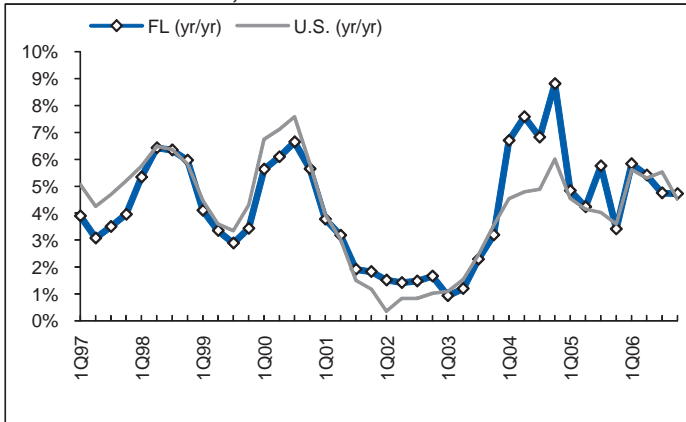


**Economic Performance Rank 2 (1=best; 50=worst):** Based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

**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.

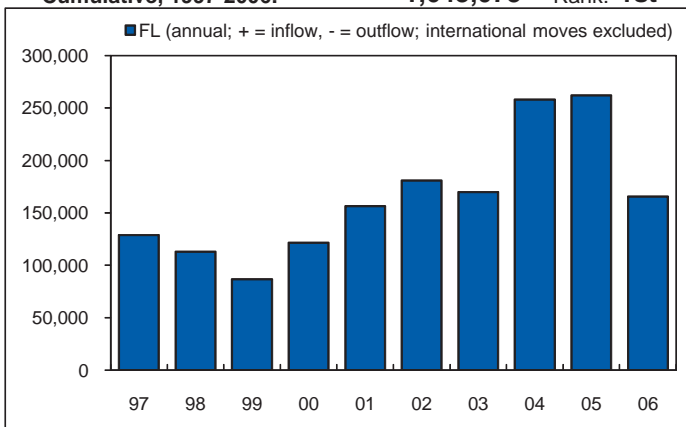
### 1) Personal Income Per Capita

Cumulative Growth, 1996-2006: **51.3%** Rank: **23rd**



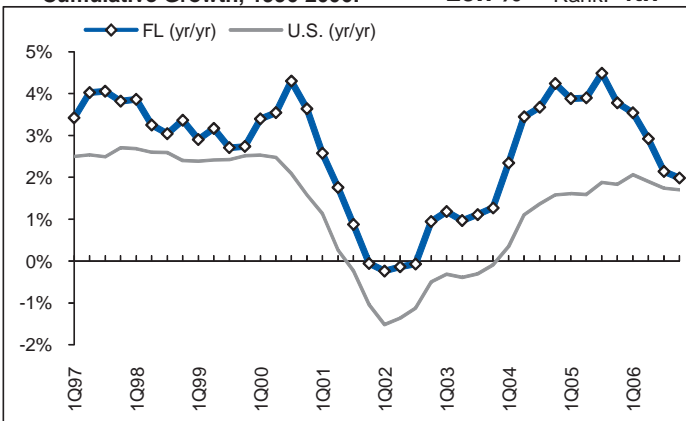
### 2) Absolute Domestic Migration,

Cumulative, 1997-2006: **1,643,073** Rank: **1st**



### 3) Non-farm Payroll Employment

Cumulative Growth, 1996-2006: **29.7%** Rank: **4th**



### 1) Top Marginal Personal Income

Tax Rate: **0.00%** Rank: **1st**

### 2) Top Marginal Corporate Income

Tax Rate: **5.50%** Rank: **13th**

### 3) Personal Income Tax Progressivity:

(change in tax liability per \$1,000 income) **\$0.00** Rank: **2nd**

### 4) Property Tax Burden:

(per \$1,000 of personal income) **\$34.30** Rank: **32nd**

### 5) Sales Tax Burden:

(per \$1,000 of personal income) **\$33.36** Rank: **40th**

### 6) Remaining Tax Burden:

(per \$1,000 of personal income) **\$29.00** Rank: **46th**

### 7) Estate/Inheritance Tax

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

### 8) Recent Legislated Tax Changes:

(2005 and 2006, per \$1,000 of personal income) **-\$0.34** Rank: **15th**

### 9) Debt Service as a % of

Total Tax Revenue: **10.4%** Rank: **39th**

### 10) Public Employees Per 10,000

of Population (full-time equivalent): **479.4** Rank: **4th**

### 11) State Liability System Survey:

(tort litigation treatment, judicial impartiality, etc.) **58.2** Rank: **36th**

### 12) State Minimum Wage:

(federal floor is \$5.85) **\$6.67** Rank: **33rd**

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

(per \$100 of payroll) **\$3.32** Rank: **45th**

### 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) **2** Rank: **4th**

### 16) Education Freedom Index Score:

(vouchers, ease of private/home schooling, etc.) **2.39** Rank: **4th**