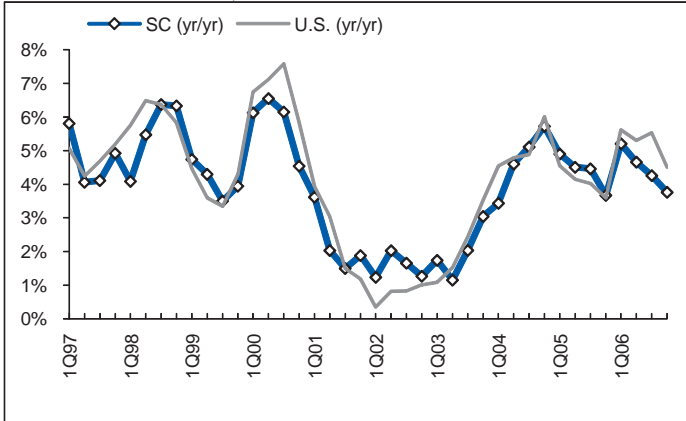
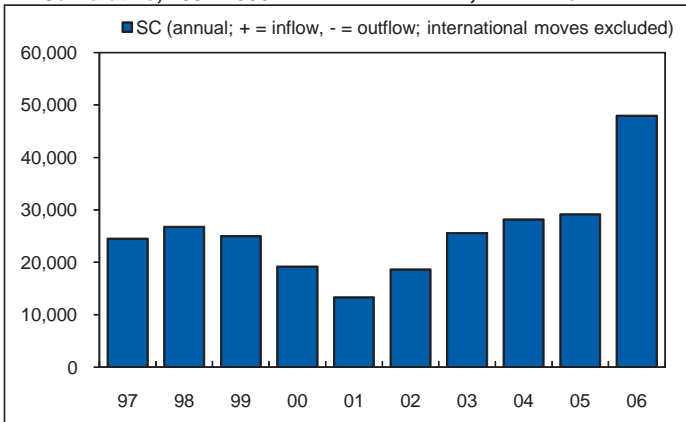


Economic Performance Rank 21 (1=best; 50=worst): Based on the state's performance (equal-weighted average) in the three important performance variables shown below. These variables are highly influenced by state policy.

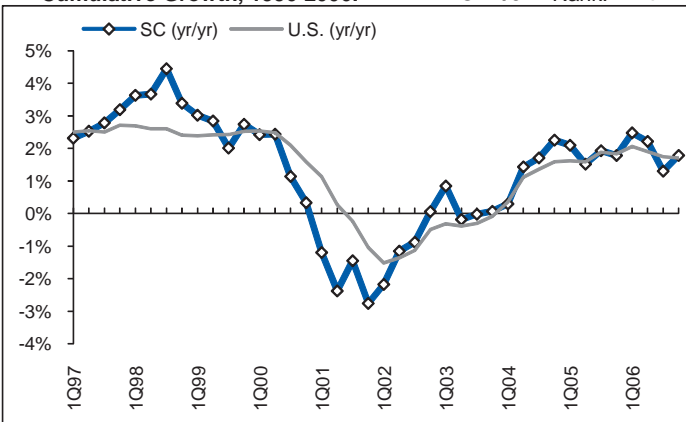
1) Personal Income Per Capita
Cumulative Growth, 1996-2006: 47.3% Rank: 38th



2) Absolute Domestic Migration,
Cumulative, 1997-2006: 258,109 Rank: 8th



3) Non-farm Payroll Employment
Cumulative Growth, 1996-2006: 13.7% Rank: 24th



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:** **7.00%** Rank: **33rd**
- 2) Top Marginal Corporate Income Tax Rate:** **5.00%** Rank: **9th**
- 3) Personal Income Tax Progressivity:**
 (change in tax liability per \$1,000 income) **\$4.97** Rank: **18th**
- 4) Property Tax Burden:**
 (per \$1,000 of personal income) **\$33.67** Rank: **31st**
- 5) Sales Tax Burden:**
 (per \$1,000 of personal income) **\$25.84** Rank: **24th**
- 6) Remaining Tax Burden:**
 (per \$1,000 of personal income) **\$17.46** Rank: **17th**
- 7) Estate/Inheritance Tax Levied?:** **No** Rank: **1st**
- 8) Recent Legislated Tax Changes:**
 (2005 and 2006, per \$1,000 of personal income) **\$0.00** Rank: **22nd**
- 9) Debt Service as a % of Total Tax Revenue:** **12.4%** Rank: **47th**
- 10) Public Employees Per 10,000 of Population (full-time equivalent):** **576.1** Rank: **31st**
- 11) State Liability System Survey:**
 (tort litigation treatment, judicial impartiality, etc.) **58.1** Rank: **37th**
- 12) State Minimum Wage:**
 (federal floor is \$5.85) **\$5.85** Rank: **1st**
- 13) Avg. Workers' Compensation Costs:**
 (per \$100 of payroll) **\$2.50** Rank: **27th**
- 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) **1** Rank: **13th**
- 16) Education Freedom Index Score:**
 (vouchers, ease of private/home schooling, etc.) **1.59** Rank: **39th**