



# 18 | Alabama

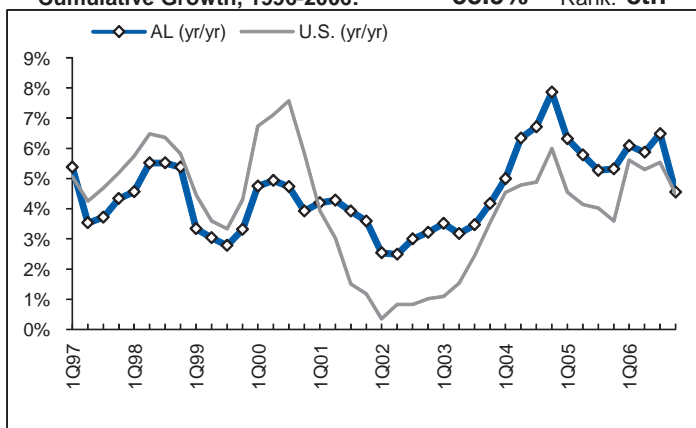
Economic Outlook Rank

**Economic Performance Rank 18 (1=best; 50=worst):** Based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

**Economic Outlook Rank (1=best; 50=worst):** A forward-looking forecast based on the state's standing (equal-weighted average) in the 16 important state policy variables shown below. Data reflect state+local rates and revenues and any effect of federal deductibility.

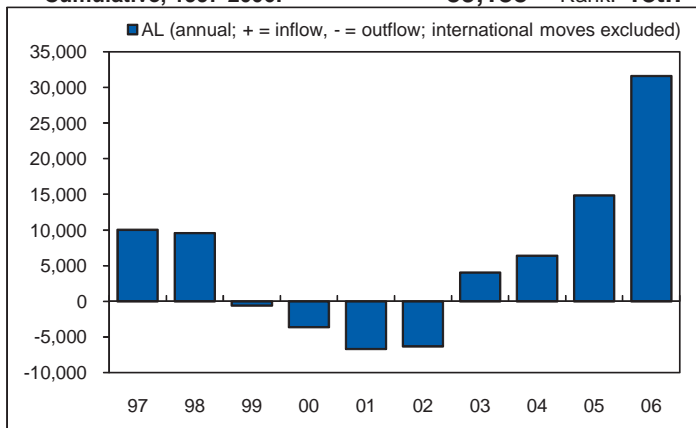
### 1) Personal Income Per Capita

**Cumulative Growth, 1996-2006: 55.9% Rank: 8th**



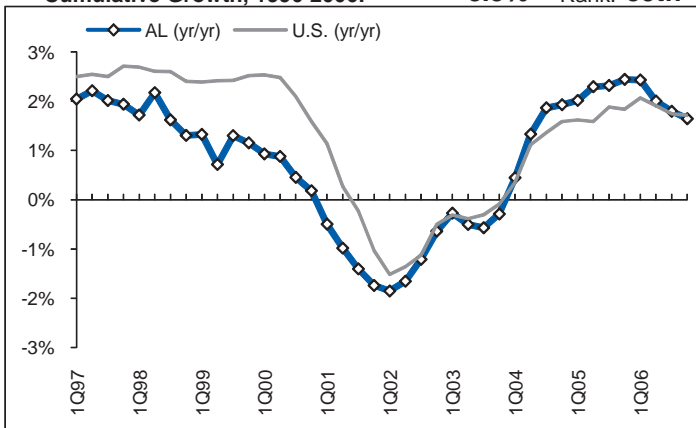
### 2) Absolute Domestic Migration,

**Cumulative, 1997-2006: 59,135 Rank: 18th**



### 3) Non-farm Payroll Employment

**Cumulative Growth, 1996-2006: 8.5% Rank: 39th**



### 1) Top Marginal Personal Income

**Tax Rate: 4.25% Rank: 12th**

### 2) Top Marginal Corporate Income

**Tax Rate: 4.23% Rank: 5th**

### 3) Personal Income Tax Progressivity:

(change in tax liability per \$1,000 income) **-\$1.51 Rank: 1st**

### 4) Property Tax Burden:

(per \$1,000 of personal income) **\$13.60 Rank: 1st**

### 5) Sales Tax Burden:

(per \$1,000 of personal income) **\$26.28 Rank: 27th**

### 6) Remaining Tax Burden:

(per \$1,000 of personal income) **\$23.23 Rank: 38th**

### 7) Estate/Inheritance Tax

**Levied?: No Rank: 1st**

### 8) Recent Legislated Tax Changes:

(2005 and 2006, per \$1,000 of personal income) **-\$0.24 Rank: 17th**

### 9) Debt Service as a % of

**Total Tax Revenue: 9.8% Rank: 34th**

### 10) Public Employees Per 10,000

**of Population (full-time equivalent): 592.6 Rank: 38th**

### 11) State Liability System Survey:

(tort litigation treatment, judicial impartiality, etc.) **50.7 Rank: 47th**

### 12) State Minimum Wage:

(federal floor is \$5.85) **\$5.85 Rank: 1st**

### 13) Avg. Workers' Compensation Costs:

(per \$100 of payroll) **\$3.17 Rank: 42nd**

### 14) Right-To-Work State?:

(optional joining or supporting of a union) **Yes Rank: 1st**

### 15) Number of Tax Expenditure Limits:

(0=least/worst, 3=most/best) **0 Rank: 29th**

### 16) Education Freedom Index Score:

(vouchers, ease of private/home schooling, etc.) **1.50 Rank: 41st**