





| TAXES & FACTORS   | INDIANA             | Illinois            | Kentucky  | Michigan            | Ohio   |
|---|---------------------|---------------------|---|---------------------|--|
| Corporate Income Tax Rate (a)                                   | 6.25%               | 7.75%               | 4% - 6%   | 6.0%                | 0.26%  |
| State Apportionment of Corporate Income                         | Single Sales Factor | Single Sales Factor | Sales, Property, & Payroll with Sales Double-Weighted | Single Sales Factor | Gross Receipts Tax (known as: Commercial Activity Tax) |
| Individual Income Tax Rate (a)                                  | 3.23%               | 3.75%               | 2% - 6%   | 4.25%               | 0.495% - 4.997%  |
| Local Average Individual Income Tax Rate (b)                    | 1.56%               | NONE                | 2.10%   | 1.75%               | 2.25%  |
| Local Average & Sales Tax Rate                                  | 7.00%               | 8.64%               | 6.00%   | 6.00%               | 7.14%  |
| Unemployment Insurance Tax Rate times (x) State Wage Base       | \$237.50            | \$447.12            | \$275.40  | \$243.00            | \$243.00   |
| Workers' Compensation Premium Rate Index (Per \$100 of Payroll) | \$1.05              | \$2.23              | \$1.52  | \$1.57              | \$1.45   |
| Mean Hourly Wage  | \$21.21             | \$27.07             | \$20.77   | \$23.93             | \$22.40  |
| Cost of Living Index  | 99.1                | 112.1               | 95.5  | 100.6               | 98.5   |
| Right To Work   | YES                 | No                  | Yes   | YES                 | No   |

(a) The corporate income tax rate and individual 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.

Source—Tax Foundation (2016 State Business Tax Climate Index). Federation of Tax Administrators (State Apportionment of Corporate Income, Jan 2015). Oregon Dept. of Consumer & Business Services (Oregon Workers' Compensation Premium Rate Ranking, Oct 2014). Various state unemployment insurance agencies. PayrollTaxes.com. Bureau of Labor Statistics - Occupational Employment Statistics (5/2015). The Council for Community and Economic Research (2013 State-Level Cost of Living Index). National Right To Work Legal Defense Foundation.