



New Jersey

Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank
49	44	48	35	43	50

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

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 The state repealed the estate tax but continues to levy the inheritance tax.

Corporations face a top marginal tax rate of 11.5 percent, taking into account a surtax on large businesses known as the Corporate Transit Fee. Recently, however, New Jersey has largely removed global intangible low-taxed income (GILTI) from its tax base, and tangible personal property is exempt from property taxation. Additionally, the state conforms to the federal limitation of 80 percent net operating loss carry-forwards but fails to conform to the unlimited recovery period included in the federal law.