

BUSINESS COST COMPARISON - SOUTH										
Taxes & Factors	INDIANA	ALABAMA	ARKANSAS	FLORIDA	GEORGIA	LOUISIANA	MISSISSIPPI	OKLAHOMA	TENNESSEE	TEXAS
Corporate Income Tax Rate	4.9%	6.5%	1% - 5.3%	5.5%	5.75%	3.5% - 7.5%	4.0% - 5.0%	4.0%	6.5%	None
State Apportionment of Corporate Income	Single Sales Factor	Single Sales Factor	Single Sales Factor	Sales, Property, & Payroll with Sales Double-Weighted	Single Sales Factor	Single Sales Factor	Based on type of business. Single Sales Factor used if no specific formula is specified.	Sales, Property, & Payroll Equally Weighted	Sales, Property, & Payroll with Sales Triple-Weighted	No State Income Tax
Gross Receipts Tax	None	None	None	None	None	None	None	None	0.02%-0.3%	0.331% -0.750%
Individual Income Tax Rate	3.15%	2% - 5%	2% - 4.9%	None	1% - 5.75%	1.85% - 4.25%	5.0%	0.5% - 5.0%	None	None
Local Average Individual Income Tax Rate ^(a)	1.76%	0.5%	None	None	None	None	None	None	None	None
Sales Tax Rate	7.0%	4.0%	6.5%	6.0%	4.0%	4.45%	7.0%	4.5%	7.0%	6.25%
Local Average Sales Tax Rate ^(b)	None	5.24%	2.97%	1.01%	3.37%	5.10%	0.07%	4.49%	2.55%	1.95%
2023 Tax Foundation Property Tax Index Rank	2	18	27	12	28	23	37	30	33	38
Inventory Tax	No	No	Yes	No	Partial	Yes	Yes	Yes	No	Yes
Unemployment Insurance Tax - New Employer ^(c)	\$238	\$216	217	191	\$257	220	\$196	386	\$189	\$243
Workers' Compensation Premium Rate Rank	4	32	3	24	21	47	13	35	18	9
Workers' Compensation Premium Rate Index (Per \$100 of Payroll)	\$0.77	\$1.38	\$0.65	\$1.26	\$1.15	\$2.13	\$0.98	\$1.41	\$1.03	\$0.88
Mean Hourly Wage ^(d)	\$26.65	\$25.81	\$24.86	\$28.93	\$30.39	\$26.03	\$21.32	\$24.44	\$28.76	\$32.26
Cost of Living Index	95.6	93	90.6	101.3	93.4	97.2	88.4	93.3	92.3	96.4
Right To Work	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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State Rankings	INDIANA	ALABAMA	ARKANSAS	FLORIDA	GEORGIA	LOUISIANA	MISSISSIPPI	OKLAHOMA	TENNESSEE	TEXAS
CNBC <i>America's Top States for Business 2022 - Infrastructure</i>	1	38	30	13	11	48	46	26	8	14
CNBC <i>America's Top States for Business 2022 - Cost of Doing Business</i>	2	24	13	30	38	5	17	2	8	12
Site Selection <i>Prosperity Cup Top 10 - 2022</i>	4 (tie)	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	4 (tie)	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	3	2
Area Development <i>2022 Top States for Doing Business - Logistics & Infrastructure</i>	5	Not Ranked in Top 10	Not Ranked in Top 10	10	1	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	7	3 (tie)
Area Development <i>2022 Top States for Doing Business - Favorable Regulatory Environment</i>	6	3 (tie)	Not Ranked in Top 10	8	2	10 (tie)	10 (tie)	Not Ranked in Top 10	3 (tie)	7
Chief Executive <i>2022 Best & Worst States for Business</i>	6	34	30	2	11	26	38	22	3	1
US News & World Report <i>2021 Best States - Affordability</i>	6	18	7	31	13	20	10	2	17	22
Tax Foundation <i>2023 State Business Tax Climate Index</i>	9	41	40	4	32	39	30	23	14	13
S&P Global State Credit Rating <i>General Obligation or ICR</i>	AAA	AA	AA	AAA	AAA	AA-	AA	AA	AAA	AAA

(a) The effective local income tax rate is calculated by taking the mean of the income tax rate in the most populous city and the capital city.

(b) City, county and municipal rates vary. These rates are weighted by population to compute an average local tax rate.

(c) Highest new employer (non-construction/mining) rate multiplied by highest new employer wage base

(d) QCEW 2020 - Statewide, Total-all industries, Private, All establishment sizes, Average Annual Pay/2080

Source: Tax Foundation (12/2022). Federation of Tax Administrators (State Apportionment of Corporate Income, 1/2022). Oregon Dept. of Consumer & Business Services (Oregon Workers' Compensation Premium Rate Ranking, 10/2022). Various state unemployment insurance agencies. ADP 2022 FastFacts. Bureau of Labor Statistics - Quarterly Census of Employment & Wages (9/2021). C2ER 2021 State Index. National Right To Work Legal Defense Foundation. Area Development (9/2022). Chief Executive (4/2022). CNBC (7/2022). Forbes (12/2019). Site Selection Magazine (5/2022). Small Business & Entrepreneurship Council (5/2019). S&P Global Rating (1/2023). US News (3/2021).