

### How Vendor's Compensation Is Calculated

<b>Sale amount</b>	<b>25,000.00</b>
<b>G.F. Tax - 3.97%</b>	<b>992.50</b>
<b>TPD Tax - .03%</b>	<b>7.50</b>
<b>Total Gross Tax</b>	<b>1,000.00</b>
<b>G.F. VC - 1.1 % of tax amt</b>	<b>10.92</b>
<b>TPD VC - 1.1 % of tax amt</b>	<b>0.08</b>
<b>Total Vendor's Comp.</b>	<b>11.00</b>
<b>Net to GF</b>	<b>981.58</b>
<b>Net to TPD</b>	<b>7.42</b>
<b>Total Net Tax Before Dedication</b>	<b>989.00</b>
<b>Dedication - 37% of vendor's comp. (R.S. 47:318)</b>	<b>4.07</b>
<b>Net after additional dedication</b>	<b>984.93</b>
<b>VC Rate + dedication rate</b>	<b>1.51%</b>

**States With Limits on Amounts of Vendor's Compensation**

State	Sales Tax Rate (%)	VC rate	VC Limit	Tax Foundation Rank
Alabama	4	5% on first \$100, then 2%	max. \$400 month	41
Arizona	6.6	1%	max. \$10,000 per year	50
Arkansas	6	2%	max. \$1,000 per month	38
Florida	6	2.50%	max. \$30 per report	19
Kentucky	6	1.75% on first \$1,000, then 1%	max. \$1,500 per period	8
Maryland	6	1.2% to the first \$6,000 per year, then 0.9%	max. \$500 per return	9
Mississippi	7	2%	max. \$50 per month	28
Nebraska	5.5	2.50%	max. \$75 per month	27
New York	4	5%	max. \$200 per quarter	37
North Dakota	5	1.50%	max. \$85 per month	15
Oklahoma	4.5	1%	max. \$2,500 per month	39
S. Carolina	6	3% on first \$100, then 2%	max. \$3,100 per year	20
Virginia	4	1.2% (1.6% for food) of the first \$62,500, 0.92% (1.2% for food) to \$208,000, and 0.6% (0.8% for food) on the remainder	no discount for electronically filed returns	6

**States With No Limits on Amounts of Vendor's Compensation**

State	Sales Tax Rate (%)	VC rate	Tax Foundation Rank
Colorado	2.90%	2.22%	44
Georgia	4	3% on first \$3,000, then 0.5%	12
Illinois	6.25	2%	33
Indiana	7	0.73%, if tax liability less than \$60,000; 0.53% if tax between \$60,000 and \$600,000; and 0.26% if tax over \$600,000. No discount for utilities.	11
Michigan	6	0.5%, only on the first 4% of the tax. A 0.75% discount if paid by 7th of the month.	7
Missouri	4.225%	2%	26
Mississippi	7	2%	28
Nevada	6.85	0.25%	42
Ohio	5.5	1%	29
Pennsylvania	6	1.00%	21
Texas	6.25%	0.5%, with an additional discount of 1.25% for early payment	35
Utah	4.70%	1.31%	22
Wisconsin	5	0.50%	16