



BUSINESS COST COMPARISON

INDIANA vs. Midwest Region

Illinois, Iowa, Kentucky, Michigan, Minnesota, Missouri, Ohio & Wisconsin

AVERAGE HOURLY WAGE

Source-U.S. Bureau of Labor Statistics, May 2011

INDIANA	\$19.08
Illinois	\$22.38
Iowa	\$18.66
Kentucky	\$18.58
Michigan	\$21.01
Minnesota	\$22.19
Missouri	\$19.47
Ohio	\$20.00
Wisconsin	\$19.92

PROPERTY TAX INDEX RANK

Source-Tax Foundation, 2013 State Business Tax Climate Index

INDIANA	11
Illinois	44
Iowa	37
Kentucky	18
Michigan	31
Minnesota	26
Missouri	6
Ohio	34
Wisconsin	33

STATE SALES TAX RATE

Source-Tax Foundation, 2013 State Business Tax Climate Index

INDIANA	7%
Illinois	6.25%
Iowa	6%
Kentucky	6%
Michigan	6%
Minnesota	6.875%
Missouri	4.225%
Ohio	5.5%
Wisconsin	5%

CORPORATE INCOME TAX RATE

Source-Tax Foundation, 2013 State Business Tax Climate Index

INDIANA	8%, reducing to: 7.5% by July 2013 7% by July 2014 6.5% by July 2015 <i>Indiana uses the <u>SINGLE SALES FACTOR</u> for apportioning corporate income tax. The Indiana portion of a corporation's tax liability is based solely on the portion of the company's sales in Indiana.</i>
Illinois	9.5%
Iowa	6% - 12%
Kentucky	4% - 6%
Michigan	6%
Minnesota	9.8%
Missouri	6.25%
Ohio	Gross Receipts Tax 0.26% <i>Instead of a corporate income tax, Ohio has a gross receipts tax known as the Ohio Commercial Activities Tax.</i>
Wisconsin	7.9%

INDIVIDUAL INCOME TAX RATE

Source-Tax Foundation, 2013 State Business Tax Climate Index

INDIANA	3.4% of federally adjusted gross income with modification
Illinois	5% of federally adjusted gross income with modification
Iowa	0.36% - 8.98% <i>Bracket levels adjusted for inflation each year.</i>
Kentucky	2% - 6%
Michigan	4.35% of federally adjusted gross income with modification
Minnesota	5.35% - 7.85% <i>Bracket levels adjusted for inflation each year.</i>
Missouri	1.5% - 6%
Ohio	0.587% - 5.925% <i>Bracket levels adjusted for inflation each year.</i>
Wisconsin	4.6% - 7.75% <i>Bracket levels adjusted for inflation each year.</i>



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UNEMPLOYMENT INSURANCE TAX

Source-U.S. Department of Labor

	New Employer Rate
INDIANA	2.5%
Illinois	4.35% (or average industry rate if greater)
Iowa	1.5% (construction employers receive 9%)
Kentucky	2.7% (foreign or domestic construction firms receive maximum rate)
Michigan	2.7% (construction employers receive average industry rate)
Minnesota	3.03% (9.4% for high experienced rating industries)
Missouri	3.51% (Greater of 3.51% or rate assigned to employer's industrial classification)
Ohio	2.7% (except construction employers pay industry average rate)
Wisconsin	3.6% or 4.1% (except construction employers pay 7.1%)

	Minimum to Maximum
INDIANA	0.5% - 7.4%
Illinois	0.55% - 9.45%
Iowa	0% - 9%
Kentucky	1% - 10%
Michigan	0.06% - 11.05%
Minnesota	0.673% - 10.87%
Missouri	0% - 9.75%
Ohio	0.7% - 9.1%
Wisconsin	0.27% - 9.8%

	Wage Base
INDIANA	\$9,500
Illinois	\$13,560
Iowa	\$25,300
Kentucky	\$9,000
Michigan	\$9,000
Minnesota	\$28,000
Missouri	\$13,000
Ohio	\$9,000
Wisconsin	\$13,000

WORKERS' COMPENSATION

Source-Oregon Dept. of Consumer & Business Services, Oct 2012

Premium Rate RANK

INDIANA	2
Illinois	48
Iowa	28
Kentucky	30
Michigan	20
Minnesota	35
Missouri	16
Ohio	24
Wisconsin	41

Premium Rate INDEX (Per \$100 of Payroll)

INDIANA	\$1.16
Illinois	\$2.83
Iowa	\$1.90
Kentucky	\$1.96
Michigan	\$1.73
Minnesota	\$2.03
Missouri	\$1.62
Ohio	\$1.84
Wisconsin	\$2.15

RIGHT TO WORK STATE

Source-National Right To Work Legal Defense Foundation

INDIANA	Yes
Illinois	No
Iowa	Yes
Kentucky	No
Michigan	Yes
Minnesota	No
Missouri	No
Ohio	No
Wisconsin	No