

- **Lowest cost of doing business among Great Lakes States**
- **2<sup>nd</sup> lowest worker comp rates in U.S.**
- **Lowest property tax ranking in the Midwest**
- **Best overall tax climate in the Midwest**
- **Best infrastructure in the Midwest**
- **No inventory or franchise taxes**
- **No tax on most business services**
- **Indiana is a Right To Work State**

Sources: CNBC, State of Indiana, Tax Foundation

## Real Estate Costs

### Industrial Market (Q2 2018)

Inventory	271,932,890 Sq. Ft.
Vacancy Rate	5.0%
Avg. Asking Lease Rate/Sq. Ft.	\$4.22

### Office Market (Q2 2018)

Inventory	36,721,793 Sq. Ft.
Vacancy Rate (Downtown)	13.5%
Vacancy Rate (Suburban)	16.2%
Avg. Class A Lease \$/Sq. Ft. (Downtown)	\$23.46
Avg. Class A Lease \$/Sq. Ft. (Suburban)	\$21.68

Source: CBRE

## Industrial Energy Costs

<b>Electricity</b>	\$6.97 cents/kWh
<b>Natural Gas</b>	\$6.11 cents/MCF

Indiana Industrial Average, 2016 Annual (Electricity) 2017 Annual (Gas)  
 Source: US Energy Information Administration

## Wages

### Average Annual Wage

Indianapolis-Carmel-Anderson MSA	\$49,126
Indiana	\$44,590
United States	\$53,621

Source: US Bureau of Labor Statistics, QCEW, 2016

### Average Hourly Wage

Indianapolis-Carmel-Anderson MSA	\$23.09
Indiana	\$21.13
United States	\$24.34

Source: US Bureau of Labor Statistics, OES, 2017

## Tax Structure

### Personal Income Tax

Current State Rate	3.23%
Local Option Tax (rates vary by county)	
Range:	1.0 – 2.72%

Rates are applied to adjusted gross income and do not vary based on income. Source: Indiana Department of Revenue, 2018

### Indiana Corporate Adjusted Gross Income Tax

Current Rate	5.75%
Rate will decrease annually on July 1, resulting in a 4.9% rate on July 1, 2021.	

Rates are applied to adjusted gross income and do not vary based on income. Various incentives are available to eligible companies to reduce this rate. Source: Indiana Economic Development Corporation, 2018

### Indiana Sales and Use Tax

	7.00%
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Exemptions include: Manufacturing raw materials, manufacturing equipment, utilities and other consumables used in production and environmental control equipment used by manufacturers. Most services are not subject to tax. Source: Indiana Department of Revenue, 2018

### Indiana Real & Personal Property Tax

(Per \$100 Assessed Value)	
Average Tax Rate	\$2.4414
Range by Taxing Districts	\$0.8224 - \$5.2968

Business property taxes are capped at 3% of the assessed value. Source: STATS Indiana, 2018

### Indiana Unemployment Insurance

New Employer Rate	2.50%
Taxable Wage Base	\$9,500

Percentage rates may be lowered after 36 months of compliance. \$9,500 is the maximum taxable amount per employee. Source: Indiana Department of Workforce Development, 2018

### Indiana Workers' Compensation

(per \$100 of payroll)	
Average Rate for Manufacturing	\$1.73
Average Rate for Office	\$0.21
Average Rate for All Industry Classes	\$1.08

Source: Indiana Compensation Ratings Bureau, 2018

## Cost of Living

Cost of Living Index = 92.6 (100=US Average)  
 Source: C2ER, Q1 2018