



## Indiana Economic Facts

## More Jobs for Hoosiers

### Seasonally Adjusted Unemployment Rate (August 2011): 8.7%

Illinois (9.9%), Kentucky (9.5%), Michigan (11.2%) and Ohio (9.1%)  
National unemployment rate (August 2011): 9.1%

### Corporate Income Tax Reduction

New legislation will **decrease Indiana's corporate income tax from 8.5% to 6.5%**, a reduction of nearly 25%. The tax rate will drop by 0.5% per year over the next 4 years as the decrease is phased-in.

### Ranked Top 3 for 2010 GDP Growth

Indiana's Gross Domestic Product grew 4.6% in 2010, compared to the national rate of 2.6%. That's the **3<sup>rd</sup> highest growth rate in the country** (U.S. Bureau of Economic Advisors).

### Rebounding from Recession

Employers in Indiana expect to hire at a solid pace during the third quarter of 2011. **Indiana's job market was rated third best in the nation.** (Manpower Employment Outlook Survey)

## State Rankings

### Best Business Environment

- Indiana ranks **1<sup>st</sup> in the Midwest and 5<sup>th</sup> in the nation** in *Area Development* magazine's annual "Top States for Doing Business" survey (Sept. 2011)
- Indiana ranks **1<sup>st</sup> in the Midwest and 6<sup>th</sup> in the nation** in *Chief Executive* magazine's annual "Best and Worst States" survey (May 2011)
- \* Indiana was one of three recipients of *Area Development* magazine's Gold Shovel, the publication's **top economic development honor**. The award was based on job creation and capital investment data for 2010. (May 2011)
- Indiana ranks **8<sup>th</sup> in the nation** for its business climate according to *Site Selection* magazine (Nov. 2010).
- Indiana is one of 9 states that now have **triple-A credit ratings** from all 3 agencies (Standard & Poor's, Fitch, and Moody's).

### Top Tax Climate

- Indiana ranks **1<sup>st</sup> in the Midwest and 10<sup>th</sup> nationally** in the Tax Foundation's 2011 Business Tax Climate Index (Oct. 2010).

### Cost of Doing Business

- Indiana has the **lowest business costs in the Midwest** and is one of the top 10 lowest cost locations in the U.S. according to *Forbes* (Oct. 2010).

### 1,172 businesses have projected to create 136,338 jobs and invest \$27.3 billion in their Indiana operations since Jan. 2005:

**2011**--14,559 private sector jobs projected and \$2.13 B in capital investment

**2010**--23,153 private sector jobs projected and \$4.38 B in capital investment

**2009**--19,955 private sector jobs projected and \$1.96 B in capital investment

**2008**--18,659 private sector jobs projected and \$4.2 B in capital investment

**2007**--22,627 private sector jobs projected and \$3.38 B in capital investment

### Increasing Hoosier Income

- The average wage for new job projections from competitive projects is \$22.07/hour--above the state average wage of \$19.06/hour.

## Building the "Best Sandbox"

### Major initiatives since 2005 aimed at improving Indiana's competitiveness:

- **Major Moves** --Ten-year, fully funded highway plan that includes more than 2000 new construction and 200 major preservation projects
- **Telecommunications Reform** - Indiana's Telecommunications Deregulation Act has brought increased competition, leading to new investments and jobs
- **Corporate Income Tax Reduction** -- HB 1004 will reduce Indiana's corporate income tax from 8.5% to 6.5%. The tax will be reduced by 0.5% per year over the next four years.
- **Property Tax Relief** -- Cut property taxes by 1/3 and established a constitutional cap on tax rates for all classes of property.
- **R&D Tax Credit** -- Provides a tax credit equal to 15% of a company's first \$1 million of qualifying R&D expenditures, giving Indiana one of the highest R&D tax credit percentages in the country.
- **Patent Income Exemption** - Exempts certain income derived from qualified patents from the calculation of a company's tax liability.
- **Buy Indiana** -- Pumps up to \$1.9 billion back into the Indiana economy by directing state agencies to purchase goods from Indiana businesses.