	270	3.4%
HollyFrontier	1,147	72	6.3%	422	40	9.5%	1,127	7	0.6%	4,716	228	4.8%	7,412	346	4.7%
Home Depot	10,207	466	4.6%	9,217	373	4.0%	7,770	346	4.5%	23,761	1,098	4.6%	50,955	2,283	4.5%
Honeywell International	3,361	64	1.9%	3,340	21	0.6%	3,002	74	2.5%	7,075	99	1.4%	16,778	258	1.5%
Hormel Foods	1,015	36	3.5%	891	30	3.3%	777	27	3.4%	3,029	112	3.7%	5,713	205	3.6%
Humana	2,431	87	3.6%	2,170	79	3.6%	1,921	52	2.7%	8,490	264	3.1%	15,012	482	3.2%
Illinois Tool Works	1,660	63	3.8%	1,669	44	2.7%	1,444	60	4.1%	6,908	303	4.4%	11,681	469	4.0%
Insight Enterprises	91	3	2.9%	90	3	3.5%	95	3	2.6%	314	4	1.3%	590	12	2.1%
Intel	8,800	12	0.1%	11,565	17	0.1%	9,374	60	0.6%	47,973	125	0.3%	77,712	214	0.3%
International Business Machines	5,915	128	2.2%	7,509	541	7.2%	6,857	178	2.6%	46,472	1,178	2.5%	66,753	2,025	3.0%
International Paper	1,147	12	1.0%	565	9	1.6%	394	-95	-24.1%	2,808	-22	-0.8%	4,914	-96	-2.0%
Interpublic Group	446	13	3.0%	372	7	1.8%	244	-15	-6.0%	1,358	53	3.9%	2,419	59	2.4%
J.B. Hunt Transport Services	690	20	2.9%	605	17	2.8%	554	15	2.7%	1,786	41	2.3%	3,635	93	2.5%
J.M. Smucker	959	37	3.8%	501	17	3.4%	827	22	2.6%	3,318	81	2.4%	5,606	156	2.8%
J.P. Morgan Chase & Co.	22,962	547	2.4%	21,118	787	3.7%	12,458	-28	-0.2%	65,007	5,469	8.4%	121,544	6,775	5.6%
Jacobs Engineering Group	284	16	5.7%	289	19	6.6%	352	24	6.8%	1,766	108	6.1%	2,691	167	6.2%
Joy Global	314	1	0.3%	294	6	2.0%	531	6	1.2%	2,400	52	2.2%	3,540	65	1.8%
Kellogg	537	40	7.4%	521	34	6.5%	2,149	64	3.0%	5,783	105	1.8%	8,991	242	2.7%
Kimberly-Clark	451	50	11.0%	1,571	42	2.6%	1,764	101	5.7%	7,245	153	2.1%	11,031	345	3.1%
Kohl's	1,057	32	3.1%	1,349	35	2.6%	1,404	44	3.2%	8,215	293	3.6%	12,025	405	3.4%
Kroger	3,094	20	0.7%	2,649	50	1.9%	2,282	36	1.6%	8,567	267	3.1%	16,592	373	2.3%
L-3 Communications	482	1	0.1%	760	1	0.1%	890	34	3.9%	5,731	214	3.7%	7,863	249	3.2%
Laboratory Corp. of America	600	38	6.3%	759	29	3.8%	844	28	3.3%	4,215	214	5.1%	6,417	308	4.8%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Levi Strauss	195	1	0.6%	32	4	12.5%	86	3	4.0%	607	-24	-4.0%	919	-16	-1.7%
LifePoint Health	303	8	2.6%	203	1	0.7%	212	9	4.3%	1,199	38	3.2%	1,916	56	2.9%
Limited Brands	1,667	84	5.0%	1,484	62	4.1%	1,315	84	6.4%	4,858	149	3.1%	9,324	378	4.1%
LKQ Corporation	479	23	4.9%	461	21	4.6%	361	18	4.9%	1,294	62	4.8%	2,595	124	4.8%
Loews	387	21	5.4%	1,317	12	0.9%	1,770	19	1.1%	7,711	78	1.0%	11,185	130	1.2%
Lowe's	4,419	248	5.6%	4,276	221	5.2%	3,673	203	5.5%	15,602	756	4.8%	27,970	1,428	5.1%
Macy's	1,678	67	4.0%	2,390	88	3.7%	2,290	98	4.3%	6,341	132	2.1%	12,699	384	3.0%
MasterCard	3,397	38	1.1%	3,263	38	1.2%	2,996	30	1.0%	7,160	62	0.9%	16,816	167	1.0%
McDonald's	2,598	131	5.0%	2,682	136	5.1%	2,913	159	5.5%	14,315	702	4.9%	22,508	1,128	5.0%
McKesson	2,503	96	3.8%	1,893	90	4.8%	1,517	64	4.2%	6,060	20	0.3%	11,973	270	2.3%
MDU Resources	182	6	3.2%	411	5	1.1%	415	4	1.0%	1,979	19	1.0%	2,987	34	1.1%
Merck	2,247	130	5.8%	15,730	375	2.4%	3,513	-133	-3.8%	20,160	-126	-0.6%	41,650	246	0.6%
Molina Healthcare	322	7	2.1%	135	3	1.9%	81	0	0.4%	364	4	1.2%	903	14	1.5%
Monsanto	2,217	61	2.8%	2,436	53	2.2%	2,385	38	1.6%	8,449	98	1.2%	15,487	251	1.6%
Mosaic	676	7	1.1%	313	12	3.8%	208	-15	-7.3%	5,839	218	3.7%	7,036	222	3.2%
Netflix	96	-2	-1.6%	325	—	—	159	1	0.6%	979	65	6.7%	1,559	65	4.1%
NextEra Energy	3,990	31	0.8%	3,645	-29	-0.8%	2,521	69	2.7%	11,575	142	1.2%	21,731	213	1.0%
Nike	956	22	2.3%	1,967	42	2.1%	3,066	81	2.6%	4,661	225	4.8%	10,650	371	3.5%
NiSource	340	6	1.8%	841	11	1.3%	753	-10	-1.3%	2,482	9	0.4%	4,416	16	0.4%
Nordstrom	996	29	3.0%	1,196	57	4.8%	1,189	60	5.0%	4,639	245	5.3%	8,020	392	4.9%
Norfolk Southern	2,442	59	2.4%	3,134	105	3.3%	2,965	91	3.1%	12,415	245	2.0%	20,956	500	2.4%
NVR	603	32	5.3%	454	27	6.0%	419	27	6.4%	1,271	7	0.6%	2,746	93	3.4%
Omnicom Group	742	25	3.4%	671	33	4.9%	567	24	4.2%	2,921	64	2.2%	4,900	146	3.0%
Oneok	388	3	0.8%	471	3	0.7%	430	3	0.6%	2,723	27	1.0%	4,012	36	0.9%
Oracle	4,033	250	6.2%	5,220	268	5.1%	5,397	294	5.4%	27,303	1,286	4.7%	41,953	2,097	5.0%
O'Reilly Automotive	1,460	36	2.5%	1,222	35	2.8%	1,059	33	3.1%	3,246	102	3.1%	6,988	206	2.9%
Owens & Minor	167	11	6.8%	155	10	6.3%	192	10	5.4%	917	43	4.7%	1,432	75	5.2%
Paccar	1,640	61	3.7%	1,343	59	4.4%	870	21	2.4%	1,789	48	2.7%	5,642	189	3.3%
Packaging Corp. of America	665	19	2.9%	614	31	5.0%	415	11	2.7%	1,304	69	5.3%	2,998	130	4.3%
Parker Hannifin	673	23	3.4%	780	21	2.7%	1,198	38	3.2%	2,891	90	3.1%	5,542	172	3.1%
Pepco Holdings	447	12	2.7%	380	-26	-6.8%	429	-9	-2.1%	1,605	-138	-8.6%	2,861	-161	-5.6%
PepsiCo	2,864	42	1.5%	2,572	190	7.4%	3,072	104	3.4%	18,768	547	2.9%	27,277	883	3.2%
PG&E Corp.	861	11	1.3%	1,795	-41	-2.3%	1,096	-26	-2.4%	7,342	307	4.2%	11,094	251	2.3%

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Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Phillips-Van Heusen	97	5	5.6%	36	1	4.2%	46	—	—	834	21	2.6%	1,013	28	2.8%
Pitney Bowes	497	11	2.3%	368	7	2.0%	287	5	1.9%	2,390	109	4.6%	3,542	133	3.8%
PNC Financial Services Group	5,371	28	0.5%	5,336	63	1.2%	5,141	13	0.3%	17,349	140	0.8%	33,197	244	0.7%
Polo Ralph Lauren	275	-3	-1.1%	620	34	5.4%	710	45	6.4%	2,668	151	5.7%	4,273	227	5.3%
PPG Industries	823	22	2.7%	354	25	7.1%	519	14	2.7%	2,607	107	4.1%	4,303	168	3.9%
PPL	968	25	2.6%	1,157	30	2.6%	196	1	0.5%	4,878	37	0.8%	7,199	93	1.3%
Praxair	980	30	3.0%	1,004	30	3.0%	890	19	2.1%	3,394	47	1.4%	6,268	126	2.0%
Precision Castparts	1,035	19	1.8%	2,154	42	1.9%	2,197	38	1.7%	7,319	177	2.4%	12,705	276	2.2%
Priceline.com	35	6	18.2%	98	25	25.3%	49	10	21.4%	576	19	3.2%	758	60	8.0%
Principal Financial	1,407	1	0.0%	1,449	-25	-1.7%	1,073	-17	-1.6%	3,967	148	3.7%	7,896	106	1.3%
Procter & Gamble	8,788	224	2.5%	8,863	252	2.8%	9,005	237	2.6%	42,361	1,315	3.1%	69,017	2,028	2.9%
Public Service Enterprise Group	2,680	84	3.2%	2,456	58	2.4%	2,055	42	2.0%	11,561	566	4.9%	18,752	750	4.0%
Publix Super Markets	2,869	38	1.3%	2,570	78	3.0%	2,466	85	3.5%	10,030	385	3.8%	17,935	586	3.3%
Qualcomm	2,993	—	—	3,213	—	—	3,798	—	—	10,850	272	2.5%	20,854	272	1.3%
Quanta Services	268	10	3.6%	296	9	3.1%	508	23	4.5%	1,274	56	4.4%	2,346	98	4.2%
Quest Diagnostics	1,048	26	2.5%	800	34	4.3%	1,295	58	4.5%	5,193	351	6.7%	8,336	469	5.6%
R.R. Donnelley & Sons	241	16	6.5%	20	14	70.5%	61	-5	-8.0%	1,341	27	2.0%	1,662	52	3.1%
Raymond James Financial	805	50	6.2%	716	29	4.0%	540	37	6.9%	1,952	98	5.0%	4,013	213	5.3%
Raytheon	2,506	24	1.0%	2,901	33	1.1%	2,651	39	1.5%	13,346	271	2.0%	21,404	367	1.7%
Reliance Steel & Aluminum	447	21	4.8%	489	25	5.2%	452	19	4.2%	2,221	96	4.3%	3,608	162	4.5%
Rockwell Automation	661	15	2.2%	607	5	0.8%	514	10	1.9%	1,503	-16	-1.0%	3,285	14	0.4%
Rockwell Collins	835	9	1.0%	754	3	0.4%	755	9	1.3%	3,997	5	0.1%	6,341	26	0.4%
Ross Stores	1,612	30	1.8%	1,485	31	2.1%	1,343	30	2.3%	4,429	110	2.5%	8,869	202	2.3%
Ryder System	409	6	1.5%	276	6	2.3%	303	3	1.1%	1,105	32	2.9%	2,093	48	2.3%
SAIC	183	10	5.6%	709	11	1.6%	176	5	2.8%	3,217	164	5.1%	4,285	191	4.5%
Scana	1,139	57	5.0%	786	-4	-0.5%	694	17	2.4%	2,747	21	0.8%	5,366	91	1.7%
Sempra Energy	1,111	-24	-2.2%	934	-7	-0.7%	878	-5	-0.6%	4,097	56	1.4%	7,020	20	0.3%
Sherwin-Williams	1,549	60	3.9%	1,258	50	4.0%	1,086	33	3.0%	3,664	119	3.2%	7,557	262	3.5%
Sonic Automotive	145	6	4.4%	162	6	3.6%	129	6	4.4%	404	22	5.5%	840	40	4.7%
Southern	3,629	-33	-0.9%	3,008	93	3.1%	2,559	-10	-0.4%	15,628	187	1.2%	24,824	237	1.0%
Southwest Airlines	3,479	114	3.3%	1,816	29	1.6%	1,209	44	3.6%	2,195	53	2.4%	8,699	240	2.8%
SpartanNash	100	3	2.9%	90	1	0.7%	2	0	23.2%	252	9	3.4%	445	13	2.9%
Spectra Energy	372	13	3.5%	907	3	0.3%	938	4	0.4%	4,370	56	1.3%	6,587	76	1.2%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Staples	463	2	0.5%	545	36	6.6%	881	36	4.1%	4,568	221	4.8%	6,457	296	4.6%
State Street Corp.	1,105	80	7.2%	1,124	27	2.4%	1,517	30	2.0%	7,174	473	6.6%	10,920	610	5.6%
Synnex	197	14	7.0%	199	14	7.1%	201	11	5.6%	703	41	5.8%	1,301	80	6.2%
Target	4,550	265	5.8%	3,392	116	3.4%	3,984	148	3.7%	21,277	587	2.8%	33,203	1,116	3.4%
Tech Data	195	6	3.0%	100	1	1.5%	124	3	2.1%	558	6	1.0%	977	16	1.6%
Texas Instruments	3,218	—	—	2,684	—	—	1,507	—	—	9,003	25	0.3%	16,412	25	0.2%
Thermo Fisher Scientific	852	—	—	1,153	24	2.1%	915	5	0.6%	3,787	117	3.1%	6,707	146	2.2%
Time Warner	4,489	116	2.6%	4,616	—	—	4,912	—	—	17,528	380	2.2%	31,544	496	1.6%
Time Warner Cable	2,988	91	3.0%	3,248	74	2.3%	3,039	75	2.5%	12,242	351	2.9%	21,517	591	2.7%
TJX	3,102	197	6.4%	2,944	164	5.6%	2,747	163	5.9%	9,187	504	5.5%	17,980	1,028	5.7%
Tractor Supply Company	648	13	2.0%	588	22	3.7%	514	12	2.3%	1,368	45	3.3%	3,117	91	2.9%
Trinity Industries	1,241	17	1.4%	1,051	15	1.4%	571	12	2.1%	1,321	17	1.3%	4,184	62	1.5%
Tutor Perini	70	-0	-0.6%	171	11	6.5%	128	9	6.9%	753	36	4.8%	1,121	56	5.0%
Twenty-First Century Fox	3,585	99	2.8%	9,808	88	0.9%	5,303	76	1.4%	21,737	447	2.1%	40,432	710	1.8%
U.S. Bancorp	7,936	346	4.4%	7,833	331	4.2%	7,743	216	2.8%	27,907	1,195	4.3%	51,419	2,088	4.1%
UGI	419	31	7.3%	504	29	5.7%	345	23	6.8%	1,507	91	6.0%	2,774	174	6.3%
Union Pacific	7,656	199	2.6%	8,343	219	2.6%	7,048	186	2.6%	22,640	467	2.1%	45,687	1,071	2.3%
United Natural Foods	227	14	6.0%	201	12	6.1%	167	13	7.8%	551	34	6.2%	1,146	73	6.4%
United Parcel Service	6,348	88	1.4%	4,697	103	2.2%	6,040	205	3.4%	23,376	622	2.7%	40,460	1,018	2.5%
United Stationers	123	8	6.7%	194	8	4.2%	198	7	3.7%	851	28	3.3%	1,366	52	3.8%
United Technologies	2,782	-37	-1.3%	4,270	29	0.7%	3,658	35	1.0%	14,026	288	2.1%	24,736	315	1.3%
UnitedHealth Group	10,231	281	2.7%	9,656	271	2.8%	8,915	237	2.7%	34,568	681	2.0%	63,370	1,470	2.3%
Universal Health Services	1,035	31	3.0%	855	17	2.0%	819	25	3.1%	2,636	116	4.4%	5,345	189	3.5%
Verizon Communications	24,643	803	3.3%	15,861	668	4.2%	12,483	201	1.6%	45,248	866	1.9%	98,235	2,538	2.6%
VF	803	24	3.0%	631	28	4.4%	735	14	1.9%	2,956	104	3.5%	5,125	169	3.3%
Viacom	2,047	58	2.8%	2,924	107	3.7%	3,040	6	0.2%	10,784	362	3.4%	18,795	534	2.8%
Visa	6,782	153	2.3%	7,591	221	2.9%	1,611	-71	-4.4%	15,409	1,025	6.7%	31,393	1,329	4.2%
W.W. Grainger	1,204	45	3.7%	1,300	41	3.2%	1,168	32	2.8%	4,113	184	4.5%	7,784	303	3.9%
Walgreen	2,725	121	4.4%	3,386	109	3.2%	3,477	134	3.9%	17,637	581	3.3%	27,225	945	3.5%
Wal-Mart Stores	16,685	622	3.7%	18,610	810	4.4%	19,412	719	3.7%	90,352	3,165	3.5%	145,059	5,316	3.7%
Walt Disney	12,464	279	2.2%	10,997	162	1.5%	8,594	63	0.7%	32,246	1,231	3.8%	64,302	1,735	2.7%
Waste Management	984	47	4.8%	1,864	60	3.2%	1,037	77	7.4%	7,175	328	4.6%	11,061	513	4.6%
WellPoint	4,631	116	2.5%	4,368	58	1.3%	3,715	-48	-1.3%	22,867	337	1.5%	35,581	464	1.3%

State Income Taxes for 240 Major Corporations, 2008–2015, Alphabetical (\$-millions)

Company	2015			2014			2013			2008-2012			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Wells Fargo	32,635	1,591	4.9%	31,917	442	1.4%	30,065	689	2.3%	95,086	1,957	2.1%	189,703	4,678	2.5%
Wesco International	289	4	1.5%	327	6	1.9%	338	4	1.2%	1,178	24	2.1%	2,132	39	1.8%
Westrock	607	4	0.7%	665	13	1.9%	637	23	3.6%	1,208	21	1.8%	3,117	61	1.9%
Whole Foods Market	882	74	8.4%	938	80	8.6%	882	67	7.6%	2,085	166	8.0%	4,787	387	8.1%
Williams	80	-7	-8.8%	3,269	2	0.1%	728	7	1.0%	4,937	68	1.4%	9,014	70	0.8%
Windstream	45	23	52.0%	64	-13	-19.6%	225	-3	-1.1%	2,545	77	3.0%	2,879	85	3.0%
Wyndham Worldwide Corporation	745	28	3.8%	692	34	4.9%	561	20	3.6%	1,959	43	2.2%	3,956	125	3.2%
Xcel Energy	1,527	2	0.2%	1,545	9	0.6%	1,432	8	0.5%	5,895	90	1.5%	10,399	109	1.0%
Yum Brands	471	19	4.1%	506	—	—	464	14	3.1%	1,840	21	1.1%	3,281	55	1.7%
All 240 Companies	537,440	15,449	2.9%	568,550	14,206	2.5%	506,344	13,182	2.6%	2,096,589	62,921	3.0%	3,708,922	105,758	2.9%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Arizona												
Insight Enterprises	91	3	2.9%	90	3	3.5%	95	3	2.6%	590	12	2.1%
Apollo Group	122	3	2.5%	367	17	4.7%	551	30	5.5%	6,134	378	6.2%
Arkansas												
J.B. Hunt Transport Services	690	20	2.9%	605	17	2.8%	554	15	2.7%	3,635	93	2.5%
Windstream	45	23	52.0%	64	-13	-19.6%	225	-3	-1.1%	2,879	85	3.0%
Wal-Mart Stores	16,685	622	3.7%	18,610	810	4.4%	19,412	719	3.7%	145,059	5,316	3.7%
California												
Levi Strauss	195	1	0.6%	32	4	12.5%	86	3	4.0%	919	-16	-1.7%
Facebook	2,802	—	—	4,918	—	—	3,197	—	—	14,825	37	0.3%
Intel	8,800	12	0.1%	11,565	17	0.1%	9,374	60	0.6%	77,712	214	0.3%
Sempra Energy	1,111	-24	-2.2%	934	-7	-0.7%	878	-5	-0.6%	7,020	20	0.3%
Qualcomm	2,993	—	—	3,213	—	—	3,798	—	—	20,854	272	1.3%
Molina Healthcare	322	7	2.1%	135	3	1.9%	81	0	0.4%	903	14	1.5%
McKesson	2,503	96	3.8%	1,893	90	4.8%	1,517	64	4.2%	11,973	270	2.3%
PG&E Corp.	861	11	1.3%	1,795	-41	-2.3%	1,096	-26	-2.4%	11,094	251	2.3%
Ross Stores	1,612	30	1.8%	1,485	31	2.1%	1,343	30	2.3%	8,869	202	2.3%
Wells Fargo	32,635	1,591	4.9%	31,917	442	1.4%	30,065	689	2.3%	189,703	4,678	2.5%
Health Net	455	21	4.6%	200	-15	-7.7%	270	12	4.6%	1,731	45	2.6%
Core-Mark Holding	81	3	3.5%	64	3	4.1%	64	2	3.2%	438	12	2.7%
Walt Disney	12,464	279	2.2%	10,997	162	1.5%	8,594	63	0.7%	64,302	1,735	2.7%
Clorox	900	22	2.5%	829	21	2.5%	756	31	4.1%	5,758	178	3.1%
Gap	1,401	20	1.4%	1,842	54	3.0%	1,817	55	3.0%	12,411	407	3.3%
Charles Schwab	2,279	99	4.3%	2,115	72	3.4%	1,705	57	3.3%	13,344	537	4.0%
Netflix	96	-2	-1.6%	325	—	—	159	1	0.6%	1,559	65	4.1%
Visa	6,782	153	2.3%	7,591	221	2.9%	1,611	-71	-4.4%	31,393	1,329	4.2%
Reliance Steel & Aluminum	447	21	4.8%	489	25	5.2%	452	19	4.2%	3,608	162	4.5%
Franklin Resources	2,026	81	4.0%	2,161	80	3.7%	1,904	73	3.8%	12,311	557	4.5%
Tutor Perini	70	-0	-0.6%	171	11	6.5%	128	9	6.9%	1,121	56	5.0%
Oracle	4,033	250	6.2%	5,220	268	5.1%	5,397	294	5.4%	41,953	2,097	5.0%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Synnex	197	14	7.0%	199	14	7.1%	201	11	5.6%	1,301	80	6.2%
Jacobs Engineering Group	284	16	5.7%	289	19	6.6%	352	24	6.8%	2,691	167	6.2%
Colorado												
DISH Network	1,133	19	1.7%	1,210	-45	-3.7%	1,128	-2	-0.2%	11,583	125	1.1%
Ball	46	3	7.1%	280	15	5.2%	243	2	0.6%	2,033	81	4.0%
Arrow Electronics	282	17	6.0%	353	19	5.4%	327	15	4.5%	2,703	109	4.0%
DaVita	771	26	3.4%	1,169	23	2.0%	1,001	62	6.2%	6,636	277	4.2%
Connecticut												
United Technologies	2,782	-37	-1.3%	4,270	29	0.7%	3,658	35	1.0%	24,736	315	1.3%
Cigna	2,943	54	1.8%	2,953	46	1.5%	941	38	4.0%	14,667	231	1.6%
Aetna	4,236	103	2.4%	3,500	77	2.2%	2,941	41	1.4%	23,019	455	2.0%
Praxair	980	30	3.0%	1,004	30	3.0%	890	19	2.1%	6,268	126	2.0%
Pitney Bowes	497	11	2.3%	368	7	2.0%	287	5	1.9%	3,542	133	3.8%
Emcor Group	265	21	7.9%	267	13	4.9%	219	2	1.0%	1,903	120	6.3%
Priceline.com	35	6	18.2%	98	25	25.3%	49	10	21.4%	758	60	8.0%
Delaware												
DuPont	1,397	7	0.5%	2,780	62	2.2%	962	23	2.4%	8,763	85	1.0%
District of Columbia												
Pepco Holdings	447	12	2.7%	380	-26	-6.8%	429	-9	-2.1%	2,861	-161	-5.6%
Danaher	1,411	24	1.7%	1,439	31	2.1%	1,708	68	4.0%	9,528	241	2.5%
Florida												
NextEra Energy	3,990	31	0.8%	3,645	-29	-0.8%	2,521	69	2.7%	21,731	213	1.0%
Tech Data	195	6	3.0%	100	1	1.5%	124	3	2.1%	977	16	1.6%
Darden Restaurants	451	-0	-0.1%	173	-19	-10.8%	189	4	1.9%	3,617	72	2.0%
Ryder System	409	6	1.5%	276	6	2.3%	303	3	1.1%	2,093	48	2.3%
CSX	3,138	94	3.0%	3,044	89	2.9%	2,922	85	2.9%	21,580	573	2.7%
Publix Super Markets	2,869	38	1.3%	2,570	78	3.0%	2,466	85	3.5%	17,935	586	3.3%
AutoNation	723	31	4.3%	682	29	4.3%	604	27	4.5%	4,054	173	4.3%
Raymond James Financial	805	50	6.2%	716	29	4.0%	540	37	6.9%	4,013	213	5.3%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Georgia												
Southern	3,629	-33	-0.9%	3,008	93	3.1%	2,559	-10	-0.4%	24,824	237	1.0%
Asbury Automotive Group, Inc.	273	9	3.4%	183	6	3.5%	165	4	2.2%	975	21	2.2%
United Parcel Service	6,348	88	1.4%	4,697	103	2.2%	6,040	205	3.4%	40,460	1,018	2.5%
Coca-Cola	1,764	69	3.9%	1,641	81	4.9%	2,487	102	4.1%	24,473	627	2.6%
AGL Resources	566	10	1.8%	912	38	4.2%	504	35	6.9%	3,794	114	3.0%
Home Depot	10,207	466	4.6%	9,217	373	4.0%	7,770	346	4.5%	50,955	2,283	4.5%
Genuine Parts	965	44	4.6%	1,289	40	3.1%	290	45	15.4%	7,141	322	4.5%
Illinois												
Boeing	6,828	—	—	6,829	49	0.7%	5,946	—	—	40,075	48	0.1%
Dover	530	12	2.2%	790	6	0.7%	775	16	2.0%	4,635	50	1.1%
Archer Daniels Midland	1,155	17	1.5%	2,224	57	2.6%	1,509	14	0.9%	11,354	174	1.5%
Exelon	3,330	-86	-2.6%	2,486	42	1.7%	2,773	181	6.5%	27,013	591	2.2%
R.R. Donnelley & Sons	241	16	6.5%	20	14	70.5%	61	-5	-8.0%	1,662	52	3.1%
Deere	1,838	29	1.6%	3,270	121	3.7%	4,179	136	3.3%	20,217	633	3.1%
Anixter International	167	7	4.2%	189	4	2.3%	187	5	2.8%	1,315	44	3.3%
Walgreen	2,725	121	4.4%	3,386	109	3.2%	3,477	134	3.9%	27,225	945	3.5%
United Stationers	123	8	6.7%	194	8	4.2%	198	7	3.7%	1,366	52	3.8%
W.W. Grainger	1,204	45	3.7%	1,300	41	3.2%	1,168	32	2.8%	7,784	303	3.9%
Illinois Tool Works	1,660	63	3.8%	1,669	44	2.7%	1,444	60	4.1%	11,681	469	4.0%
Discover Financial Services	3,612	143	4.0%	3,694	167	4.5%	3,920	87	2.2%	23,482	944	4.0%
CF Industries Holdings	1,003	38	3.8%	2,034	78	3.8%	2,099	68	3.3%	12,249	508	4.1%
Packaging Corp. of America	665	19	2.9%	614	31	5.0%	415	11	2.7%	2,998	130	4.3%
LKQ Corporation	479	23	4.9%	461	21	4.6%	361	18	4.9%	2,595	124	4.8%
McDonald's	2,598	131	5.0%	2,682	136	5.1%	2,913	159	5.5%	22,508	1,128	5.0%
Arthur Gallagher	313	19	6.0%	264	20	7.4%	229	11	4.6%	1,733	103	5.9%
Indiana												
NiSource	340	6	1.8%	841	11	1.3%	753	-10	-1.3%	4,416	16	0.4%
WellPoint	4,631	116	2.5%	4,368	58	1.3%	3,715	-48	-1.3%	35,581	464	1.3%
Eli Lilly	1,217	48	3.9%	1,204	-2	-0.2%	2,831	126	4.5%	15,350	233	1.5%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Iowa												
Rockwell Collins	835	9	1.0%	754	3	0.4%	755	9	1.3%	6,341	26	0.4%
Principal Financial	1,407	1	0.0%	1,449	-25	-1.7%	1,073	-17	-1.6%	7,896	106	1.3%
Casey's General Stores	349	8	2.4%	282	6	2.3%	207	5	2.6%	1,668	38	2.3%
Kentucky												
Yum Brands	471	19	4.1%	506	—	—	464	14	3.1%	3,281	55	1.7%
Humana	2,431	87	3.6%	2,170	79	3.6%	1,921	52	2.7%	15,012	482	3.2%
Louisiana												
CenturyLink	1,252	40	3.2%	1,098	26	2.4%	1,277	62	4.9%	8,826	219	2.5%
Entergy	1,305	158	12.1%	1,673	-13	-0.8%	1,298	21	1.6%	12,796	334	2.6%
Maryland												
Discovery Communications, Inc.	1,281	55	4.3%	1,251	59	4.7%	1,104	60	5.5%	7,410	378	5.1%
Massachusetts												
Eversource Energy	1,426	44	3.1%	1,295	23	1.8%	1,221	-8	-0.7%	6,814	110	1.6%
Biogen Idec	3,387	25	0.7%	2,557	49	1.9%	1,953	86	4.4%	13,567	231	1.7%
Raytheon	2,506	24	1.0%	2,901	33	1.1%	2,651	39	1.5%	21,404	367	1.7%
Thermo Fisher Scientific	852	—	—	1,153	24	2.1%	915	5	0.6%	6,707	146	2.2%
Staples	463	2	0.5%	545	36	6.6%	881	36	4.1%	6,457	296	4.6%
State Street Corp.	1,105	80	7.2%	1,124	27	2.4%	1,517	30	2.0%	10,920	610	5.6%
TJX	3,102	197	6.4%	2,944	164	5.6%	2,747	163	5.9%	17,980	1,028	5.7%
Michigan												
DTE Energy	950	-4	-0.4%	1,275	24	1.9%	922	16	1.7%	7,645	167	2.2%
Kellogg	537	40	7.4%	521	34	6.5%	2,149	64	3.0%	8,991	242	2.7%
SpartanNash	100	3	2.9%	90	1	0.7%	2	0	23.2%	445	13	2.9%
CMS Energy	796	24	3.0%	727	24	3.3%	754	34	4.5%	4,845	179	3.7%
Minnesota												
Xcel Energy	1,527	2	0.2%	1,545	9	0.6%	1,432	8	0.5%	10,399	109	1.0%
General Mills	1,910	15	0.8%	1,682	16	1.0%	2,170	26	1.2%	15,563	268	1.7%
3M	4,424	74	1.7%	3,815	79	2.1%	3,194	75	2.4%	24,214	419	1.7%
UnitedHealth Group	10,231	281	2.7%	9,656	271	2.8%	8,915	237	2.7%	63,370	1,470	2.3%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Mosaic	676	7	1.1%	313	12	3.8%	208	-15	-7.3%	7,036	222	3.2%
Target	4,550	265	5.8%	3,392	116	3.4%	3,984	148	3.7%	33,203	1,116	3.4%
Hormel Foods	1,015	36	3.5%	891	30	3.3%	777	27	3.4%	5,713	205	3.6%
U.S. Bancorp	7,936	346	4.4%	7,833	331	4.2%	7,743	216	2.8%	51,419	2,088	4.1%
C.H. Robinson Worldwide	690	36	5.2%	642	31	4.8%	571	22	3.8%	5,127	220	4.3%
Best Buy	1,299	48	3.7%	1,129	51	4.5%	635	45	7.1%	10,158	456	4.5%
Missouri												
Ameren	942	-4	-0.4%	964	-37	-3.8%	823	19	2.3%	7,242	-1	-0.0%
Monsanto	2,217	61	2.8%	2,436	53	2.2%	2,385	38	1.6%	15,487	251	1.6%
Centene	713	22	3.0%	464	10	2.1%	268	5	1.8%	2,062	52	2.5%
Emerson Electric	2,921	106	3.6%	2,096	59	2.8%	1,724	60	3.5%	14,853	431	2.9%
O'Reilly Automotive	1,460	36	2.5%	1,222	35	2.8%	1,059	33	3.1%	6,988	206	2.9%
Express Scripts	3,793	93	2.4%	3,046	130	4.3%	3,057	185	6.0%	18,625	717	3.9%
H&R Block	512	-27	-5.3%	680	32	4.6%	751	33	4.4%	5,330	207	3.9%
Graybar Electric	143	8	5.6%	137	7	5.3%	128	7	5.5%	926	46	5.0%
Nebraska												
Union Pacific	7,656	199	2.6%	8,343	219	2.6%	7,048	186	2.6%	45,687	1,071	2.3%
ConAgra Foods	731	31	4.2%	919	24	2.6%	1,100	36	3.2%	7,403	202	2.7%
New Jersey												
Merck	2,247	130	5.8%	15,730	375	2.4%	3,513	-133	-3.8%	41,650	246	0.6%
Honeywell International	3,361	64	1.9%	3,340	21	0.6%	3,002	74	2.5%	16,778	258	1.5%
Campbell Soup	850	30	3.5%	995	28	2.8%	815	22	2.7%	7,465	185	2.5%
Automatic Data Processing	2,029	65	3.2%	1,895	31	1.7%	1,960	61	3.1%	14,786	388	2.6%
Wyndham Worldwide Corporation	745	28	3.8%	692	34	4.9%	561	20	3.6%	3,956	125	3.2%
Public Service Enterprise Group	2,680	84	3.2%	2,456	58	2.4%	2,055	42	2.0%	18,752	750	4.0%
Bed Bath & Beyond	1,327	38	2.9%	1,504	62	4.1%	1,613	61	3.8%	10,610	487	4.6%
Quest Diagnostics	1,048	26	2.5%	800	34	4.3%	1,295	58	4.5%	8,336	469	5.6%
New York												
Corning	426	20	4.7%	2,384	32	1.3%	1,274	12	0.9%	7,532	74	1.0%
MasterCard	3,397	38	1.1%	3,263	38	1.2%	2,996	30	1.0%	16,816	167	1.0%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Constellation Brands	599	—	—	482	7	1.4%	2,051	7	0.4%	5,656	65	1.2%
Loews	387	21	5.4%	1,317	12	0.9%	1,770	19	1.1%	11,185	130	1.2%
Time Warner	4,489	116	2.6%	4,616	—	—	4,912	—	—	31,544	496	1.6%
Twenty-First Century Fox	3,585	99	2.8%	9,808	88	0.9%	5,303	76	1.4%	40,432	710	1.8%
Interpublic Group	446	13	3.0%	372	7	1.8%	244	-15	-6.0%	2,419	59	2.4%
CBS	2,013	39	1.9%	1,790	—	—	2,518	66	2.6%	13,379	334	2.5%
Verizon Communications	24,643	803	3.3%	15,861	668	4.2%	12,483	201	1.6%	98,235	2,538	2.6%
Time Warner Cable	2,988	91	3.0%	3,248	74	2.3%	3,039	75	2.5%	21,517	591	2.7%
Phillips-Van Heusen	97	5	5.6%	36	1	4.2%	46	—	—	1,013	28	2.8%
Via com	2,047	58	2.8%	2,924	107	3.7%	3,040	6	0.2%	18,795	534	2.8%
Omnicom Group	742	25	3.4%	671	33	4.9%	567	24	4.2%	4,900	146	3.0%
American Express	6,759	332	4.9%	8,005	255	3.2%	6,431	273	4.3%	42,973	1,299	3.0%
International Business Machines	5,915	128	2.2%	7,509	541	7.2%	6,857	178	2.6%	66,753	2,025	3.0%
Consolidated Edison	1,798	38	2.1%	1,660	59	3.6%	1,538	151	9.8%	12,726	397	3.1%
L-3 Communications	482	1	0.1%	760	1	0.1%	890	34	3.9%	7,863	249	3.2%
PepsiCo	2,864	42	1.5%	2,572	190	7.4%	3,072	104	3.4%	27,277	883	3.2%
Cablevision Systems	343	15	4.3%	425	3	0.6%	193	-4	-1.9%	2,550	95	3.7%
CA	729	49	6.8%	737	36	4.9%	699	32	4.6%	6,002	269	4.5%
Goldman Sachs Group	3,443	-12	-0.3%	7,224	441	6.1%	6,895	449	6.5%	52,859	2,648	5.0%
Polo Ralph Lauren	275	-3	-1.1%	620	34	5.4%	710	45	6.4%	4,273	227	5.3%
Coach, Inc.	358	27	7.7%	361	36	10.0%	819	58	7.1%	6,650	357	5.4%
Henry Schein	563	29	5.2%	520	27	5.2%	494	26	5.2%	3,310	180	5.4%
J.P. Morgan Chase & Co.	22,962	547	2.4%	21,118	787	3.7%	12,458	-28	-0.2%	121,544	6,775	5.6%
ABM Industries	61	3	5.5%	118	8	6.9%	109	11	10.1%	754	58	7.7%
North Carolina												
Duke Energy	3,828	-12	-0.3%	3,600	56	1.6%	3,320	-37	-1.1%	19,889	122	0.6%
BB&T Corp.	2,909	99	3.4%	2,699	82	3.0%	2,912	100	3.4%	19,027	496	2.6%
VF	803	24	3.0%	631	28	4.4%	735	14	1.9%	5,125	169	3.3%
Sonic Automotive	145	6	4.4%	162	6	3.6%	129	6	4.4%	840	40	4.7%
Laboratory Corp. of America	600	38	6.3%	759	29	3.8%	844	28	3.3%	6,417	308	4.8%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Lowe's	4,419	248	5.6%	4,276	221	5.2%	3,673	203	5.5%	27,970	1,428	5.1%
North Dakota												
MDU Resources	182	6	3.2%	411	5	1.1%	415	4	1.0%	2,987	34	1.1%
Ohio												
American Electric Power	2,623	15	0.6%	2,490	25	1.0%	2,110	29	1.4%	17,214	44	0.3%
American Financial Group	649	8	1.2%	579	8	1.4%	659	5	0.8%	4,744	45	0.9%
Fifth Third Bancorp	2,263	55	2.4%	1,736	34	2.0%	2,318	23	1.0%	11,220	211	1.9%
Andersons	33	-1	-3.0%	161	5	3.3%	136	0	0.0%	813	17	2.1%
Kroger	3,094	20	0.7%	2,649	50	1.9%	2,282	36	1.6%	16,592	373	2.3%
FirstEnergy	893	30	3.4%	171	-72	-42.1%	570	70	12.3%	9,052	210	2.3%
J.M. Smucker	959	37	3.8%	501	17	3.4%	827	22	2.6%	5,606	156	2.8%
Procter & Gamble	8,788	224	2.5%	8,863	252	2.8%	9,005	237	2.6%	69,017	2,028	2.9%
Macy's	1,678	67	4.0%	2,390	88	3.7%	2,290	98	4.3%	12,699	384	3.0%
Parker Hannifin	673	23	3.4%	780	21	2.7%	1,198	38	3.2%	5,542	172	3.1%
Sherwin-Williams	1,549	60	3.9%	1,258	50	4.0%	1,086	33	3.0%	7,557	262	3.5%
Cardinal Health	2,050	68	3.3%	1,733	74	4.3%	1,665	44	2.7%	11,680	414	3.5%
Limited Brands	1,667	84	5.0%	1,484	62	4.1%	1,315	84	6.4%	9,324	378	4.1%
Big Lots	227	10	4.6%	222	12	5.5%	186	14	7.6%	2,199	100	4.6%
Oklahoma												
Devon Energy	1,855	-6	-0.3%	4,316	19	0.4%	1,779	-6	-0.3%	21,763	71	0.3%
Williams	80	-7	-8.8%	3,269	2	0.1%	728	7	1.0%	9,014	70	0.8%
Oneok	388	3	0.8%	471	3	0.7%	430	3	0.6%	4,012	36	0.9%
Oregon												
Precision Castparts	1,035	19	1.8%	2,154	42	1.9%	2,197	38	1.7%	12,705	276	2.2%
Nike	956	22	2.3%	1,967	42	2.1%	3,066	81	2.6%	10,650	371	3.5%
Pennsylvania												
PNC Financial Services Group	5,371	28	0.5%	5,336	63	1.2%	5,141	13	0.3%	33,197	244	0.7%
PPL	968	25	2.6%	1,157	30	2.6%	196	1	0.5%	7,199	93	1.3%
Air Products & Chemicals	739	11	1.5%	556	8	1.4%	429	—	—	4,186	68	1.6%
Wesco International	289	4	1.5%	327	6	1.9%	338	4	1.2%	2,132	39	1.8%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Airgas	527	13	2.5%	572	15	2.6%	539	17	3.1%	3,767	78	2.1%
Consol Energy	325	-5	-1.5%	183	7	4.0%	46	-11	-24.8%	3,644	94	2.6%
Hershey	1,358	44	3.2%	1,321	43	3.3%	1,252	40	3.2%	7,893	270	3.4%
AmerisourceBergen	61	31	51.0%	592	29	4.9%	793	30	3.8%	6,332	220	3.5%
Universal Health Services	1,035	31	3.0%	855	17	2.0%	819	25	3.1%	5,345	189	3.5%
Comcast	12,668	521	4.1%	12,090	128	1.1%	10,562	546	5.2%	67,346	2,467	3.7%
PPG Industries	823	22	2.7%	354	25	7.1%	519	14	2.7%	4,303	168	3.9%
Dick's Sporting Goods	531	26	4.9%	556	28	5.1%	546	23	4.2%	3,254	150	4.6%
UGI	419	31	7.3%	504	29	5.7%	345	23	6.8%	2,774	174	6.3%
Rhode Island												
CVS Caremark	8,616	533	6.2%	7,678	477	6.2%	7,528	426	5.7%	52,970	3,265	6.2%
United Natural Foods	227	14	6.0%	201	12	6.1%	167	13	7.8%	1,146	73	6.4%
South Carolina												
Scana	1,139	57	5.0%	786	-4	-0.5%	694	17	2.4%	5,366	91	1.7%
Tennessee												
International Paper	1,147	12	1.0%	565	9	1.6%	394	-95	-24.1%	4,914	-96	-2.0%
HCA Holdings	3,540	78	2.2%	2,322	79	3.4%	2,951	66	2.3%	19,493	377	1.9%
Eastman Chemical	618	22	3.6%	627	6	1.0%	1,437	30	2.1%	5,236	102	1.9%
Community Health Systems	310	7	2.3%	231	3	1.3%	230	3	1.5%	2,740	56	2.1%
AutoZone	1,677	34	2.0%	1,550	50	3.2%	1,486	35	2.4%	10,692	263	2.5%
FedEx	2,967	71	2.4%	2,433	93	3.8%	2,888	48	1.7%	17,460	483	2.8%
Tractor Supply Company	648	13	2.0%	588	22	3.7%	514	12	2.3%	3,117	91	2.9%
LifePoint Health	303	8	2.6%	203	1	0.7%	212	9	4.3%	1,916	56	2.9%
Dollar General	1,846	82	4.4%	1,676	80	4.8%	1,623	96	5.9%	9,573	417	4.4%
Texas												
Texas Instruments	3,218	—	—	2,684	—	—	1,507	—	—	16,412	25	0.2%
AT&T	19,025	72	0.4%	17,248	-63	-0.4%	19,174	-98	-0.5%	143,247	1,623	1.1%
Spectra Energy	372	13	3.5%	907	3	0.3%	938	4	0.4%	6,587	76	1.2%
Trinity Industries	1,241	17	1.4%	1,051	15	1.4%	571	12	2.1%	4,184	62	1.5%
Atmos Energy	511	7	1.4%	477	6	1.2%	373	8	2.2%	2,882	56	1.9%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Group 1 Automotive	250	5	1.9%	180	5	2.5%	182	4	2.0%	1,089	21	2.0%
Flowserve	217	4	1.7%	231	6	2.6%	231	6	2.5%	1,622	32	2.0%
Exxon Mobil	147	-12	-8.4%	9,080	-519	-5.7%	9,746	389	4.0%	62,145	1,663	2.7%
Southwest Airlines	3,479	114	3.3%	1,816	29	1.6%	1,209	44	3.6%	8,699	240	2.8%
Kimberly-Clark	451	50	11.0%	1,571	42	2.6%	1,764	101	5.7%	11,031	345	3.1%
GameStop	554	16	2.8%	559	17	3.0%	492	22	4.5%	4,299	135	3.1%
CVR Energy	254	15	5.7%	272	17	6.1%	554	22	3.9%	2,637	89	3.4%
Alliance Data Systems	834	50	6.0%	717	25	3.5%	564	31	5.4%	3,441	142	4.1%
Quanta Services	268	10	3.6%	296	9	3.1%	508	23	4.5%	2,346	98	4.2%
Waste Management	984	47	4.8%	1,864	60	3.2%	1,037	77	7.4%	11,061	513	4.6%
HollyFrontier	1,147	72	6.3%	422	40	9.5%	1,127	7	0.6%	7,412	346	4.7%
Whole Foods Market	882	74	8.4%	938	80	8.6%	882	67	7.6%	4,787	387	8.1%
Virginia												
Alliant Techsystems	265	0	0.1%	144	1	0.9%	510	6	1.2%	2,991	37	1.2%
Westrock	607	4	0.7%	665	13	1.9%	637	23	3.6%	3,117	61	1.9%
Norfolk Southern	2,442	59	2.4%	3,134	105	3.3%	2,965	91	3.1%	20,956	500	2.4%
Capital One Financial	6,364	207	3.3%	6,219	197	3.2%	5,517	194	3.5%	32,082	960	3.0%
Advance Auto Parts	701	31	4.4%	721	18	2.4%	591	22	3.8%	4,619	147	3.2%
NVR	603	32	5.3%	454	27	6.0%	419	27	6.4%	2,746	93	3.4%
Dominion Resources	2,820	74	2.6%	1,762	14	0.8%	2,681	110	4.1%	20,065	825	4.1%
CarMax	1,010	40	3.9%	969	38	4.0%	797	35	4.4%	5,308	222	4.2%
SAIC	183	10	5.6%	709	11	1.6%	176	5	2.8%	4,285	191	4.5%
Dollar Tree	446	12	2.8%	953	47	4.9%	953	44	4.6%	5,603	256	4.6%
Owens & Minor	167	11	6.8%	155	10	6.3%	192	10	5.4%	1,432	75	5.2%
Altria Group	8,078	451	5.6%	7,763	480	6.2%	6,929	423	6.1%	50,165	2,697	5.4%
Washington												
Paccar	1,640	61	3.7%	1,343	59	4.4%	870	21	2.4%	5,642	189	3.3%
Costco Wholesale	2,574	116	4.5%	2,145	92	4.3%	2,070	98	4.8%	14,518	686	4.7%
Nordstrom	996	29	3.0%	1,196	57	4.8%	1,189	60	5.0%	8,020	392	4.9%

State Income Taxes for 240 Major Corporations, 2008–2015, by Location of Headquarters (\$-millions)

Companies by State HQ	2015			2014			2013			Eight-Year Total		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Wisconsin												
Rockwell Automation	661	15	2.2%	607	5	0.8%	514	10	1.9%	3,285	14	0.4%
Joy Global	314	1	0.3%	294	6	2.0%	531	6	1.2%	3,540	65	1.8%
Harley-Davidson	1,116	37	3.3%	1,208	29	2.4%	1,027	20	2.0%	6,694	132	2.0%
Bemis	260	8	2.9%	255	11	4.4%	229	7	2.8%	1,713	54	3.2%
Kohl's	1,057	32	3.1%	1,349	35	2.6%	1,404	44	3.2%	12,025	405	3.4%
Fiserv	1,013	24	2.4%	1,007	37	3.7%	850	33	3.9%	6,527	252	3.9%

METHODOLOGY

This study represents an in-depth look at state (and local) corporate income taxes over the 2008-15 period. It is based on data collected for a March 2017 study of federal corporate tax payments published by the Institute on Taxation and Economic Policy, titled *The 35 Percent Corporate Tax Myth*. That report covered 258 large Fortune 500 corporations. This new state corporate report includes the 240 companies of those 258 that fully disclosed their state corporate income tax payments. Over the eight-year period, these 240 companies reported \$3.7 trillion in pretax U.S. profits, and, on average, paid state taxes on about half of that amount.

1. Choosing the Companies

Our report is based on corporate annual reports to shareholders and the similar 10-K forms that corporations are required to file with the Securities and Exchange Commission (SEC). We relied on electronic versions of these reports from the companies' web sites or from the SEC web site.

As we pursued our analysis, we gradually eliminated companies from the study based on two criteria: either (1) a company lost money in any one of the eight years; or (2) a company's report did not provide sufficient information for us to accurately calculate its domestic profits, current state income taxes, or both.

Some companies did not report data for all of the eight years between 2008 and 2015, either because their initial public offering occurred after 2008 or because they were spun off of parent companies after 2008. We included these companies in the sample only if they reported data for at least 6 of the 8 years.

2. Method of Calculation

Conceptually, our method for computing effective state corporate tax rates was straightforward. First, a company's domestic pretax profit was determined. (We excluded foreign profits since state income taxes do not apply to them.) We then determined a company's current state income taxes. Current taxes are those that a company is obligated to pay during the year; they do not include taxes "deferred" due to various "tax incentives." Finally, we divided current taxes by pretax profits to determine effective tax rates.

A. Issues in measuring profits

The pretax U.S. profits reported in the study are generally as the companies disclosed them.¹ In a few cases, if companies did not separate U.S. pretax profits from foreign, but foreign profits were obviously small, we made our

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¹For multinational companies, we are at the mercy of companies accurately allocating their pretax profits between U.S. and foreign in their annual reports. Hardly anyone but us cares about this geographic book allocation, yet fortunately for us, it appears that the great majority of companies were reasonably honest about it.

own geographic allocation, based on a geographic breakdown of operating profits minus a prorated share of any expenses not included therein (e.g., overhead or interest), or we estimated foreign profits based on reported foreign taxes or reported foreign revenues as a share of total worldwide profits.

Where significant, we adjusted reported pretax profits for several items to reduce distortions. In the second half of 2008, the U.S. financial system imploded, taking our economy down with it. By the fourth quarter of 2008, no one knew for sure how the federal government's financial rescue plan would work. Many banks predicted big future loan losses, and took big book write-offs for these pessimistic estimates. Commodity prices for things like oil and gas and metals plummeted, and many companies that owned such assets booked "impairment charges" for their supposed long-term decline in value. Companies that had acquired "goodwill" and other "intangible assets" from mergers calculated the estimated future returns on these assets, and if these were lower than their "carrying value" on their books, took big book "impairment charges." All of these book write-offs were non-cash and had no effect on either current income taxes or a company's cash flow.

As it turned out, the financial rescue plan, supplemented by the best parts of the economic stimulus program adopted in early 2009, succeeded in averting the Depression that many economists had worried could have happened. Commodity prices recovered, the stock market boomed, and corporate profits zoomed upward. But in one of the oddities of book accounting, the impairment charges could not be reversed.

Here is how we dealt with these extraordinary non-cash charges, plus "restructuring charges," that would otherwise distort annual reported book profits and effective tax rates:

1. Smoothing adjustments

Some of our adjustments simply reassign booked expenses to the year's that the expenses were actually incurred. These "smoothing" adjustments avoid aberrations in one year to the next.

- a. *"Provisions for loan losses"* by financial companies: Rather than using estimates of future losses, we generally replaced companies' projected future loan losses with actual loan charge-offs less recoveries. Over time, these two approaches converge, but using actual loan charge-offs is more accurate and avoids year-to-year distortions. Typically, financial companies provide sufficient information to allow this kind of adjustment to be allocated geographically.
- b. *"Restructuring charges"*: Sometimes companies announce a plan for future spending (such as the cost of laying off employees over the next few years) and will book a charge for the total expected cost in the year of the announcement. In cases where these restructuring charges were significant and distorted year-by-year income, we reallocated the costs to the year the money was actually spent (allocated geographically).

2. "Impairments"

Companies that booked "impairment" charges typically went to great lengths to assure investors and stock

analysts that these charges had no real effect on the companies' earnings. Some companies simply excluded impairment charges from the geographic allocation of their pretax income. For example, Conoco Phillips assigned its 2008 pretax profits to three geographic areas, "United States," "Foreign," and "Goodwill impairment," implying that the goodwill impairment charge, if it had any real existence at all, was not related to anything on this planet. In addition, many analysts have criticized these non-cash impairment charges as misleading, and even "a charade."² Here is how we treated "impairment charges":

- a. *Impairment charges for goodwill* (and intangible assets with indefinite lives) do not affect future book income, since they are not amortizable over time. We added these charges back to reported profits, allocating them geographically based on geographic information that companies supplied, or as a last resort by geographic revenue shares.
- b. *Impairment charges to assets* (tangible or intangible) that are depreciable or amortizable on the books will affect future book income somewhat (by reducing future book write-offs, and thus increasing future book profits). But big impairment charges still hugely distort current year book profit. So as a general rule, we also added these back to reported profits if the charges were significant.
- c. *Caveat: Impairment charges to asset held for sale soon were not added back.* All significant adjustments to profits made in the study are reported in the company-by-company notes to *The 35 Percent Corporate Tax Myth*, which is available at www.ctj.org or www.itep.org.

B. Issues in measuring state income taxes.

The primary source for current state income taxes was the companies' income tax notes to their financial statements. From reported current taxes, we subtracted "excess tax benefits" from stock options (if any), which reduced companies' tax payments but which are not reported as a reduction in current taxes, but are instead reported separately (typically in companies' cash-flow statements). We divided the tax benefits from stock options between federal and state taxes based on the relative statutory tax rates (using a national average for the states).

1. Negative Tax Rates

A "negative" effective tax rate means that a company enjoyed a tax rebate, usually obtained by carrying back excess tax deductions and/or credits to an earlier year and receiving a tax refund check.

2. Note

Companies do not provide information on their state income taxes on a state-by-state basis. As a result, the figures in our report show only the companies' nationwide state income taxes.

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² One article describes goodwill impairment charges as "a ludicrous charade" "which everyone and their brothers and sisters dismiss as merely the result of an arbitrary recalculation of an arbitrary calculation." <http://accountingonion.typepad.com/theaccountingonion/2010/01/goodwill-impairment-i-love-a-charade-reposted.html>