

WESTERN STATES BUSINESS COST COMPARISONS

	State Corporate Income Tax	Personal Income Tax	*Payroll Expense Tax/Modified Business Tax/ Payroll Tax Offsets	Gross Receipts Tax/Franchise Tax/Margins Tax	Monthly Property Tax - Based on \$25M Market or Assessed Value	Capital Gains Tax	Unemployment Insurance	Monthly Avg Industrial Lease Rate <small>(Source: Loopnet, Jun 2016)</small>	Worker's Comp Average Rates by Class
Nevada	None	None	1.475% on payroll > \$50K per quarter	Commerce Tax .05% - .33% on gross revenue > \$4M	\$22,969 \$25,000,000 x .35 = \$8,750,000 assessed value x assumed tax rate of 5.0315* = \$275,625 ÷ 12 = \$22,969 per month <small>(*Average of all Nevada county taxes)</small>	None	0.25% - 5.4%	\$0.61 per sq ft Reno \$0.65 per sq ft Las Vegas	Class 2915 - Veneer Products Mfg \$2.45 Class 3632 - Machine Shop NOC \$2.88 Class 8017 - Store: Retail NOC \$1.01 Class 8810 - Clerical NOC \$0.21
California	8.84%	1.0% - 13.3%	.83% Payroll > \$150K (San Francisco only) Beginning in 2018, Payroll Tax will be replaced by Gross Receipts Tax	S Corporations: Min \$800 franchise tax + 1.5% tax on net income LLCs: Min \$800 franchise tax + gross receipts tax \$0 - \$12,590 < \$250k - > \$5M	\$22,917 Assuming assessed value of \$25,000,000 x .011 (1.1%) = \$275,000 ÷ 12 = \$22,917 monthly property tax.	Up to 13.3%	1.5% - 6.2%	\$1.16 per sq ft Los Angeles	Class 2915 - Veneer Products Mfg \$11.33 Class 3632 - Machine Shop NOC \$4.92 Class 8017 - Store: Retail NOC \$4.58 Class 8810 - Clerical NOC \$0.39
Arizona	4.9%	2.59% - 4.54%	None	Transaction Privilege Tax 6.6% Average for Most Businesses	\$71,667 \$25,000,000 x .25 = \$6,250,000 ÷ 100 = \$62,500 x \$13.76* = \$860,000 ÷ 12 = \$71,667 monthly property tax. <small>(*Average of taxes from taxing districts)</small>	2.59% - 4.54%	0.03% - 8.91%	\$0.64 per sq ft Phoenix	Class 2915 - Veneer Products Mfg \$2.65 Class 3632 - Machine Shop NOC \$2.20 Class 8017 - Store: Retail NOC \$1.45 Class 8810 - Clerical NOC \$0.20
Utah	5.0%	5.0%	None	Franchise Tax 5%	\$22,917 Assuming a market value of \$25,000,000 x .011 (1.1%) = \$275,000 ÷ 12 = \$22,917 monthly property tax.	5.0%	0.2% - 7.2%	\$0.50 per sq ft Salt Lake City	Class 2915 - Veneer Products Mfg \$1.48 Class 3632 - Machine Shop NOC \$1.64 Class 8017 - Store: Retail NOC \$0.91 Class 8810 - Clerical NOC \$0.09
New Mexico	4.8% < \$500,000 6.2% > \$500,000	1.7% - 4.9%	None	Gross Receipts Tax 5.13% - 8.69%	\$32,501 Assuming \$25,000,000 assessed value ÷ 3 = \$8,333,333 x an assumed mill rate of .046801 (46.801 ÷ 1,000) = \$390,008 ÷ 12 = \$32,501 monthly property tax.	4.9%	0.33% - 5.4%	\$0.64 per sq ft Albuquerque	Class 2915 - Veneer Products Mfg \$2.58 Class 3632 - Machine Shop NOC \$2.09 Class 8017 - Store: Retail NOC \$1.79 Class 8810 - Clerical NOC \$0.24
Idaho	7.4%	1.6% - 7.4%	None	None	\$33,333 Assuming a market value (MV) of \$25,000,000 x .016 (1.6%) = \$400,000 ÷ 12 = \$33,333 monthly property tax.	Up to 7.4%	0.425% - 5.4%	\$0.54 per sq ft Boise	Class 2915 - Veneer Products Mfg \$3.32 Class 3632 - Machine Shop NOC \$4.51 Class 8017 - Store: Retail NOC \$2.09 Class 8810 - Clerical NOC \$0.28
Washington	None	None	None	Business & Occupation Tax 0.48% - 1.5% This covers the 4 principal rates	\$20,833 Assuming fair market value (assessed value) of \$25,000,000 x .01 = \$250,000 ÷ 12 = \$20,833 monthly property tax.	None	0.1% to 5.7%	\$1.08 per sq ft Seattle	Class 2904 - Veneer Products Mfg \$1.70 Class 3402 - Machine Shop NOC \$1.23 Class 6406 - Store: Retail NOC \$0.37 Class 4904 - Clerical NOC \$0.14
Oregon	6.6% < \$1M 7.6% > \$1M	5.0% - 9.9%	0.09% > \$38k	None	\$32,688 Assuming a *taxable assessed value of \$25,000,000 ÷ \$1,000 x \$15.69 = \$392,250 ÷ 12 = \$32,688 monthly property tax. <small>*Lesser of Real Market Value or Maximum Assessed Value</small>	5.0% - 9.9%	1.11% - 5.4%	\$0.71 per sq ft Portland	Class 2915 - Veneer Products Mfg \$3.09 Class 3632 - Machine Shop NOC \$2.01 Class 8017 - Store: Retail NOC \$0.83 Class 8810 - Clerical NOC \$0.10
Colorado	4.63%	4.63%	*5 Colorado cities/counties have payroll taxes. http://www.payroll-taxes.com/state-tax/colorado-counties	None	\$45,639 Assuming Actual Value of \$25M x 29% Assessment Rate = \$7,250,000 x Assumed Tax Rate of .075541 = \$547,672 ÷ 12 = \$45,639 monthly property tax.	Up to 4.63%	0.66% - 8.9%	\$0.62 per sq ft Denver	Class 2915 - Veneer Products Mfg \$3.72 Class 3632 - Machine Shop NOC \$2.84 Class 8017 - Store: Retail NOC \$1.45 Class 8810 - Clerical NOC \$0.13
Texas	None	None	None	Franchise Tax (Margin Tax) 0.38% - 0.75% > \$1.1M in total revenue	\$58,042 Assuming an assessed value of \$25,000,000 x *2.876% = \$696,500 ÷ 12 = \$58,042 monthly property tax. <small>*Assumed tax rate from taxing districts.</small>	None	0.45% - 7.47%	\$0.88 per sq ft Austin	Class 2881 (TX) - Veneer Prod Mfg \$1.79 Class 3632 - Machine Shop NOC \$1.40 Class 8017 - Store: Retail NOC \$0.81 Class 8810 - Clerical NOC \$0.07