

**BUSINESS COST COMPARISON - MIDWEST**

Taxes & Factors	INDIANA	ILLINOIS	IOWA	KENTUCKY	MICHIGAN	MINNESOTA	MISSOURI	NEBRASKA	OHIO	WISCONSIN
Corporate Income Tax Rate	4.9%	9.5% (7.0% + 2.5% replacement tax)	5.5% - 8.4%	5.0%	6.0%	9.8%	4.0%	5.58% - 7.25%	None	7.9%
State Apportionment of Corporate Income	Single Sales Factor	Single Sales Factor	Single Sales Factor	Single Sales Factor	Single Sales Factor	Single Sales Factor	Single Sales Factor	Single Sales Factor	No State Income Tax	Single Sales Factor
Gross Receipts Tax	None	None	None	None	None	None	None	None	0.26%	None
Individual Income Tax Rate	3.15%	4.95% *	.33% - 6.0%	4.5%	4.25%	5.35% - 9.85%	1.5% - 4.95%	2.46% - 6.64%	0% - 4.797%	3.54%-7.65%
Local Average Individual Income Tax Rate (a)	1.76%	None	0.4265%	2.075%	1.7%	None	0.5%	None	2.5%	None
Sales Tax Rate	7.0%	6.25%	6.0%	6.0%	6.0%	6.88%	4.23%	5.5%	5.75%	5.0%
Local Average Sales Tax Rate (b)	None	2.48%	0.94%	None	None	0.61%	4.07%	1.44%	1.49%	0.43%
2023 Tax Foundation Property Tax Index Rank	2	44	40	24	25	31	7	39	6	15
Inventory Tax	No	No	No	Yes (Offset by tax credit)	Partial	No	No	No	No	No
Unemployment Insurance Tax - New Employer (c)	\$238	524	361	\$300	\$257	\$400 to \$660	\$264	\$113	\$243	\$455
Workers' Compensation Premium Rate Rank	4	33	38	6	14	40	39	23	5	44
Workers' Compensation Premium Rate Index (Per \$100 of Payroll)	\$0.77	\$1.39	\$1.52	\$0.86	\$1.00	\$1.55	\$1.54	\$1.25	\$0.83	\$1.67
Mean Hourly Wage (d)	\$26.65	\$34.18	\$26.04	\$25.46	\$29.69	\$32.54	\$27.56	\$25.95	\$27.85	\$27.24
Cost of Living Index	95.6	100.0	97.7	92.2	91.4	102.6	90.5	100.8	92.6	100.4
Right To Work	Yes	No	Yes	Yes	Yes	No	No	Yes	No	Yes

Reviewed 02/06/2023

(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).

\* Illinois businesses such as S - Corps and partnerships that pay taxes through individual returns rather than corporate are subject to an additional 1.5% personal property replacement tax.

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State Rankings	INDIANA	ILLINOIS	IOWA	KENTUCKY	MICHIGAN	MINNESOTA	MISSOURI	NEBRASKA	OHIO	WISCONSIN
<b>CNBC</b> <i>America's Top States for Business 2022 - Infrastructure</i>	1	3	37	18	19	4	10	22	2	15
<b>CNBC</b> <i>America's Top States for Business 2022 - Cost of Doing Business</i>	2	31	19	6	9	41	1	16	4	13
<b>Site Selection</b> <i>Prosperity Cup Top 10 - 2022</i>	4 (tie)	Not Ranked in Top 10	Not Ranked in Top 10	6	9	Not Ranked in Top 10	Not Ranked in Top 10	Not Ranked in Top 10	7	Not Ranked in Top 10
<b>Area Development</b> <i>2022 Top States for Doing Business - Logistics &amp; Infrastructure</i>	5	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	3 (tie)	Not Ranked in Top 10
<b>Area Development</b> <i>2022 Top States for Doing Business - Favorable Regulatory Environment</i>	6	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	Not Ranked in Top 10	Not Ranked in Top 10
<b>Chief Executive</b> <i>2022 Best &amp; Worst States for Business</i>	6	48	17	23	18	41	20	28	7	19
<b>US News &amp; World Report</b> <i>2021 Best States - Affordability</i>	6	16	4	9	3	23	5	11	1	19
<b>Tax Foundation</b> <i>2023 State Business Tax Climate Index</i>	9	36	38	18	12	45	11	29	37	27
<b>S&amp;P Global State Credit Rating</b> <i>General Obligation or ICR</i>	AAA	BBB+	AAA	A	AA	AAA	AAA	AAA	AA+	AA+