

# CORPORATE BUSINESS CLIMATE COMPARISON

	Illinois	Texas
Approach to State Budget Gap	Significant increase of income tax rates	Overall reduction of state expenditures by 8.1%
Corporate Income Tax Rate	7%	0%
Personal Income Tax Rate	5%	0%
Franchise Tax	0%	1.0% <sup>1</sup>
Sales Tax Rate	10.25% <sup>2</sup>	8.25% <sup>3</sup>
Right To Work State	No	Yes
State Labor Force <sup>4</sup>	6,597,478	12,281,181
Cost of Doing Business <sup>5</sup>	108 (Chicago, IL)	101 (Dallas, TX)
CNBC State Business Rank <sup>6</sup>	#22	#2
Chief Executive Magazine Business Climate Rank <sup>7</sup>	#46	#1
Cost of Living Index <sup>8</sup>	116.8 (Chicago, IL)	91.8 (Dallas, TX)
Housing Cost Index <sup>9</sup>	134.4 (Chicago, IL)	70.5 (Dallas, TX)
Primary State Incentive	Tax Credits	No Income Tax & Texas Enterprise Fund Cash Grant
State Reserve Fund	\$0	\$6 Billion - Texas Rainy Day Fund

<sup>1</sup> Texas Franchise Tax is 1.0% of margin for most taxable entities. This is applicable to any legal entity that is chartered or organized in Texas or doing business in Texas such as corporations, partnerships and business associations. The tax does not apply to sole proprietorships, general partnerships with individual owners, nonprofits, or entities with \$1 million in gross receipts or less.

<sup>2</sup> State of Illinois sales tax rate 6.25% + local rate up to 4%

<sup>3</sup> State of Texas sales tax rate 6.25% + local rate up to 2%

<sup>4</sup> Source: Bureau of Labor Statistics, May 2011

<sup>5</sup> Source: Moody's North American Business Cost Review, 2010 (U.S. Average = 100)

<sup>6</sup> Source: CNBC America's Top States for Doing Business, June 2011

<sup>7</sup> Source: Chief Executive Magazine, May 2011

<sup>8</sup> Source: ACCRA Cost of Living Index, January 2011 (U.S. Average = 100)

<sup>9</sup> Source: ACCRA Cost of Living Index, January 2011 (U.S. Average = 100)

Purchase price for a 2,400 SF home with 4 bedrooms & 2 baths