FREE REFERENCE

Oklahoma business taxes, explained for 2026

Small businesses in Oklahoma register with the state revenue agency for income tax withholding and sales tax, and with the Oklahoma Employment Security Commission for unemployment tax. Oklahoma has income tax rates from 2.5% to 4.5%, a 4.5% state sales tax and a $25,000 unemployment wage base for 2026.

QUICK FACTS

- **Income tax.** Income tax rates from 2.5% to 4.5% for 2026
- **Sales tax.** 4.5% state rate, about 9.06% combined with local
- **Unemployment.** Employers pay Oklahoma unemployment tax on the first $25,000 of each worker's 2026 wages

What taxes does a small business pay in Oklahoma?

Most Oklahoma businesses deal with four: federal and state payroll taxes once they hire, sales tax if they sell taxable items, income tax on profit, and the state's annual report or franchise filing for an LLC or corporation, filed with the Secretary of State.

How do I register for payroll taxes in Oklahoma?

Before your first payroll in Oklahoma:

1. Get a federal EIN and enroll in EFTPS for federal deposits.
2. Open a Oklahoma withholding account with the Oklahoma revenue agency, so you can withhold and pay state income tax.
3. Register for unemployment insurance with the Oklahoma Employment Security Commission. For 2026, the tax applies to the first $25,000 of each employee's wages, at a rate the state sets for new employers and then adjusts to your history.
4. Report each new hire to Oklahoma's new hire registry, usually within 20 days.

Our state payroll registration guide explains each step, and our payroll service handles it for you.

General information, not tax advice for your situation.

Do I need a Oklahoma sales tax permit?

If you sell taxable goods or services in Oklahoma, yes. Register with the Oklahoma revenue agency before your first taxable sale. Out-of-state sellers need one once they pass Oklahoma's economic nexus threshold.

SALES TAX IN OKLAHOMA, MIDYEAR 2026	RATE
State rate	4.5%
Average local rate	4.56%
Average combined rate	9.06%
Highest local rate	7%

The state sets how often you file. Our sales tax permit guide covers what to have ready, and the sales tax calculator adds tax to a price.

How does Oklahoma tax business owners?

Profit from a sole proprietorship, LLC, partnership or S-Corp passes through to the owners, who pay Oklahoma income tax on it at the personal rates: income tax rates from 2.5% to 4.5%. Oklahoma allows a standard deduction of $6,350 single and $12,700 joint, a personal exemption of $1,000 single and $2,000 joint and $1,000 for each dependent.

Estimate yours with the Oklahoma income tax calculator.

Where are Oklahoma's tax forms and refund status?

- Oklahoma tax forms
- Oklahoma revenue agency
- Oklahoma refund status
- Oklahoma Employment Security Commission

Every state's links are on our state tax forms page.

Which calculators work for Oklahoma?

- Oklahoma paycheck calculator: take-home pay after every deduction
- Oklahoma income tax calculator: your 2026 state income tax
- Payroll cost calculator: what a hire costs you, with Oklahoma unemployment

Common questions

Do I need a sales tax permit in Oklahoma?
Yes, if you sell taxable goods or services there. Register with the Oklahoma revenue agency before your first taxable sale.

What is the Oklahoma unemployment wage base for 2026?

$25,000. Employers pay Oklahoma unemployment tax on that much of each employee's wages, at a rate the state assigns.

Does Oklahoma have a state income tax?

Yes. Oklahoma has income tax rates from 2.5% to 4.5% for 2026.

Who runs payroll taxes in Oklahoma?

The Oklahoma revenue agency handles income tax withholding, and the Oklahoma Employment Security Commission handles unemployment tax.

Want payroll handled?

We set it up, run it and file the returns. Book a free 30-minute call at eminenttax.com/contact or call (972) 347-4590.

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