Surrounding State Tax Rate Comparisons

Information as of January 1, 2026

	State						
	IA	MO	NE	SD	MN	WI	IL
Sales Tax	6.000%	4.225%	5.500%	4.200%	6.875%	5.000%	6.250%
Fuel Tax Per Gallon							
Gasoline	$ 0.300	$ 0.295	$ 0.318	$ 0.280	$ 0.326	$ 0.309	$ 0.653
Diesel	0.325	0.295	0.318	0.280	0.326	0.309	0.738
Ethanol	0.300	0.295	0.318	0.140	0.326	0.309	0.653
Biodiesel	0.325	0.295	0.318	0.280	0.326	0.309	0.738
Personal Income Tax							
Top Rate	3.80%	4.70%	4.55%	NA	9.85%	7.65%	4.95%
Deductible % of Fed. Taxes	0.00%	100.00%	0.00%	NA	0.00%	0.00%	0.00%
Top Bracket							
Individual	NA	$ 9,436	$ 35,730	NA	$ 203,151	$ 332,720	$ 0
Joint (If Applicable)	NA	$ 9,436	71,460	NA	337,931	443,630	$ 0
Corporate Income Tax							
Top Rate	7.10%	4.00%	4.55%	NA	9.80%	7.90%	9.50%
Deductible % of Fed. Taxes	0.00%	50.00%	0.00%	NA	0.00%	0.00%	0.00%
Top Bracket	$ 100,000	$ 0	$ 0	NA	$ 0	$ 0	$ 0
Cigarette Tax/Pack	$ 1.36	$ 0.17	$ 0.64	$ 1.53	$ 3.88	$ 2.52	$ 2.98

Notes:

1) Sales tax rates include only statewide sales taxes. Local option taxes may be in addition to the rates presented here. The Iowa rate increased from 5.000% to 6.000%, effective July 1, 2008, when a 1.000% local sales tax for school infrastructure was incorporated into the State sales tax rate.

2) Fuel tax rates do not include inspection fees, environmental surcharges, local option taxes, and sales taxes (if applicable).

3) The Iowa ethanol tax rate equals $0.300 for ethanol blends of at least E-10 but less than E-15, and $0.265 for E-15 and higher blends. The Iowa Biodiesel B-20 or higher tax rate is $0.295 per gallon.

4) In Missouri, personal income tax federal deductibility is capped at $10,000 for joint returns and $5,000 for single returns.

5) Illinois counties and cities may impose an additional tax of $0.10 to $4.18 per pack of cigarettes. Missouri allows counties and cities to levy an additional tax of $0.04 to $0.07 per pack but no longer allows local cigarette tax increases.

6) In Minnesota, a corporate tax surcharge of 5.8% may apply to alternative minimum taxable income. Minnesota also imposes a surtax of up to $12,830.

Source: Federation of Tax Administrators

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