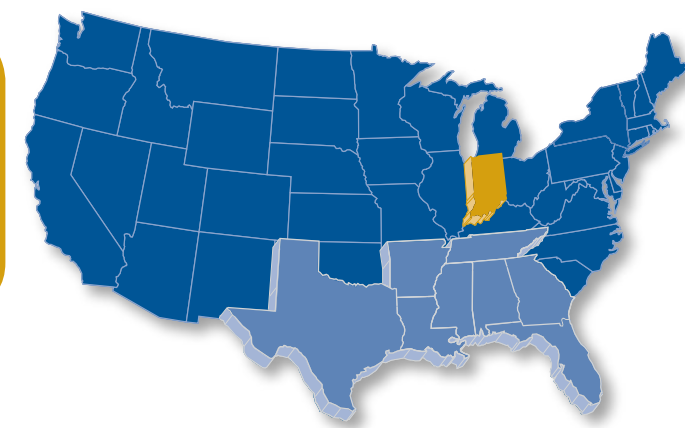


## SOUTHERN STATES – COST OF DOING BUSINESS COMPARISON

(Assumptions: Taxable Income = \$1,000,000 and Employment = 100)



<b>Business Costs</b>	<b>Indiana</b>	<b>Alabama</b>	<b>Arkansas</b>	<b>Florida</b>	<b>Georgia</b>	<b>Louisiana</b>	<b>Mississippi</b>	<b>Tennessee</b>	<b>Texas</b>
<b>Total State Business Taxes / Sum of Corporate State Income Tax, Workers' Compensation and Unemployment Insurance (2007)</b>	<b>\$179,199</b>	<b>\$242,277</b>	<b>\$170,762</b>	<b>\$254,395</b>	<b>\$231,915</b>	<b>N/A*</b>	<b>\$241,360</b>	<b>\$274,607</b>	<b>\$364,184</b>
Business Income Tax Due Per Net Taxable Income of \$1,000,000 (2007)	<b>\$85,000</b>	\$65,000	\$65,000	\$55,000	\$60,000	\$80,000	\$50,000	\$65,000	\$45,000
Average Workers' Compensation Annual Premium Based on 100 Employees (2007)	<b>\$75,299</b>	\$155,677	\$76,762	\$180,495	\$148,965	\$157,763	\$115,106	\$172,043	\$226,726
Average Workers' Compensation Rate (2007)	<b>\$2.06</b>	\$4.30	\$2.37	\$4.69	\$3.69	\$4.31	\$3.69	\$4.58	\$5.34
Average Unemployment Insurance Based on 100 Employees (2007)	<b>\$18,900</b>	\$21,600	\$29,000	\$18,900	\$22,950	N/A*	\$24,300	\$18,900	\$24,300
<b>Other State Data</b>									
Average Annual Wage (2006)	<b>\$36,553</b>	\$36,204	\$32,389	\$38,485	\$40,370	\$36,604	\$31,194	\$37,564	\$42,458
Average Price of Electricity, Industrial Sector (2007) (cents/kWh)	<b>4.96</b>	5.27	5.21	7.78	5.48	6.76	5.86	5.40	7.79
Average Annual Unemployment (2007)	<b>4.5%</b>	3.5%	5.4%	4.0%	4.4%	3.8%	6.3%	4.7%	4.3%
<b>Business Climate Rankings</b>									
<b>Forbes / Best States for Business 2008</b>									
Overall Rank	<b>25</b>	28	32	8	5	49	42	17	9
Business Costs Rank	<b>6</b>	22	7	34	23	18	16	5	25
Regulatory Environment Rank	<b>15</b>	17	25	18	5	43	16	11	13
<b>Milken Institute / Cost of Doing Business 2007</b>									
Overall Rank	<b>15</b>	12	10	32	19	25	19	9	21
Cost of Doing Business Index	<b>87.3</b>	85.8	85.4	99.3	90.7	93.9	88.4	85.2	95.9
<b>Tax Foundation / State Business Tax Climate Index 2008</b>									
Overall Rank	<b>12</b>	21	35	5	20	32	18	16	8
Corporate Tax Index Rank	<b>22</b>	21	35	14	6	18	8	12	47
Unemployment Insurance Tax Index Rank	<b>10</b>	12	18	2	22	8	5	31	14

Major Sources: U.S. Bureau of Labor Statistics / U.S. Department of Labor / Actuarial & Technical Solutions Inc. / Bureau of Economic Analysis  
\*No private workers' compensation insurance; handled through state

The information above is provided by the Indiana Economic Development Corporation and is for general illustrative purposes only. This information neither constitutes legal advice nor carries with it any guarantee or commitment from the State of Indiana. The reader should consult legal counsel to determine how tax laws apply to specific situations.