



# STATE TAX ADVISORS WHITE PAPER: FIVE STATES THAT DO NOT HAVE A SALES TAX

## SUMMARY

Almost every state in the country has a sales tax, with rates ranging from 8.75% in California\* to 4% in Hawaii.\*\* Most states also allow local counties, cities, and municipalities to add on their own separate sales taxes to the state rate.

There are only five state that do not have a sales tax:

- **New Hampshire**
- **Oregon**
- **Montana**
- **Alaska**
- **Delaware**

Although Alaska does not have a state sales tax, it does allow localities to impose sales taxes, which range from 1% to 7%.

Delaware does not have a sales tax, but does impose gross receipts tax on businesses that can be as high as 2.07% of the total receipts from goods sold and services rendered in the state. This tax is general not passed on to the consumer.

For more information on states without a sales tax, please contact [State Tax Advisors](#).

\*The California (CA) state sales tax rate is currently 6.5%/ However, California adds a mandatory local rate of 1% that increases the total state sales and use tax base to 7.5% Depending on local municipalities, the total tax rate can be as high as 10.0%

\*\* The Hawaii (HI) state sales tax rate is currently 4.0%. Depending on local municipalities, the total tax rate can be as high as 4.5%