



Nevada

Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
17	39	7	40	7	46

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

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