

State Business Tax Climate Index, 2006 - 2010

| State | FY 2010 State Business Tax Climate Index | | FY 2009 State Business Tax Climate Index | | Change from 2009 to 2010 | | FY 2008 State Business Tax Climate Index | | FY 2007 State Business Tax Climate Index | | FY 2006 State Business Tax Climate Index | |
|----------------|--|------|--|------|--------------------------|------|--|------|--|------|--|------|
| | Score | Rank | Score | Rank | Score | Rank | Score | Rank | Score | Rank | Score | Rank |
| US | 5.00 | | 5.00 | | | | 5.00 | | 5.00 | | 5.00 | |
| Alabama | 5.19 | 19 | 5.30 | 20 | -0.11 | 1 | 5.08 | 23 | 5.16 | 22 | 5.60 | 16 |
| Alaska | 7.38 | 3 | 7.32 | 4 | 0.06 | 1 | 7.13 | 3 | 6.99 | 4 | 7.29 | 3 |
| Arizona | 5.01 | 28 | 5.25 | 24 | -0.23 | -4 | 5.01 | 25 | 4.95 | 29 | 5.13 | 29 |
| Arkansas | 4.61 | 40 | 4.87 | 35 | -0.25 | -5 | 4.65 | 37 | 4.72 | 36 | 4.87 | 35 |
| California | 3.89 | 48 | 4.00 | 49 | -0.11 | 1 | 3.93 | 49 | 3.92 | 48 | 4.64 | 42 |
| Colorado | 5.63 | 13 | 5.89 | 13 | -0.26 | 0 | 5.89 | 10 | 5.90 | 11 | 5.70 | 13 |
| Connecticut | 4.72 | 38 | 4.81 | 37 | -0.09 | -1 | 4.60 | 38 | 4.69 | 39 | 4.66 | 41 |
| Delaware | 5.98 | 8 | 6.01 | 10 | -0.02 | 2 | 6.09 | 9 | 6.11 | 8 | 6.10 | 9 |
| Florida | 6.62 | 5 | 6.92 | 5 | -0.30 | 0 | 6.67 | 5 | 6.79 | 5 | 6.85 | 5 |
| Georgia | 5.01 | 29 | 5.16 | 27 | -0.15 | -2 | 4.95 | 28 | 5.18 | 21 | 5.52 | 20 |
| Hawaii | 5.05 | 24 | 5.27 | 22 | -0.22 | -2 | 5.27 | 18 | 5.34 | 16 | 5.28 | 24 |
| Idaho | 5.21 | 18 | 5.10 | 29 | 0.11 | 11 | 5.09 | 21 | 5.05 | 26 | 5.08 | 30 |
| Illinois | 5.01 | 30 | 5.26 | 23 | -0.26 | -7 | 5.04 | 24 | 4.92 | 31 | 5.22 | 26 |
| Indiana | 5.67 | 12 | 5.88 | 14 | -0.20 | 2 | 5.65 | 13 | 5.72 | 12 | 5.86 | 12 |
| Iowa | 4.23 | 46 | 4.35 | 44 | -0.12 | -2 | 4.16 | 46 | 4.36 | 45 | 4.62 | 44 |
| Kansas | 4.93 | 32 | 5.07 | 31 | -0.14 | -1 | 4.87 | 31 | 4.77 | 35 | 4.99 | 33 |
| Kentucky | 5.18 | 20 | 4.95 | 34 | 0.23 | 14 | 4.98 | 27 | 4.96 | 28 | 4.75 | 38 |
| Louisiana | 4.74 | 35 | 4.98 | 33 | -0.24 | -2 | 4.75 | 34 | 4.79 | 33 | 5.05 | 32 |
| Maine | 4.83 | 34 | 4.69 | 40 | 0.14 | 6 | 4.72 | 35 | 4.72 | 37 | 4.64 | 43 |
| Maryland | 4.26 | 45 | 4.31 | 45 | -0.06 | 0 | 4.14 | 47 | 5.08 | 24 | 5.23 | 25 |
| Massachusetts | 4.73 | 36 | 4.99 | 32 | -0.26 | -4 | 4.80 | 33 | 4.79 | 34 | 4.87 | 36 |
| Michigan | 5.35 | 17 | 5.30 | 21 | 0.05 | 4 | 5.32 | 17 | 5.14 | 23 | 5.20 | 28 |
| Minnesota | 4.44 | 43 | 4.61 | 41 | -0.18 | -2 | 4.40 | 42 | 4.39 | 43 | 4.71 | 39 |
| Mississippi | 5.16 | 21 | 5.32 | 19 | -0.16 | -2 | 5.09 | 22 | 5.21 | 19 | 5.57 | 19 |
| Missouri | 5.37 | 16 | 5.57 | 16 | -0.20 | 0 | 5.35 | 16 | 5.37 | 15 | 5.68 | 14 |
| Montana | 6.32 | 6 | 6.27 | 6 | 0.05 | 0 | 6.35 | 6 | 6.42 | 6 | 6.16 | 8 |
| Nebraska | 4.88 | 33 | 4.55 | 42 | 0.32 | 9 | 4.55 | 40 | 4.55 | 41 | 4.59 | 45 |
| Nevada | 7.05 | 4 | 7.37 | 3 | -0.31 | -1 | 7.07 | 4 | 7.07 | 3 | 7.07 | 4 |
| New Hampshire | 6.25 | 7 | 6.21 | 7 | 0.05 | 0 | 6.29 | 7 | 6.32 | 7 | 6.45 | 6 |
| New Jersey | 3.60 | 50 | 3.90 | 50 | -0.30 | 0 | 3.71 | 50 | 3.68 | 50 | 3.63 | 48 |
| New Mexico | 5.06 | 23 | 5.17 | 26 | -0.11 | 3 | 4.93 | 29 | 5.05 | 25 | 5.30 | 23 |
| New York | 3.66 | 49 | 4.13 | 47 | -0.47 | -2 | 4.19 | 45 | 4.29 | 46 | 3.60 | 49 |
| North Carolina | 4.66 | 39 | 4.74 | 39 | -0.08 | 0 | 4.52 | 41 | 4.52 | 42 | 4.70 | 40 |
| North Dakota | 5.04 | 25 | 5.08 | 30 | -0.04 | 5 | 4.86 | 32 | 4.87 | 32 | 5.06 | 31 |
| Ohio | 4.04 | 47 | 4.12 | 48 | -0.08 | 1 | 3.95 | 48 | 3.95 | 47 | 3.82 | 47 |
| Oklahoma | 4.97 | 31 | 5.40 | 18 | -0.43 | -13 | 5.18 | 19 | 5.20 | 20 | 5.41 | 21 |
| Oregon | 5.59 | 14 | 6.04 | 8 | -0.44 | -6 | 6.12 | 8 | 6.06 | 9 | 6.02 | 10 |
| Pennsylvania | 5.03 | 27 | 5.14 | 28 | -0.10 | 1 | 4.92 | 30 | 4.95 | 30 | 5.31 | 22 |
| Rhode Island | 4.33 | 44 | 4.18 | 46 | 0.15 | 2 | 4.20 | 44 | 3.80 | 49 | 3.47 | 50 |
| South Carolina | 5.03 | 26 | 5.21 | 25 | -0.17 | -1 | 5.01 | 26 | 4.98 | 27 | 5.21 | 27 |
| South Dakota | 7.42 | 1 | 7.50 | 2 | -0.08 | 1 | 7.21 | 2 | 7.18 | 2 | 7.56 | 2 |
| Tennessee | 5.10 | 22 | 5.42 | 17 | -0.32 | -5 | 5.16 | 20 | 5.27 | 17 | 5.58 | 18 |
| Texas | 5.70 | 11 | 6.02 | 9 | -0.32 | -2 | 5.79 | 11 | 5.99 | 10 | 6.41 | 7 |
| Utah | 5.80 | 10 | 5.94 | 11 | -0.14 | 1 | 5.71 | 12 | 5.23 | 18 | 5.67 | 15 |
| Vermont | 4.56 | 41 | 4.52 | 43 | 0.03 | 2 | 4.34 | 43 | 4.37 | 44 | 4.57 | 46 |

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|----------------------|------|----|------|----|-------|----|------|----|------|----|------|----|
| Virginia | 5.53 | 15 | 5.70 | 15 | -0.17 | 0 | 5.51 | 15 | 5.51 | 14 | 5.58 | 17 |
| Washington | 5.81 | 9 | 5.94 | 12 | -0.13 | 3 | 5.65 | 14 | 5.67 | 13 | 5.93 | 11 |
| West Virginia | 4.73 | 37 | 4.86 | 36 | -0.13 | -1 | 4.66 | 36 | 4.71 | 38 | 4.93 | 34 |
| Wisconsin | 4.54 | 42 | 4.76 | 38 | -0.22 | -4 | 4.56 | 39 | 4.57 | 40 | 4.77 | 37 |
| Wyoming | 7.38 | 2 | 7.50 | 1 | -0.12 | -1 | 7.24 | 1 | 7.46 | 1 | 7.64 | 1 |
| District of Columbia | 4.72 | | 4.53 | | 0.20 | | 4.53 | | 4.49 | | 4.06 | |

Note: The higher the score, the more favorable a state's tax system is for business. All scores are for fiscal years.

Source: Tax Foundation



Tax Foundation
www.taxfoundation.org