

Texas January 1, 2020 Nexus Changes

February 3, 2020

Tax Rates, Thresholds and Deduction Limits

Franchise tax rates, **thresholds** and deduction limits vary by report year. Use the rate that corresponds to the year for which you are filing.

2020 and 2021	
Item	Amount
No Tax Due Threshold	\$1,180,000
Tax Rate (retail or wholesale)	0.375%
Tax Rate (other than retail or wholesale)	0.75%
Compensation Deduction Limit	\$390,000
EZ Computation Total Revenue Threshold	\$20 million
EZ Computation Rate	0.331%

Tax Rates, Thresholds and Deduction Limits for Prior Years

2018 and 2019	
Item	Amount
No Tax Due Threshold	\$1,130,000
Tax Rate (retail or wholesale)	0.375%
Tax Rate (other than retail or wholesale)	0.75%
Compensation Deduction Limit	\$370,000
EZ Computation Total Revenue Threshold	\$20 million
EZ Computation Rate	0.331%

<https://comptroller.texas.gov/taxes/franchise/>