



## BUSINESS COST COMPARISON - WEST

Taxes & Factors	INDIANA	ARIZONA	CALIFORNIA	COLORADO	IDAHO	NEW MEXICO	OREGON	WASHINGTON
<b>Corporate Income Tax Rate (a)</b>	4.9%	4.9%	8.84%	4.55%	6.5%	4.8% - 5.9%	6.6% - 7.6%	None
<b>State Apportionment of Corporate Income</b>	Single Sales Factor	Single Sales Factor / Sales, Property, & Payroll with Sales Double-Weighted	Single Sales Factor	Single Sales Factor	Sales, Property, & Payroll with Sales Double-Weighted	Sales / Sales, Property, & Payroll Equally Weighted	Single Sales Factor	No State Income Tax
<b>Gross Receipts Tax</b>	None	None	Applies to LLCs only	None	None	None	0.57% over \$1 Million plus \$250	.13% - 3.3%
<b>Individual Income Tax Rate</b>	3.23%	2.59% - 4.5%	1% - 13.3%	4.55%	1.0%-6.5%	1.7% - 5.9%	4.75% - 9.9%	None
<b>Local Average Individual Income Tax Rate (b)</b>	1.56%	None	None	None	None	None	0.37%	None
<b>Sales Tax Rate</b>	7.0%	5.6%	7.25%	2.9%	6.0%	5.125%	None	6.5%
<b>Local Average Sales Tax Rate (c)</b>	None	2.80%	1.41%	4.75%	0.03%	2.69%	None	2.71%
<b>2021 Tax Foundation Property Tax Index Rank</b>	2	11	14	32	3	1	16	18
<b>Inventory Tax</b>	No	No	No	No	No	No	No	No
<b>Unemployment Insurance Tax - New Employer (d)</b>	\$238	\$140	\$238	\$231	\$430	\$270	\$1139	\$565 to \$3051
<b>Workers' Compensation Premium Rate Rank</b>	3	9	48	19	33	23	7	30
<b>Workers' Compensation Premium Rate Index (Per \$100 of Payroll)</b>	\$0.77	\$1.05	\$2.16	\$1.25	\$1.56	\$1.34	\$1.00	\$1.53
<b>Mean Hourly Wage (e)</b>	\$23.57	\$25.73	\$34.20	\$29.98	\$21.29	\$21.96	\$25.96	\$33.71
<b>Cost of Living Index</b>	95.3	102.2	135.9	111.7	100.1	100.1	120.5	113.9
<b>Right To Work</b>	Yes	Yes	No	No	Yes	No	No	No

Reviewed 08/03/2021

- (a) The corporate income tax rate decreases are effective July 1 of each year noted.
- (b) 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.
- (c) City, county and municipal rates vary. These rates are weighted by population to compute an average local tax rate.
- (d) Highest new employer (non-construction/mining) rate multiplied by highest new employer wage base
- (e) QCEW 2019 - Statewide, Total-all industries, Private, All establishment sizes, Average Annual Pay/2080

Source: Tax Foundation (1/2021). Federation of Tax Administrators (State Apportionment of Corporate Income, 1/2021). Oregon Dept. of Consumer & Business Services (Oregon Workers' Compensation Premium Rate Ranking, 1/2021). Various state unemployment insurance agencies. ADP 2021 FastFacts. Bureau of Labor Statistics - Quarterly Census of Employment & Wages (9/2020). Emsi 2020.3 (using C2ER Cost of Living data). National Right To Work Legal Defense Foundation. Area Development (9/2020). Chief Executive (4/2021). CNBC (7/2021). Forbes (12/2019). Site Selection Magazine (5/2021). Small Business & Entrepreneurship Council (5/2019). S&P Global Rating (7/2021).



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State Rankings	INDIANA	ARIZONA	CALIFORNIA	COLORADO	IDAHO	NEW MEXICO	OREGON	WASHINGTON
<b>CNBC</b> <i>America's Top States for Business 2021 - Infrastructure</i>	3	8	27	22	37	47	26	29
<b>Area Development</b> <i>2020 Top States for Doing Business - Logistics &amp; Infrastructure</i>	4	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10
<b>Forbes</b> <i>The Best States for Business 2019 - Regulatory Environment</i>	5	18	40	19	8	46	36	29
<b>Chief Executive</b> <i>2021 Best &amp; Worst States for Business</i>	5	10	50	20	21	35	44	46
<b>Area Development</b> <i>2020 Top States for Doing Business - Competitive Labor Environment</i>	5	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10
<b>Site Selection</b> <i>Prosperity Cup Top 10 - 2021</i>	5 (tie)	8	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10
<b>SBE Council</b> <i>Small Business Policy Index - 2019</i>	6	9	49	12	26	24	43	10
<b>Tax Foundation</b> <i>2021 State Business Tax Climate Index</i>	9	24	49	21	20	23	15	16
<b>S&amp;P Global State Credit Rating</b> <i>General Obligation or ICR</i>	AAA	AA	AA-	AA	AA+	AA	AA+	AA+