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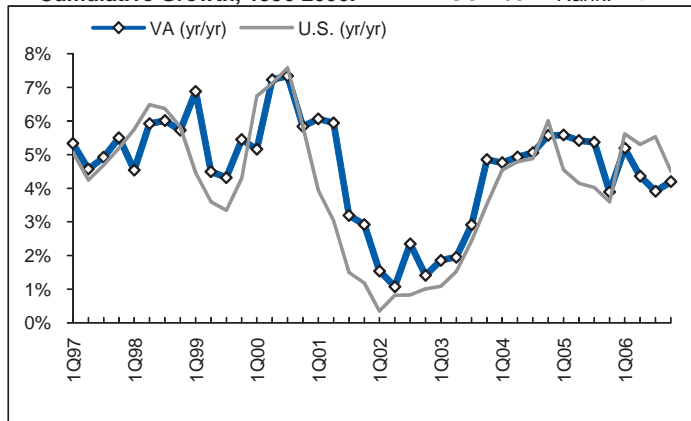
Virginia

Economic Outlook Rank

Economic Performance Rank 4 (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.

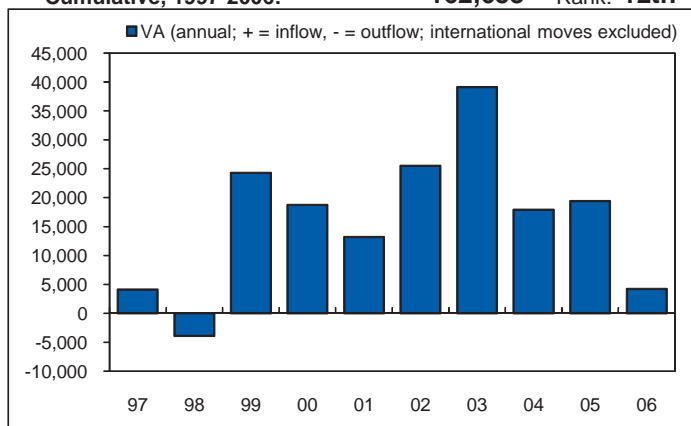
1) Personal Income Per Capita

Cumulative Growth, 1996-2006: 56.4% Rank: 7th



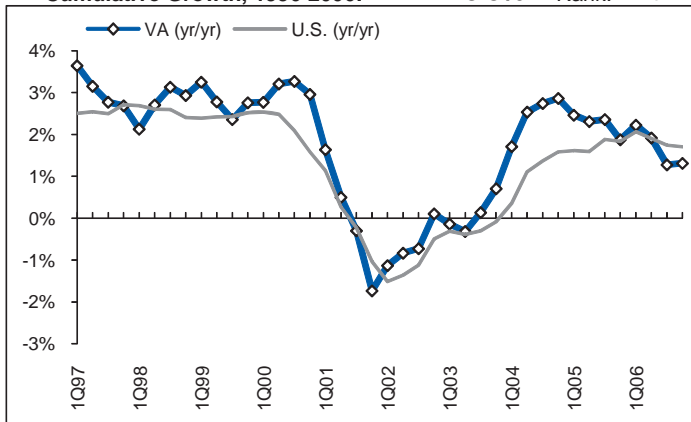
2) Absolute Domestic Migration,

Cumulative, 1997-2006: 162,653 Rank: 12th



3) Non-farm Payroll Employment

Cumulative Growth, 1996-2006: 18.8% Rank: 12th



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 deductability.

- 1) **Top Marginal Personal Income Tax Rate:** 5.75% Rank: 23rd
- 2) **Top Marginal Corporate Income Tax Rate:** 6.00% Rank: 15th
- 3) **Personal Income Tax Progressivity:** (change in tax liability per \$1,000 income) \$6.42 Rank: 22nd
- 4) **Property Tax Burden:** (per \$1,000 of personal income) \$29.85 Rank: 20th
- 5) **Sales Tax Burden:** (per \$1,000 of personal income) \$15.00 Rank: 9th
- 6) **Remaining Tax Burden:** (per \$1,000 of personal income) \$21.35 Rank: 33rd
- 7) **Estate/Inheritance Tax Levied?:** No Rank: 1st
- 8) **Recent Legislated Tax Changes:** (2005 and 2006, per \$1,000 of personal income) -\$0.37 Rank: 14th
- 9) **Debt Service as a % of Total Tax Revenue:** 7.8% Rank: 17th
- 10) **Public Employees Per 10,000 of Population (full-time equivalent):** 563.4 Rank: 28th
- 11) **State Liability System Survey:** (tort litigation treatment, judicial impartiality, etc.) 66.9 Rank: 12th
- 12) **State Minimum Wage:** (federal floor is \$5.85) \$5.85 Rank: 1st
- 13) **Avg. Workers' Compensation Costs:** (per \$100 of payroll) \$1.52 Rank: 3rd
- 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.) 1.47 Rank: 42nd