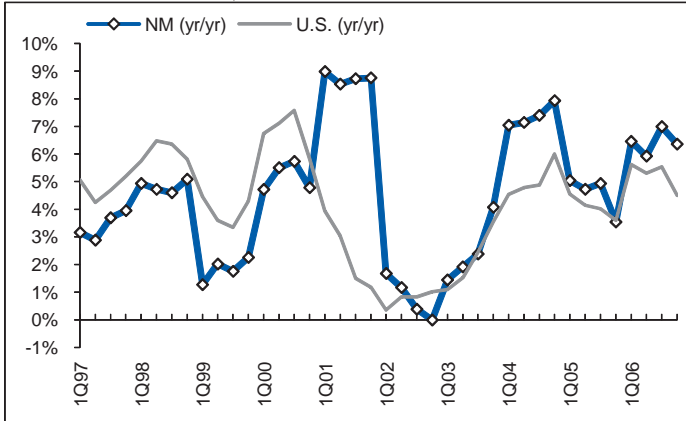
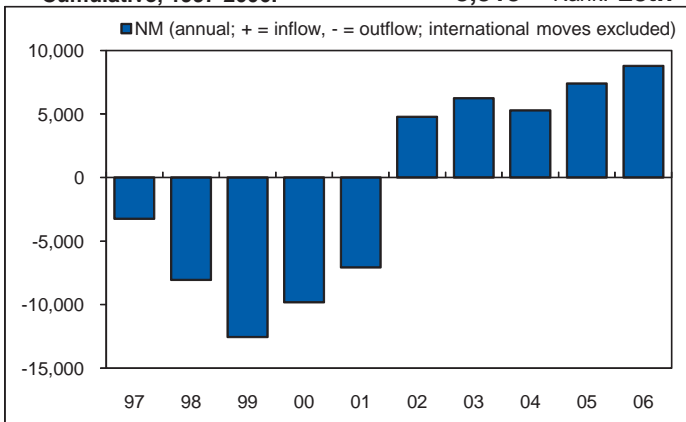


Economic Performance Rank 8 (1=best; 50=worst): Based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

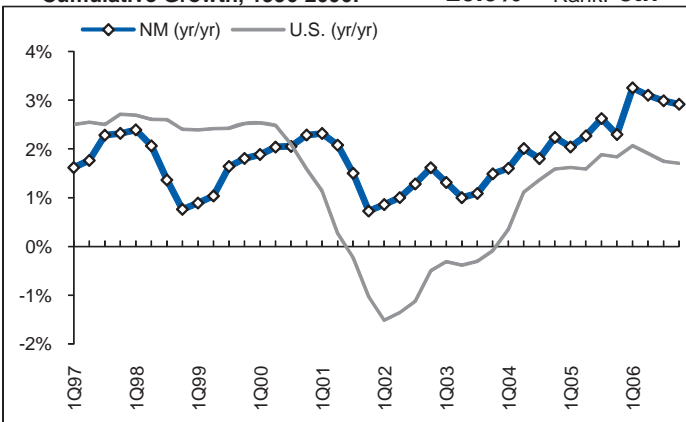
1) Personal Income Per Capita
Cumulative Growth, 1996-2006: 55.8% Rank: 10th



2) Absolute Domestic Migration, Cumulative, 1997-2006: -8,313 Rank: 28th



3) Non-farm Payroll Employment
Cumulative Growth, 1996-2006: 20.0% Rank: 8th



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) **Top Marginal Personal Income Tax Rate:** 5.30% Rank: 19th
- 2) **Top Marginal Corporate Income Tax Rate:** 7.60% Rank: 29th
- 3) **Personal Income Tax Progressivity:** (change in tax liability per \$1,000 income) \$10.37 Rank: 30th
- 4) **Property Tax Burden:** (per \$1,000 of personal income) \$17.27 Rank: 5th
- 5) **Sales Tax Burden:** (per \$1,000 of personal income) \$40.19 Rank: 44th
- 6) **Remaining Tax Burden:** (per \$1,000 of personal income) \$18.77 Rank: 24th
- 7) **Estate/Inheritance Tax Levied?:** No Rank: 1st
- 8) **Recent Legislated Tax Changes:** (2005 and 2006, per \$1,000 of personal income) -\$2.92 Rank: 4th
- 9) **Debt Service as a % of Total Tax Revenue:** 7.0% Rank: 10th
- 10) **Public Employees Per 10,000 of Population** (full-time equivalent): 654.5 Rank: 46th
- 11) **State Liability System Survey:** (tort litigation treatment, judicial impartiality, etc.) 57.5 Rank: 39th
- 12) **State Minimum Wage:** (federal floor is \$5.85) \$5.85 Rank: 1st
- 13) **Avg. Workers' Compensation Costs:** (per \$100 of payroll) \$2.41 Rank: 25th
- 14) **Right-To-Work State?:** (optional joining or supporting of a union) No Rank: 23rd
- 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.) 2.02 Rank: 18th