

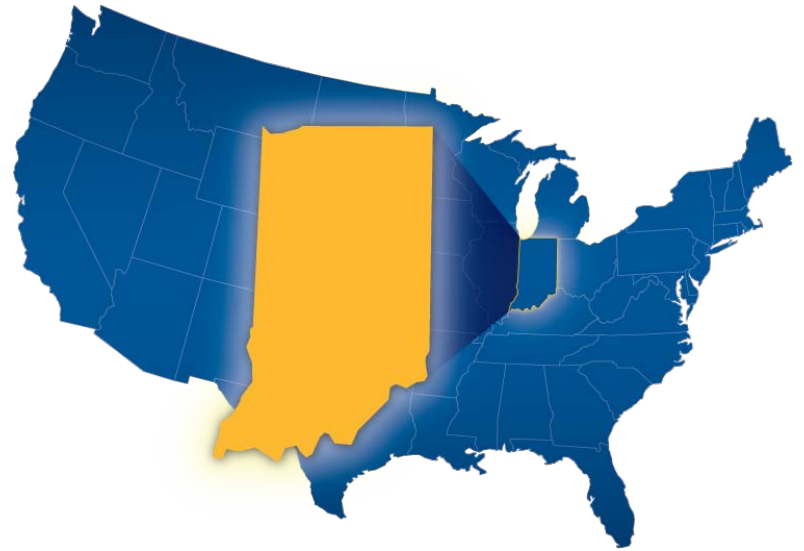
# INDIANA FACTS

Population 6.5M

Total Resident Workforce 3.15M

Per Capita Income \$38,119  
GDP \$298.6B

Land Area 35,826 sq mi



# MAJOR INITIATIVES

**Largest Tax Cut in State History** - Enacted the largest state tax cut in Indiana history-more than \$600 million a year. With a combination of income tax relief, inheritance tax repeal, and other reductions, Indiana is the only state in the country to achieve more than \$1 billion in tax cuts over the next two years. (2013)

**Right To Work** - On February 1, 2012, Indiana enacted a right to work bill into law. (2012)

**Corporate Income Tax Rate Reduction** - Decreases Indiana's rate to 6.5% by 2015. (2011)

**Raised Cap for VC Tax Credit** - Increases the maximum amount of income tax credits available under the Venture Capital Investment Tax Credit from \$500,000 to \$1,000,000. (2011)

# MAJOR INITIATIVES

**Property Tax Exemption on IT Equipment** – Allows municipalities the ability to permanently exempt personal property tax for enterprise information technology equipment. (2009)

**Property Tax Relief** – Cut property taxes by 1/3, capped property taxes. (2008)

**Single Sales Factor Corporate Tax** – The single sales factor apportionment calculates the Indiana portion of corporate taxes based solely on the portion of a company's sales in Indiana. (2006)

**Major Moves** – By the end of calendar year 2015, 413 centerline miles of new roadways will be constructed (3.4% of state's inventory), 6,350 miles of highway will be resurfaced (49% of the state's inventory), and 1,070 bridges will be rehabilitated or replaced (19.5% of the state's inventory). (2006)

**Increased 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. (2005)

# TAX RATES

## Corporate Income Tax

7.5% reducing to 6.5%

Indiana's corporate income tax rate is decreasing from the current 7.5% to 6.5% for 2015 through 0.5% per year reductions. Next decrease scheduled for July 2014 to 7%.

Single Sales Factor Apportionment – The Indiana portion of a corporation's tax liability is based solely on the portion of the company's sales in Indiana.

## Individual Income Tax

3.4% reducing to 3.23%

Individual income tax rate is decreasing from the current 3.4% to 3.3% for 2015-2016 and 3.23% for 2017 and beyond.

## State Sales Tax

7%

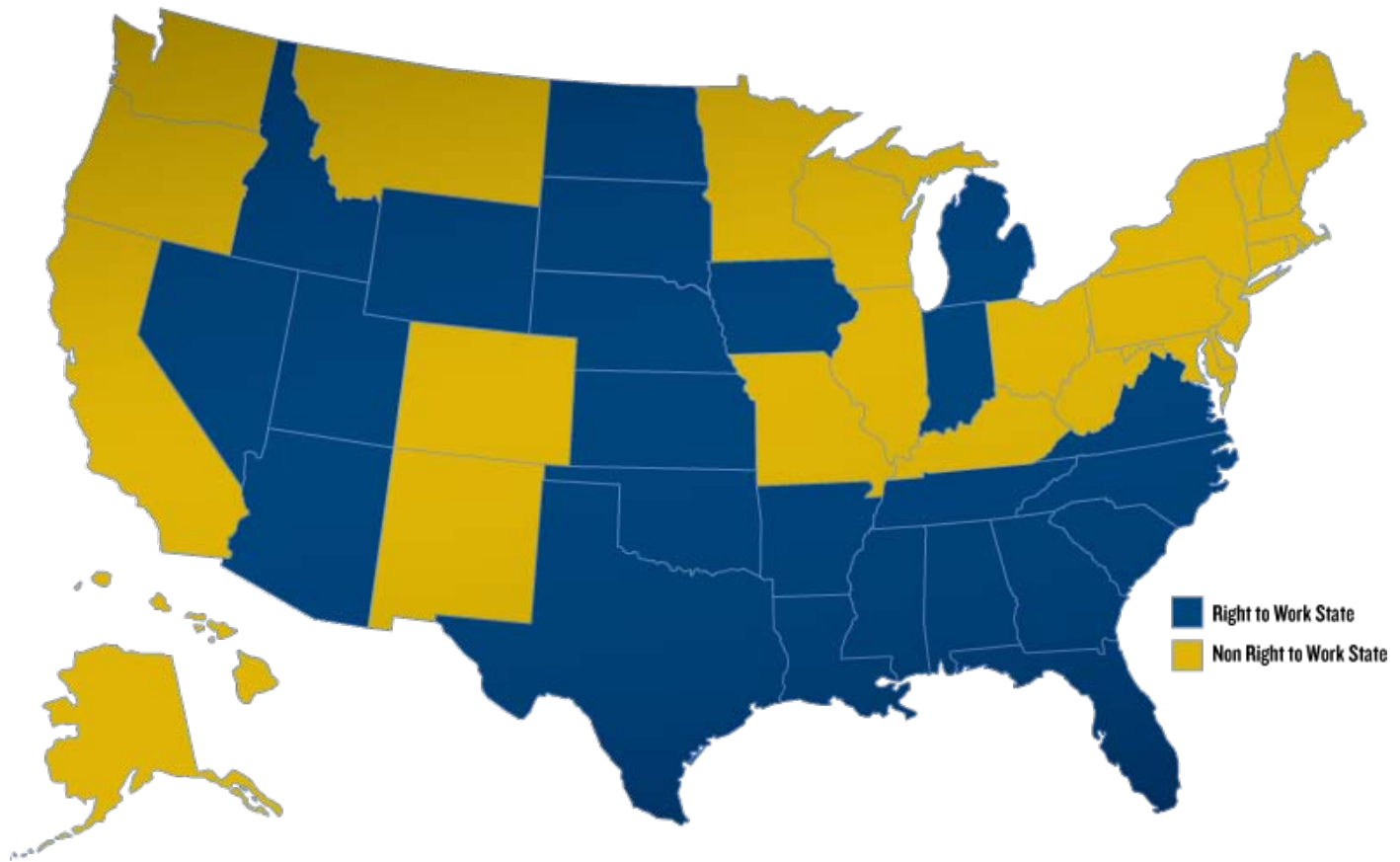
## Business Property Tax

3% cap

## Inventory Tax

None

# RIGHT TO WORK STATES



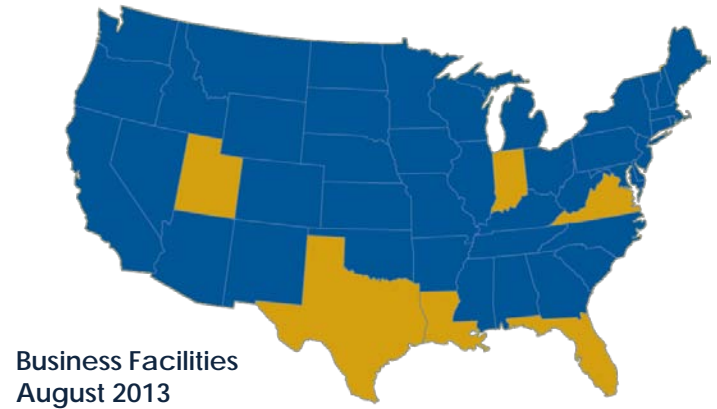
On February 1, 2012, Indiana enacted a Right to Work bill into law. Right to Work allows individual employees to decide if they will financially support a union.

**A STATE THAT WORKS**

1<sup>st</sup> IN THE MIDWEST FOR LOW TAXES  
AND 10<sup>th</sup> NATIONALLY



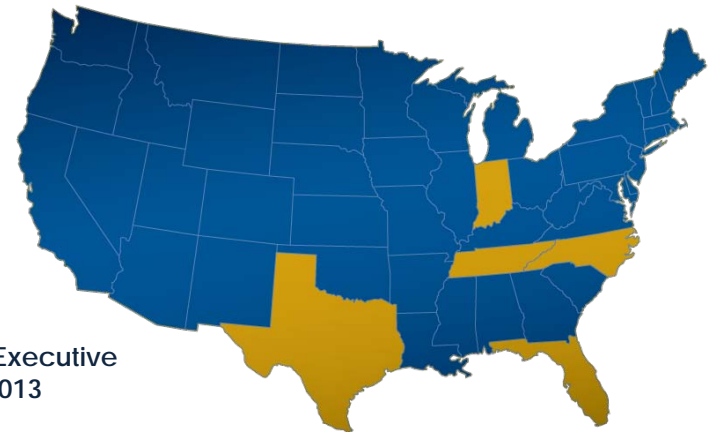
BUSINESS CLIMATE RANKS 1<sup>st</sup> IN THE  
MIDWEST AND 6<sup>th</sup> NATIONALLY



RANKED 2<sup>nd</sup> MOST COMPETITIVE  
STATE IN THE NATION



BEST BUSINESS CLIMATE IN THE  
MIDWEST AND 5<sup>th</sup> NATIONALLY



**A STATE THAT WORKS**

# AAA BOND RATING BEST IN HISTORY



ONE OF 11 STATES  
with top bond rating  
from all three major  
credit rating agencies

FitchRatings



STANDARD  
& POOR'S

November 2013

A STATE THAT WORKS

More than

**50** COLLEGES  
AND UNIVERSITIES

totaling  
more  
than

**100**

campuses around the state

**INDIANA IS HOME TO LEADING RESEARCH UNIVERSITIES**

INDIANA UNIVERSITY

PURDUE UNIVERSITY

ROSE-HULMAN

UNIVERSITY OF NOTRE DAME

**A STATE THAT WORKS**



# NATIONAL LEADER IN EDUCATION

- ▶ #1 School of Engineering\*  
ROSE-HULMAN INSTITUTE OF TECHNOLOGY
- ▶ #2 Regional University (Midwest)  
BUTLER UNIVERSITY
- ▶ #10 School of Business  
INDIANA UNIVERSITY
- ▶ #18 National University  
UNIVERSITY OF NOTRE DAME
- ▶ #10 School of Engineering  
PURDUE UNIVERSITY

#1



**ROSE-HULMAN**  
INSTITUTE OF TECHNOLOGY

# CROSSROADS OF AMERICA

▶ **AIR**

Indianapolis International Airport is the 5<sup>th</sup> largest cargo airport and is home to the 2nd largest FedEx hub worldwide

▶ **RAIL**

1st in the U.S. for rail tons of primary metal products originated and 3rd in the U.S. for total freight railroads

▶ **ROAD**

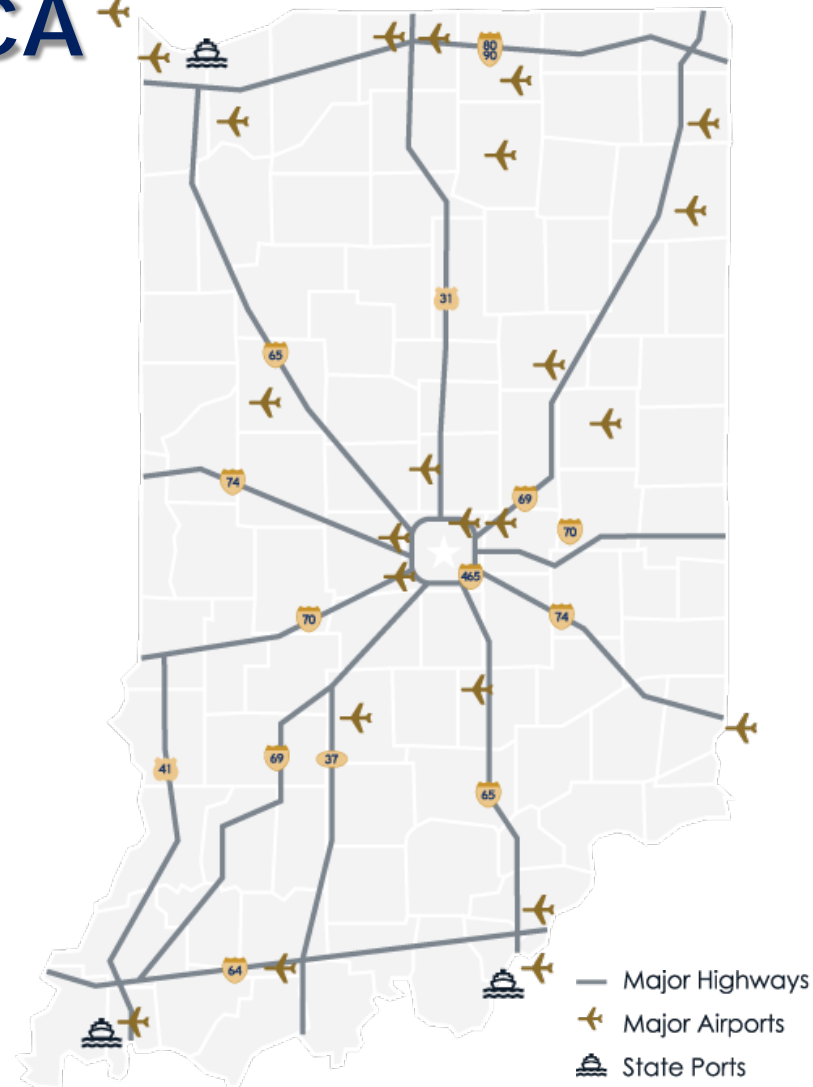
Leading state in pass-through interstates

▶ **WATER**

With 3 international ports and 407 miles of navigable waterways, Indiana is home to the only statewide port system providing international connections for America's Heartland via the Great Lakes and Ohio Mississippi river system.

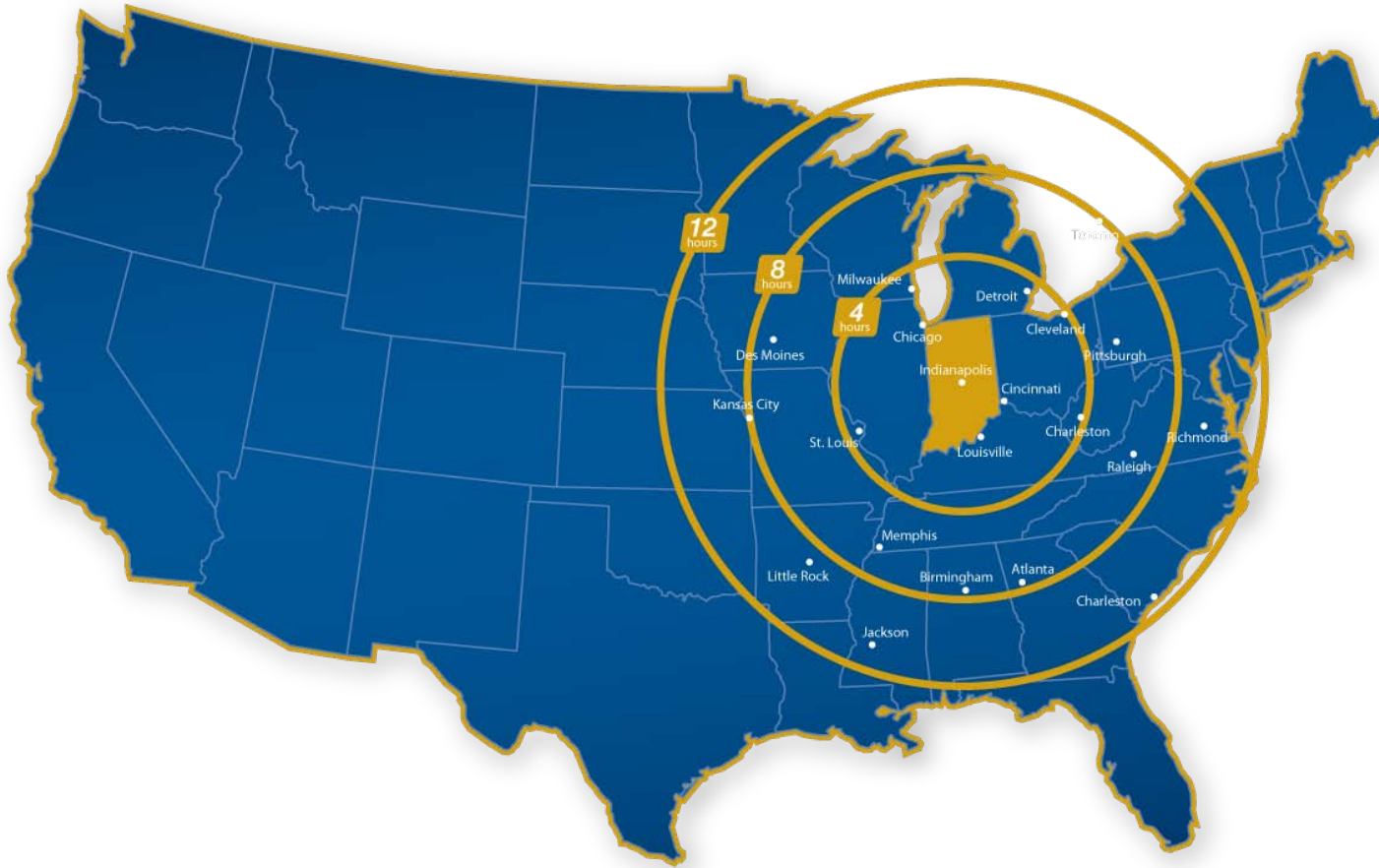
▶ **INFRASTRUCTURE INVESTMENT**

By the end of calendar year 2015, over \$11 billion will be invested.



Source: Conexus Indiana, INDOT, Ports of Indiana

# EASY ACCESS TO MAJOR U.S. MARKETS



INDIANA IS  
**WITHIN**  
A ONE-DAY  
DRIVE OF

**80%**

OF THE U.S.  
POPULATION

**A STATE THAT WORKS**

# LOGISTICS – AIR FREIGHT



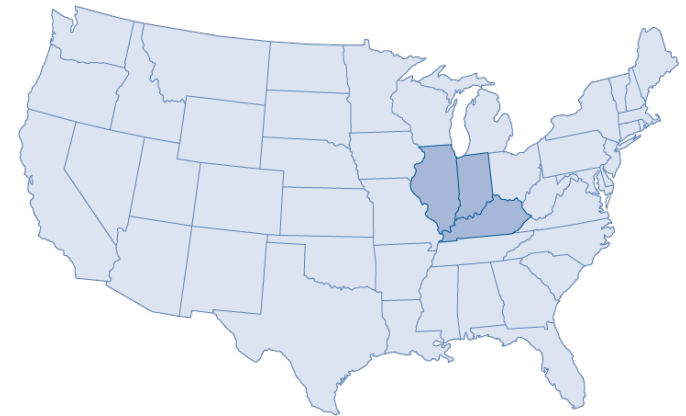
**2nd** largest FedEx hub in Indianapolis

Largest UPS hub in Louisville, KY

DHL Americas hub in Hebron, KY

1.9 million tons of cargo passed through  
O'Hare International Airport in Chicago, IL

*FAA, All-Cargo Landed Weight for FY2013*





# INTERNATIONAL INVESTMENTS

## 2010-2012

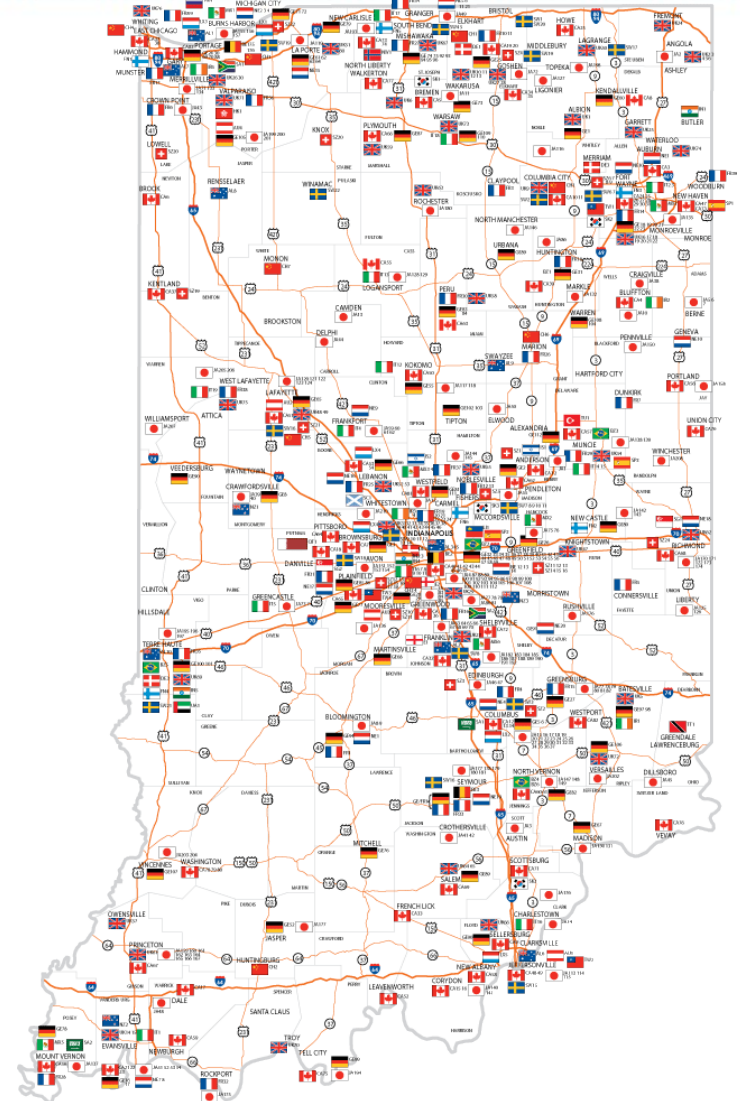
# \$4.7 Billion

IN INTERNATIONAL INVESTMENT

# &

# 12,400

NEW JOBS FROM  
INTERNATIONAL INVESTORS



# A STATE THAT WORKS

Source: Capturing the Flag:  
Foreign Direct Investment in  
Indiana, June 2013 - IBRC