FREE REFERENCE

Small business tax report 2026

In 2026, a single worker earning $60,000 keeps between $45,550 and $50,390 after tax, depending on the state. A self-employed owner with $100,000 of profit pays from $22,365 to $29,667 in total tax. We ran every state through our 2026 tax engine to rank them.

QUICK FACTS

- **Pay gap.** $4,840 a year separates the best and worst state for a $60,000 salary
- **Owners.** Up to $7,302 more tax on the same $100,000 of profit, by state
- **Small businesses.** 36,207,130 US small businesses employ 45.9% of private-sector workers (SBA)

How much of a $60,000 salary do you keep in each state?

We took a single filer earning $60,000, paid every two weeks with no pre-tax deductions, and worked out federal income tax withholding, Social Security, Medicare, state income tax and state payroll programs such as disability and paid leave insurance, using 2026 rates. Local taxes are left out so states compare fairly.

RANK	STATE	TAKE-HOME ON $60,000	KEPT
1	Florida	$50,390	84.0%
2	Nevada	$50,390	84.0%
3	New Hampshire	$50,390	84.0%
4	North Dakota	$50,390	84.0%
5	South Dakota	$50,390	84.0%
6	Tennessee	$50,390	84.0%
7	Texas	$50,390	84.0%
8	Wyoming	$50,390	84.0%
9	Alaska	$50,119	83.5%

General information, not tax advice for your situation.

RANK	STATE	TAKE-HOME ON $60,000	KEPT
10	Washington	$49,558	82.6%
11	Ohio	$49,522	82.5%
12	Arizona	$49,099	81.8%
13	Louisiana	$48,976	81.6%
14	Vermont	$48,814	81.4%
15	Iowa	$48,762	81.3%
16	New Mexico	$48,736	81.2%
17	Mississippi	$48,722	81.2%
18	Indiana	$48,650	81.1%
19	Nebraska	$48,540	80.9%
20	Wisconsin	$48,531	80.9%
21	Missouri	$48,507	80.8%
22	Pennsylvania	$48,506	80.8%
23	North Carolina	$48,505	80.8%
24	West Virginia	$48,425	80.7%
25	Kentucky	$48,408	80.7%
26	Montana	$48,327	80.5%
27	Idaho	$48,318	80.5%
28	Arkansas	$48,263	80.4%
29	Oklahoma	$48,236	80.4%
30	New Jersey	$48,198	80.3%
31	Colorado	$48,194	80.3%
32	Utah	$48,113	80.2%
33	Rhode Island	$48,097	80.2%
34	Michigan	$48,091	80.2%
35	California	$47,961	79.9%
36	South Carolina	$47,947	79.9%

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RANK	STATE	TAKE-HOME ON $60,000	KEPT
37	District of Columbia	$47,936	79.9%
38	Alabama	$47,906	79.8%
39	Maryland	$47,904	79.8%
40	Georgia	$47,899	79.8%
41	Kansas	$47,842	79.7%
42	Virginia	$47,754	79.6%
43	Minnesota	$47,569	79.3%
44	Illinois	$47,565	79.3%
45	Connecticut	$47,540	79.2%
46	Maine	$47,522	79.2%
47	Delaware	$47,497	79.2%
48	New York	$47,457	79.1%
49	Massachusetts	$47,334	78.9%
50	Hawaii	$47,060	78.4%
51	Oregon	$45,550	75.9%

The nine states with no wage tax lead the list. Oregon comes last, where state income tax and payroll programs take the most from the same paycheck. Check your own pay with the paycheck calculator for your state.

How much tax does a self-employed owner pay on $100,000?

For a single sole proprietor with $100,000 of net profit and no other income, we added 15.3% self-employment tax, federal income tax after the standard deduction and the 20% QBI deduction, and state income tax.

RANK	STATE	TOTAL TAX ON $100,000 PROFIT	FEDERAL AND SE TAX	STATE TAX	EFFECTIVE RATE
1	Alaska	$22,365	$22,365	$0	22.4%
2	Florida	$22,365	$22,365	$0	22.4%
3	Nevada	$22,365	$22,365	$0	22.4%
4	New Hampshire	$22,365	$22,365	$0	22.4%

General information, not tax advice for your situation.

RANK	STATE	TOTAL TAX ON $100,000 PROFIT	FEDERAL AND SE TAX	STATE TAX	EFFECTIVE RATE
5	South Dakota	$22,365	$22,365	$0	22.4%
6	Tennessee	$22,365	$22,365	$0	22.4%
7	Texas	$22,365	$22,365	$0	22.4%
8	Washington	$22,365	$22,365	$0	22.4%
9	Wyoming	$22,365	$22,365	$0	22.4%
10	North Dakota	$22,918	$22,365	$553	22.9%
11	Ohio	$24,138	$22,365	$1,773	24.1%
12	Arizona	$24,479	$22,365	$2,115	24.5%
13	Louisiana	$24,766	$22,365	$2,402	24.8%
14	Indiana	$25,077	$22,365	$2,712	25.1%
15	Pennsylvania	$25,218	$22,365	$2,853	25.2%
16	Rhode Island	$25,233	$22,365	$2,868	25.2%
17	Iowa	$25,244	$22,365	$2,880	25.2%
18	Mississippi	$25,350	$22,365	$2,985	25.3%
19	Kentucky	$25,500	$22,365	$3,135	25.5%
20	North Carolina	$25,564	$22,365	$3,199	25.6%
21	New Mexico	$25,587	$22,365	$3,223	25.6%
22	Nebraska	$25,714	$22,365	$3,349	25.7%
23	Colorado	$25,745	$22,365	$3,381	25.7%
24	Arkansas	$25,776	$22,365	$3,412	25.8%
25	Missouri	$25,795	$22,365	$3,431	25.8%
26	West Virginia	$25,909	$22,365	$3,545	25.9%
27	Wisconsin	$25,910	$22,365	$3,545	25.9%
28	Oklahoma	$26,001	$22,365	$3,637	26.0%
29	Vermont	$26,038	$22,365	$3,674	26.0%
30	Michigan	$26,064	$22,365	$3,699	26.1%
31	New Jersey	$26,096	$22,365	$3,732	26.1%

General information, not tax advice for your situation.

RANK	STATE	TOTAL TAX ON $100,000 PROFIT	FEDERAL AND SE TAX	STATE TAX	EFFECTIVE RATE
32	Idaho	$26,182	$22,365	$3,817	26.2%
33	Montana	$26,254	$22,365	$3,890	26.3%
34	Alabama	$26,335	$22,365	$3,970	26.3%
35	Maryland	$26,415	$22,365	$4,051	26.4%
36	Utah	$26,547	$22,365	$4,182	26.5%
37	Georgia	$26,565	$22,365	$4,201	26.6%
38	Connecticut	$26,726	$22,365	$4,361	26.7%
39	Kansas	$26,751	$22,365	$4,386	26.8%
40	California	$26,778	$22,365	$4,413	26.8%
41	South Carolina	$26,784	$22,365	$4,419	26.8%
42	Massachusetts	$26,791	$22,365	$4,427	26.8%
43	New York	$26,807	$22,365	$4,443	26.8%
44	Illinois	$26,820	$22,365	$4,456	26.8%
45	Virginia	$26,894	$22,365	$4,530	26.9%
46	Delaware	$27,157	$22,365	$4,793	27.2%
47	Minnesota	$27,161	$22,365	$4,796	27.2%
48	District of Columbia	$27,296	$22,365	$4,931	27.3%
49	Maine	$27,514	$22,365	$5,149	27.5%
50	Hawaii	$27,897	$22,365	$5,533	27.9%
51	Oregon	$29,667	$22,365	$7,302	29.7%

Self-employment tax is the same everywhere, about $14,130, and it's the biggest single bill for most owners. That's why the S-Corp election matters more than the state you live in for many of them. Run your own numbers with the LLC tax calculator.

How many small businesses are there?

According to the SBA Office of Advocacy's 2026 figures:

- There are 36,207,130 small businesses in the United States.
- They employ 62.3 million people, 45.9% of private-sector workers.

- 82.3% of them, 29,811,495 firms, have no employees. The other 6,395,635 have a payroll.

Most of those owners file a Schedule C or a pass-through return, which is why self-employment tax, the QBI deduction and quarterly estimates shape so many small business tax bills.

How did we do this?

Every figure comes from the same engine as our free calculators: IRS 2026 brackets and withholding tables (Rev. Proc. 2025-32 and Publication 15-T), state income tax brackets, deductions and exemptions as of January 1, 2026 (Tax Foundation), and 2026 state payroll program rates. It's an estimate for typical cases, not tax advice. Download the full tables in Excel, or contact us to use the data in your story. Please credit and link to Eminent Tax.

Common questions

Which state lets you keep the most of your paycheck?
Florida, along with the other states that don't tax wages. A single filer keeps about $50,390 of $60,000.

Which state takes the most from a $60,000 paycheck?
Oregon, where a single filer keeps about $45,550, before any local tax.

How much tax does a self-employed person pay on $100,000?
Between $22,365 and $29,667 in 2026, depending on the state, including about $14,130 of self-employment tax.

Can I use this data in an article?
Yes. Please credit Eminent Tax and link to this page. Contact us for the full tables.

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