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For Immediate Release:

Vertex Report Shows Modest Declines in Combined Average Sales Tax Rate and Number of Rate Changes

Average U.S. combined sales and use tax rate and number of changes begin to recede from record highs

Berwyn, PA – January 30, 2012 – The number of sales tax rate changes across the U.S. showed modest decline in 2011, as did the combined average sales tax rate, this according to annual [Sales Tax Rate Report](#) from [Vertex Inc.](#), the leading provider of corporate enterprise tax solutions.

The number of rate changes at the state, county, city, and district level declined to 459 in 2011, compared to 555 in 2010, 707 in 2009 and a record 797 in 2008. Of the 459 changes, 232 were tax increases, 175 were new taxes and 52 were decreases.

The combined average sales tax rate, which includes U.S. state, county, local and special purpose tax districts, totaled 9.60 percent for the full-year 2011, compared to a record 9.64 percent in 2010.

“The leveling of both the number of rate changes and the average combined rate in 2011 can be attributed to a number of factors,” said John Minassian, Chief Sales & Use Tax Officer for Vertex. “Specifically, it may reflect a modest improvement in the overall economy, or that governments have exhausted the amount of revenue that can be generated through new and increased sales tax rates.”

“Looking ahead, we expect the number of rate changes and combined average rate to remain level in the coming year,” said Minassian. “While this may spell some relief for consumers, tracking and managing sales tax rates across the over 9,600 taxing jurisdictions in the U.S. will remain challenging at a corporate level.”

Minassian offers additional insights on this year’s report via a video interview at: <http://bit.ly/wIJBVW>

The average state-level sales tax rate declined slightly in 2011 to 5.49 percent compared to 5.52 percent in 2010. The states of Indiana, Mississippi, New Jersey, Rhode Island and Tennessee have the highest sales tax rate at 7.00 percent.



During 2011 three states changed their rates:

- California decreased its rate to 6.25 percent from 7.25 percent
- North Carolina decreased its rate to 4.75 percent from 5.75 percent
- Connecticut is the only state that raised its rate for the year to 6.35 percent from 6.00 percent

The average county tax rate for the full year declined slightly to 1.53 percent, compared to 1.54 percent in 2010. The average city rate increased slightly in 2011 to 1.67 percent, compared to 1.66 percent in 2010.

Additional highlights from Vertex's 2011 Sales Tax Rate Report:

- The highest city sales tax rate in 2011 was Wrangell, Alaska, at 7.00 percent
- The highest combined sales tax rate of 13.725 percent is found in Tuba City (including the surrounding areas that are in the To'Nanees 'Dizi Local Government), Coconino County, Arizona
- Since 2003 there have been 2,109 **new** sales and use taxes, an average of 234 per year, and 3,757 sales and use tax changes, an average of 417 changes per year

For a copy of the 2011 Vertex Sales Tax Rate Report visit: <http://bit.ly/xH8emp>

About Vertex

Founded in 1978, [Vertex Inc.](#) is the leading provider of corporate enterprise tax software and services worldwide.

Vertex helps companies realize the full financial and strategic potential of corporate tax, offering a variety of solutions that streamline, integrate and automate corporate tax processes. Vertex solutions serve multinational corporations in every major line of business tax including; income, sales, consumer use, value added, communications and payroll.

The company's offerings are showcased by [Vertex® Enterprise](#), a data-driven, open-architecture approach to tax technology that integrates all direct and indirect tax processes and technologies with host financial system applications on a single platform. The result is increased efficiency, control, transparency and strategic decision making for Tax and Finance departments.

Vertex is a privately held company that employs over 700 professionals across the globe, at its headquarters in the U.S. (Berwyn, Pa.) and offices in Europe (London), Brazil (São Paulo), Dallas, Fort Collins, Naperville, Phoenix and Sarasota.

For more information about Vertex, visit www.vertexinc.com

For more information on **Vertex® Enterprise** visit www.vertexinc.com/enterprise

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