



EXECUTIVE BRIEFING

EFFECTIVE BUSINESS TAX AND LEASE RATE ANALYSIS:

Comparing the Hartford Region and Connecticut with
Peer and Competitive Markets-2023 Update

METROHARTFORD ALLIANCE – COHNREZNICK STATE AND LOCAL EFFECTIVE BUSINESS TAX & LEASE RATE ANALYSIS - 2023 UPDATE

Executive Briefing

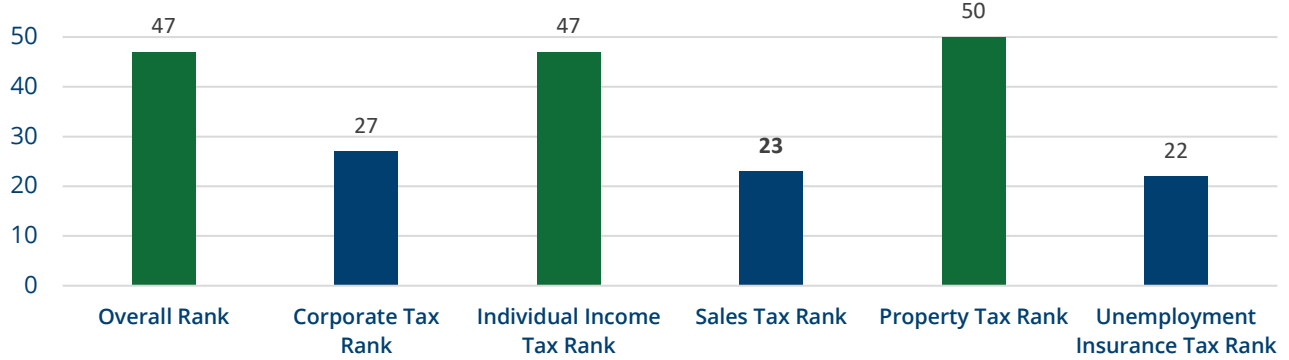
Both individual and business taxes, along with various other government-imposed costs, significantly influence the business climate of a state, thereby impacting its growth potential and its capacity to attract businesses. These costs, when coupled with office lease rates and cost of living for individuals, also play a crucial role in shaping a community's efforts to diversify its economy, support companies in generating new job opportunities, retaining current employees, attracting skilled talent, and expanding the local government's tax revenue.

As the MetroHartford Alliance (MHA) collaborates with companies to facilitate their establishment and growth within the region and state, this initiative necessitates furnishing companies with comprehensive information about available buildings and sites, utility infrastructure, transportation options, labor availability, business expenditures, and various other essential factors. In 2021, MHA engaged with CohnReznick, leveraging their State and Local Tax (SALT) expertise to meticulously scrutinize the business costs incurred by companies situated in the Hartford Region. This analysis aimed to gain a more profound understanding of how these costs compare with those of peer states and metropolitan regions.

In the aftermath of the Covid-19 pandemic, comprehending competitive advantages and disadvantages has become paramount. The paradigm shift induced by remote work strategies and the drive to curtail costs has prompted a critical assessment of the regions position. The examination of multiple national business cost studies revealed a common trend where most reports focused solely on published statutory tax rates, failing to delve into a company's Effective Business Tax Rate (EBTR). Conversely, some studies considered lease expenses for Class A office spaces and property taxes but omitted income and franchise taxes from their evaluations.

One frequently referenced study is the annual State Business Tax Climate Index presented by the national Tax Foundation. In their 2023 report, Connecticut was ranked 47th overall on their Business Tax Climate index. Further exploration into their study unveiled that Connecticut holds a mid-range position for Corporate Taxes (#27), Sales Taxes (#23), and Unemployment Insurance Taxes (#23). However, Connecticut's placement towards the bottom of their rankings is attributed to the state's Individual Income Tax rank (#47), which disproportionately affects pass-through entities, putting small and family-owned businesses at a disadvantage, and the Property Tax rank (#50), which particularly impacts businesses with substantial investments in personal property and equipment.

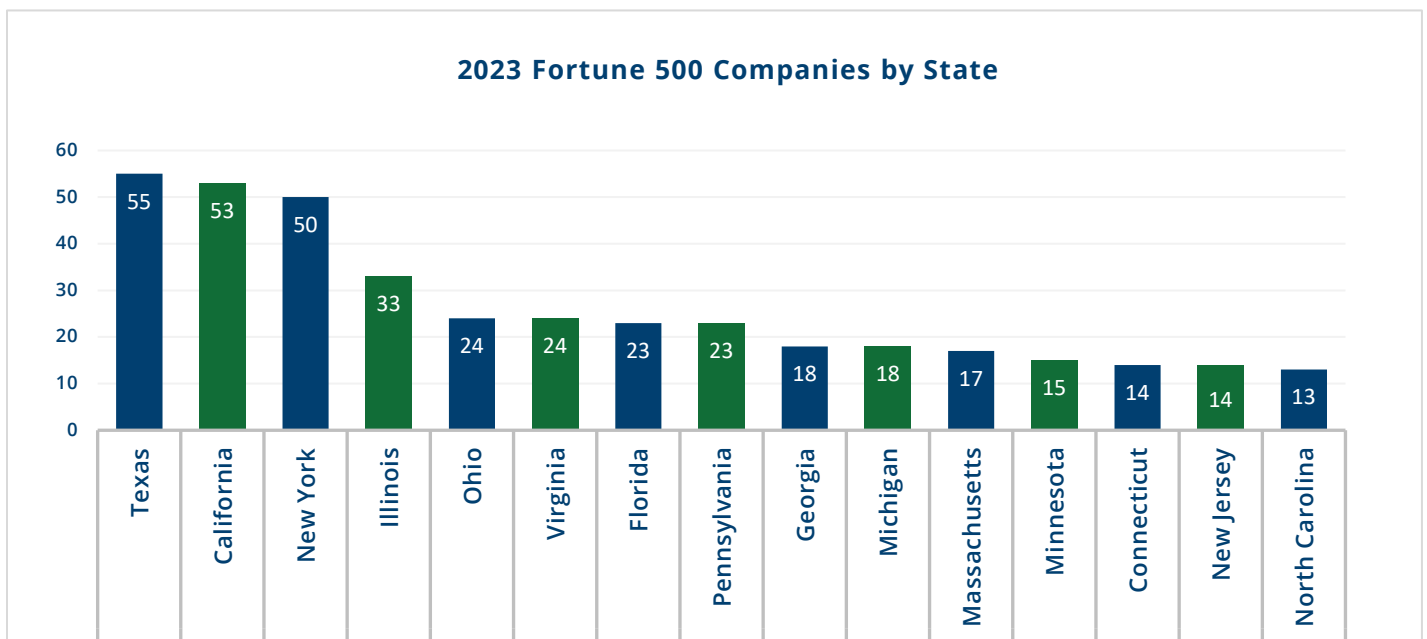
2023 Tax Foundation Connecticut Business Tax Rankings by Tax Type



Another extensively discussed study, conducted by US News and World Report, positioned Connecticut at #2 for Patent Activity, #5 for Corporate Headquarters, #6 for Business Environment, and #16 overall in their 2023 Best States Report.

The ongoing query for Hartford and Connecticut pertains to identifying peer states and locations, along with their respective rankings. The Tax Foundation's study proposes that Connecticut should strive to emulate top-ranked states like Wyoming, South Dakota, and Alaska, while distancing itself from the states at the bottom of the list such as New Jersey, New York, and California. On the other hand, the US News and World Report's study elevates Utah, Washington, and Idaho to the top ranks. Lastly, considering that Connecticut is physically smaller than 28 other metropolitan areas, it raises the question of whether Hartford and Connecticut should consider those regions as true peers (See Appendix).

2023 Fortune 500 Companies by State



2023 EFFECTIVE TAX RATE STUDY UPDATE:

In the first half of 2023, the MetroHartford Alliance (MHA) rekindled its engagement with the CohnReznick SALT team to conduct a comprehensive update of the original analysis, building upon the groundwork laid in 2021/2022. Employing the same tried-and-true model, we employed a standardized set of business criteria tailored to a typical insurance firm (refer to the appendix for details).

Acknowledging the escalating presence of Insurtech and Fintech companies in the region, and the MHA through its Connecticut Insurance Financial Services (CT IFS) initiative's endeavors to entice these lucrative technology enterprises to the region and expanded the investigation to encompass tax and lease costs applicable to non-insurance/general Class A office users as well. The chosen approach revolves around juxtaposing Hartford and Connecticut with the regions and states that perennially vie with us for employment opportunities and investments. Specifically, the targeted areas are renowned for hosting a dense concentration of Fortune 500 company headquarters and acting as pivotal hubs for insurance financial services, aerospace/defense, and advanced manufacturing (see the appendix for further insights).

The specific peer Metropolitan Statistical Areas (MSA's) to Hartford that were included in the study were:

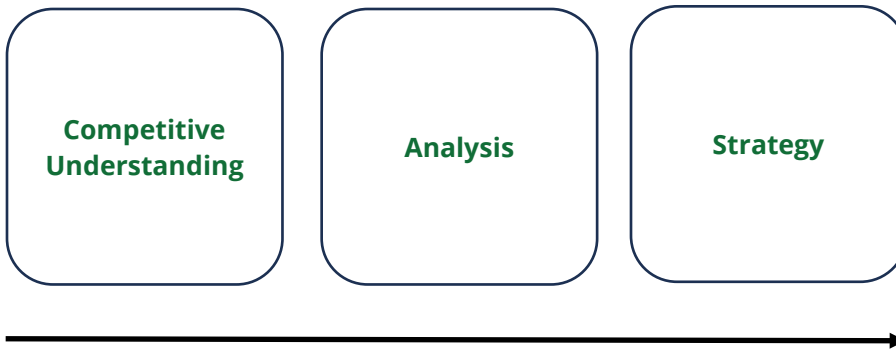
Mid-Sized Markets (Population 250,000 - 1,500,000)

- Hartford-East Hartford-Middletown, CT
- Des Moines-West Des Moines, IA

Large Markets (Population 1,500,000 or more)

- Austin-Round Rock-Georgetown, TX
- Atlanta-Sandy Springs-Alpharetta, GA
- Boston-Cambridge-Newton, MA-NH
- Charlotte-Concord-Gastonia, NC-SC
- Chicago-Naperville-Elgin, IL-IN-WI
- Columbus, OH
- Dallas-Fort Worth-Arlington, TX
- Jersey City, NJ (Suburban NYC)
- Minneapolis-Saint Paul-Bloomington, MN
- New York, NY
- Philadelphia-Camden-Wilmington, PA-NJ-DE-MD
- Providence, Warwick, RI-MA
- Tysons/Arlington, VA (Fairfax County)

STUDY METHODOLOGY



The analysis transcended the scope of merely comparing published statutory income and property tax rates. Instead, the analysis amalgamated all the taxes levied by local, county, and state governments on businesses across 15 peer Insurance and Financial Services (IFS) markets throughout the country, and subsequently juxtaposed these figures with those applicable in Hartford.

BUSINESS TAXES & COSTS REVIEW

- **Personal Property Tax**
 - Personal Property Type
 - Personal Property Value
 - Taxability
 - Equalized Tax Rate on Assessed Value
 - Personal Property Tax Liability
- **Real Property Tax**
 - Real Prop. Tax Base
 - Equalized Tax Rate on Assessed Value
 - Real Prop. Tax Liabilities
- **Insurance Premium Tax (Insurance Company Only)**
 - Taxable Premiums
 - Rate
 - Insurance Premium Tax Liability
 - Retaliatory Tax Imposed Yes/No
- **Sales & Use Tax**
 - Taxable Purchases
 - Rate
 - Sales Tax Liability
- **Unemployment Tax**
 - State Unemployment Tax Base
 - Wage Base Tax Limit Per Employee
 - New Employer Tax Rate
 - State Unemployment Tax
- **Commercial Rent Tax**
 - Base Rent
 - Rate2
 - Commercial Rent Tax
- **Philadelphia (only)**
 - Philly- Bus. Income and Receipts Tax Rate
 - Philly- Bus. Income and Receipts Tax
- **Ohio (only)**
 - Gross Receipts Tax
 - Tax Rate
 - Gross Receipts Liability
- **Income / Franchise Tax (Insurance Company Only)**
 - Taxable Income
 - Rate
 - Income Tax Liability
 - Income/Franchise Tax Applicable to Insurance Companies
- **Income / Franchise Tax (NON-Insurance Company Only)**
 - Taxable Income/Texas Margins
 - Apportionment Method
 - Rate
 - Apportionable Income
 - Rate
 - Income Tax Liability
 - Capital/Franchise Tax
 - Rate
 - Tax Liability
 - Other Minimum Tax
 - MTA Surcharge Rate
 - MTA Surcharge Liability
 - NY State Total Corporate Tax
 - NYC Income Tax
 - Rate
 - Tax Liability
 - NYC Capital Franchise Tax
 - Rate
 - Base Liability
 - Other Minimum Tax
 - Total Corporate Tax
 - Total Tax Liability
- **Lease Costs for 20,000 sf, Class A Office Space**

(Note: See study assumptions in appendix. An Individual business's tax situation may be different from the study's criteria, please speak with a tax adviser regarding a company's specific tax situation).

INSURANCE COMPANY OFFICE USER:

After completing a side-by-side analysis, the chart provides a breakdown of the total cash tax liability and lease costs for various locations. This analysis helps to understand the financial burden that businesses might face in these areas. Here's an examination of the key aspects and trends within the data:

	Total Cash Tax Liability & Lease Cost (Insurance Company User)									
Location	Total Tax Cost	Total Cost (Tax + Lease Cost)	Personal Property	Real Property	Insurance Premium Tax	Sales Tax	State Unempl.	Commercial Rent Tax	Lease Cost	Corp. Inc./ Franchise Tax
Des Moines	\$358,000	\$863,000	\$0	\$0	\$200,000	\$140,000	\$18,000	\$0	\$505,000	\$0
Hartford	\$448,000	\$879,000	\$12,000	\$0	\$288,000	\$127,000	\$21,000	\$0	\$431,000	\$0
Columbus	\$442,000	\$897,000	\$0	\$0	\$280,000	\$150,000	\$12,000	\$0	\$455,000	\$0
Providence	\$565,000	\$1,085,000	\$13,000	\$0	\$400,000	\$140,000	\$12,000	\$0	\$520,000	\$0
Minneapolis/St. Paul	\$581,000	\$1,237,000	\$0	\$0	\$400,000	\$161,000	\$20,000	\$0	\$656,000	\$0
Dallas/Ft. Worth	\$529,000	\$1,266,000	\$6,000	\$0	\$346,000	\$165,000	\$12,000	\$0	\$737,000	\$0
Charlotte	\$541,800	\$1,278,800	\$2,000	\$0	\$380,000	\$145,000	\$14,800	\$0	\$737,000	\$0
Philadelphia	\$661,000	\$1,289,000	\$0	\$0	\$400,000	\$160,000	\$19,000	\$0	\$628,000	\$82,000
Atlanta	\$644,000	\$1,338,000	\$3,000	\$0	\$450,000	\$178,000	\$13,000	\$0	\$694,000	\$0
Tysons	\$591,425	\$1,450,425	\$11,425	\$0	\$450,000	\$120,000	\$10,000	\$0	\$859,000	\$0
Chicago	\$806,000	\$1,606,000	\$0	\$0	\$100,000	\$205,000	\$26,000	\$0	\$800,000	\$475,000
Jersey City	\$614,000	\$1,617,000	\$0	\$0	\$420,000	\$133,000	\$61,000	\$0	\$1,003,000	\$0
Boston	\$598,000	\$1,665,000	\$6,000	\$0	\$456,000	\$125,000	\$11,000	\$0	\$1,067,000	\$0
Austin	\$531,000	\$1,678,000	\$8,000	\$0	\$346,000	\$165,000	\$12,000	\$0	\$1,147,000	\$0
New York	\$669,477	\$2,374,477	\$0	\$0	\$400,000	\$178,000	\$25,000	\$66,477	\$1,705,000	\$0

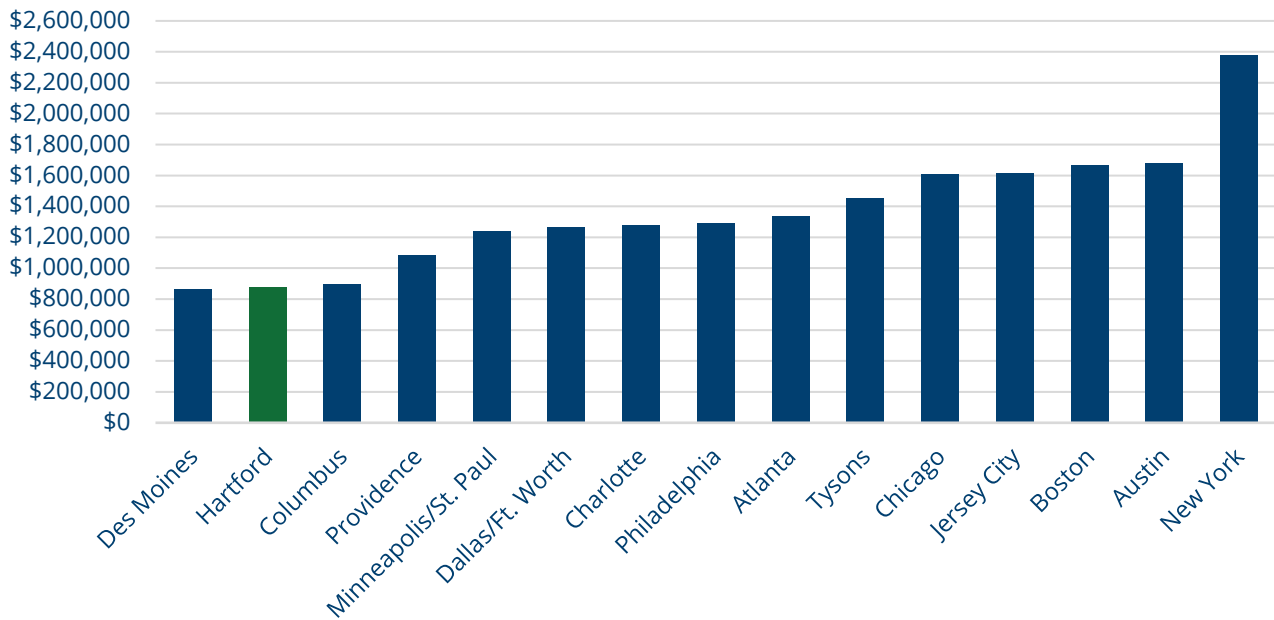
Total Tax Costs:

The total tax costs differ significantly across the listed locations, ranging from \$358,000 in Des Moines, IA, to \$699,477 in New York, NY.

Total Cost (Tax + Lease Cost):

The total cost, which combines both tax and lease expenses, exhibits a similar disparity, ranging from \$863,000 in Des Moines, IA, to \$2,374,477 in New York, NY. Hartford, CT at \$879,000 is the second lowest on the chart for combined tax and lease cost rank, indicating its relatively favorable business environment in terms of these costs.

Total Cost (Tax + Lease Cost) For Insurance Companies
(20,000 square foot user)



Tax Component Rankings:

Property Taxes (Personal and Real): Hartford consistently ranks well across all locations, reflecting its competitive property tax structure.

Sales Tax: Locations such as Tysons, VA (Suburban DC/Fairfax County, VA), and Boston, MA, stand out for having low sales tax ranks, indicating favorable sales tax environments.

State Unemployment Tax: The rankings for this tax component show variations, indicating that some locations offer more advantageous unemployment tax setups.

Commercial Rent Tax: Most locations have a similar ranking, implying that commercial rent tax is not a major factor distinguishing them.

Gross Receipts Tax and Corporate Income/Franchise Tax: These taxes often have diverse rankings across locations, suggesting variations in their importance within the overall tax structure.

Comparative Insights:

Texas Locations: Both Texas locations (Dallas/Ft. Worth and Austin) rank well in terms of overall tax and lease costs.

Northeastern Locations: Several locations in the northeastern U.S., including Hartford, Columbus, and Providence, demonstrate competitive cost structures, especially regarding property taxes.

Financial Hubs: Locations like New York and Jersey City hold lower ranks in this analysis, largely due to their complex tax structures.

Business Decision Implications:

Location Choice: Businesses aiming for lower overall tax and lease costs may consider Hartford, Columbus, or Texas locations.

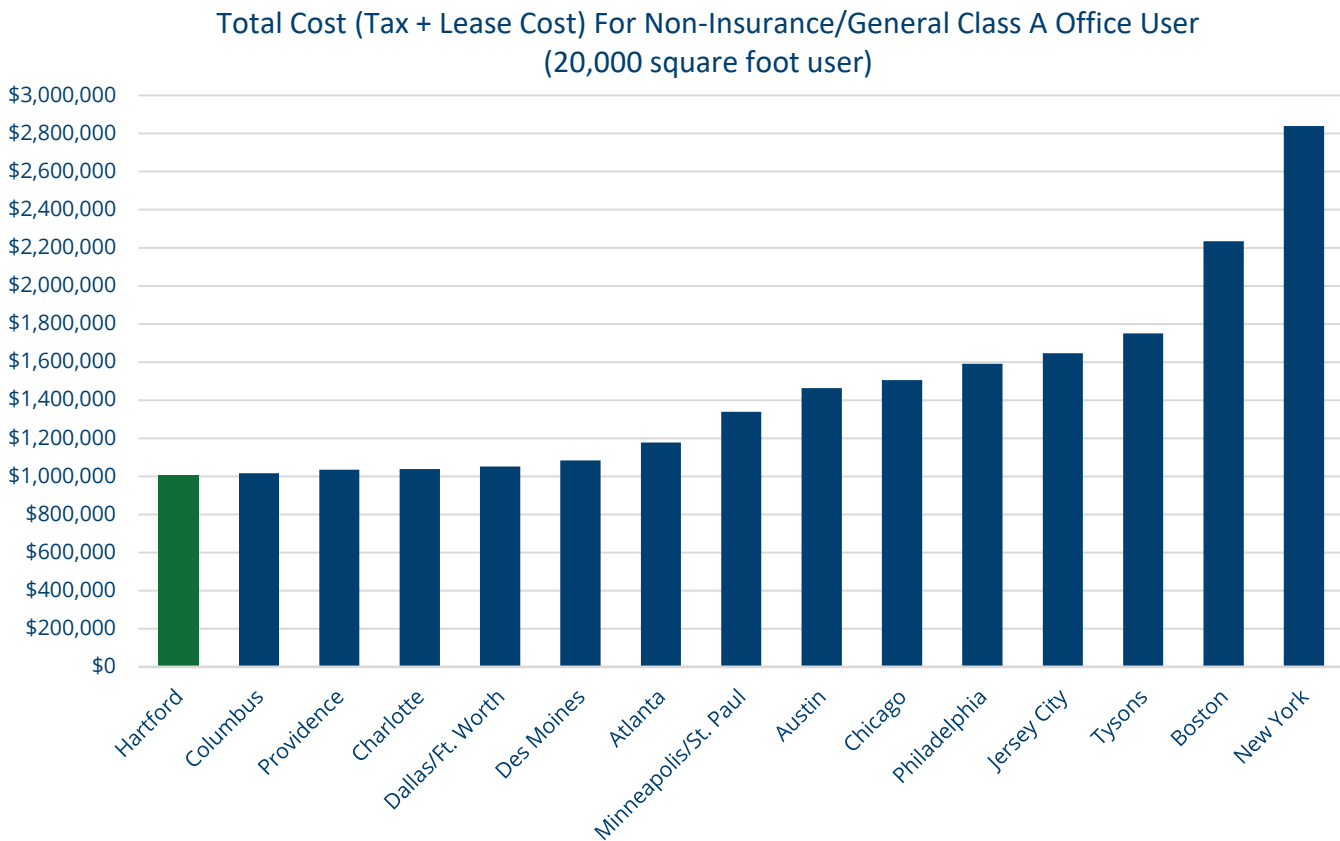
Industry Focus: The significance of different tax components varies by location. For example, locations with low sales tax might be appealing to retail businesses.

Financial Centers: Locations like New York and Jersey City might hold an appeal for businesses valuing access to financial markets despite their higher tax rankings. Hartford also provides a good location because of proximity to these markets, having a high concentration of insurance companies, and a lower overall cost of doing business.

In conclusion, the above chart provides a comprehensive view of the total cash tax liability and lease costs across various business locations for insurance companies. It underscores the importance of a holistic approach when considering business expansion or establishment, weighing both the tax and lease cost components alongside other factors critical to business success.

Non-Insurance/General Class A Office User:

In 2022, the MetroHartford Alliance forged a trade agreement with the British Government, aimed at aiding UK companies in their quest for a North American market presence and guiding them to opt for Hartford as their preferred destination for establishing their US headquarters. Witnessing the substantial growth in the region, encompassing not only Insurtech and Fintech enterprises but also a variety of other technology companies, the CohnReznick SALT team expanded its analysis to encompass the cost implications for non-insurance companies or general Class A office users. Below, is a concise overview of the findings from this comprehensive evaluation:



Variation in Total Costs:

The total costs across the listed locations exhibit a wide range, starting from \$1,004,000 in Hartford, CT, and reaching \$2,839,000 in New York, NY.

Cost Clustering:

Mid-Range Costs: Locations like Hartford, Columbus, Providence, and Charlotte fall within the mid-range of costs, indicating a relatively balanced cost structure.

Higher Costs: Major urban centers like New York, NY; Boston, MA; and Philadelphia, PA, have notably higher costs.

Texas Locations and South Atlantic Region:

Competitive Costs: Both Texas locations (Dallas/Ft. Worth and Austin) as well as Atlanta, GA, offer relatively competitive total costs.

Mixed Costs: Des Moines, IA, shows a moderate cost level despite being outside the typical urban centers as well as having limited domestic and international airline services.

Financial Centers and Economic Hubs:

Higher Costs in Financial Centers: Locations like New York, NY; Boston, MA; and Jersey City, NJ, have elevated total costs, attributed to their complex taxing structures, and higher office lease rates.

Market Access Justification: Businesses in finance and related sectors might consider these higher costs worthwhile due to the opportunities provided by such influential markets. Hartford's proximity to these markets and lower overall cost structures makes it a viable choice to lower a company's burn rate.

Strategic Business Considerations:

Balancing Costs: Businesses should weigh total costs alongside other factors like market access, talent availability, industry ecosystem, and potential for growth.

Industry Focus: Industries with higher margins or those heavily reliant on market access might find higher-cost locations more attractive.

Business Growth Stages:

Startups: Locations with lower total costs might be more attractive for startups aiming to manage initial expenses and safeguard investors.

Established Firms: Larger and established firms might prioritize access to markets, networking, and resources over immediate cost savings.

Potential for Savings:

Lease Costs Impact: The analysis highlights the importance of lease costs alongside tax considerations. Locations with lower lease costs, like Hartford, CT, might be particularly appealing.

Informed Decision-Making:

Holistic Approach: This chart can guide businesses to make informed decisions about expansion, relocation, or establishment, considering the broader financial landscape.

In conclusion, this chart presents a clear picture of the total costs across various business locations. It underscores the significance of considering multiple factors beyond just cost, such as industry focus, business stage, and potential market access, when making strategic decisions related to business operations.

KEY FINDINGS

The combined annual Tax and Lease Cost for a Non-Insurance/ General Class A office user in Hartford was \$1 million.

Austin - \$1.5 million

Boston - \$2.3 million

NYC - \$2.6 million

Source: MHA – CohnReznick Analysis, 2023

Hartford and Connecticut Punch Above Their Weight

Hartford and Connecticut exceeded expectations on the economic front. The state, alongside its various cities and towns, stands out for hosting a considerable number of corporate headquarters, including 14 Fortune 500 companies. Notably, the state holds a prominent position in the Insurance and Financial Services sector. As indicated by the 2023 Best State Rankings by US News and World Report, Connecticut achieved the sixth highest ranking for its business environment and an overall 16th best state ranking.

The comprehensive tax and lease analysis conducted by the MetroHartford Alliance and CohnReznick reveals compelling insights. Among these, Hartford boasts the second lowest total tax and office lease costs for insurance companies, even claiming the lowest costs for non-insurance/general Class A office users. This unique cost advantage makes Hartford an attractive destination for businesses, particularly early-stage Insurtech and Fintech companies aiming to manage expenses and provide value to their investors by lowering their overall burn rate.

Mid-Sized Powerhouse

In terms of economic impact, Hartford, and Connecticut, though mid-sized, wield substantial influence. The comparison drawn in the analysis places them against larger markets in the United States, which have larger physical footprints and more extensive populations. These chosen markets are key competitors for business locations and headquarters placements.

Hartford's reputation for competitiveness in business costs, cost of living, and labor markets enjoys national recognition, and this reputation will continue to attract attention to the region. In the complex process of site selection, companies take multiple criteria into account. These encompass market size, availability of labor force, access to capital, regulatory framework, distribution networks, supply chain, quality of life, and numerous other factors.

The region's strengths in these areas, coupled with the insights derived from the study, underscore that the Hartford Region and Connecticut present a cost-effective and enticing environment for both retaining and attracting businesses.

Insurance Capital of the World

Hartford's unique designation as “The Insurance Capital of the World” is further underscored by its commitment to embracing emerging technologies and adapting to industry shifts. The city has seen a surge in Insurtech startups from around the globe that are revolutionizing traditional insurance models

through cutting-edge digital solutions. This blend of historical expertise and modern innovation has cemented Hartford's status as a dynamic ecosystem that nurtures both tradition and transformation.

Regulatory support from the state of Connecticut, combined with a business-friendly environment, has encouraged the presence of insurance giants and startups alike. This support, coupled with a culture of collaboration, knowledge-sharing, and mentorship, has positioned Hartford as a global thought leader in insurance trends, risk management practices, and policy development.

In conclusion, Hartford's claim as the "Insurance Capital of the World" is not just a historic title but an ongoing commitment to pushing the boundaries of what insurance means to society. Its blend of tradition, innovation, strategic location, and collaborative spirit makes it an unparalleled destination for insurance professionals, entrepreneurs, and thinkers who are shaping the future of the insurance industry on a global scale.

APPENDIX

MetroHartford Alliance		
Comparable Tax Analysis: Non-Insurance Company		
6/21/2023		
	Insurance Company	Non-Insurance Company
1	Taxpayer is an insurance company organized as a C-Corporation.	Taxpayer is a company organized as a C-Corporation.
2	Taxpayer has \$20m of gross premiums.	Taxpayer has \$100m of total sales and \$20m of taxable income.
3	Taxpayer rents a 20,000 sq foot office containing \$250,000 of Taxpayer's office equipment.	Taxpayer rents a 20,000 sq foot office containing \$250,000 of Taxpayer's office equipment.
4	Taxpayer has 50 employees earning \$30/hour (average).	Taxpayer has 50 employees earning \$30/hour (average).
5	Employees work 40 hours/week for 48 weeks/year.	Employees work 40 hours/week for 48 weeks/year.
6	Taxpayer's sales to customers in its "home" state are 25% of total sales.	Taxpayer's sales to customers in its "home" state are 25% of total sales.
7	All property and payroll are in Taxpayer's "home" state.	All property and payroll are in Taxpayer's "home" state.
8	Taxable capital base is \$10m for all jurisdictions (post apportionment).	Taxable capital base is \$10m for all jurisdictions (post apportionment).
9	Property tax rates by jurisdiction only reflect base millage rates excluding special local taxing districts.	Property tax rates by jurisdiction only reflect base millage rates excluding special local taxing districts.
10	Office lease cost per ft ² includes base rent, OpEx, electric and real property tax.	Office lease cost per ft ² includes base rent, OpEx, electric and real property tax.
11	For unemployment taxes, each state's new employer tax rate and wage base as in effect for the 2021 calendar year was applied.	For unemployment taxes, each state's new employer tax rate and wage base as in effect for the 2021 calendar year was applied.
12	For NYC Commercial Rent Tax, we assume the gross rents paid is the base rent.	For NYC Commercial Rent Tax, we assume the gross rents paid is the base rent.
13	For income tax and sales tax, the rates and apportionment formulas are for tax year 2023.	For income tax, sales tax, and capital franchise tax, the rates and apportionment formulas are for tax year 2023.
14	For states providing a range of gross premiums tax rates depending on the type of insurance or type of insurer, the highest tax rate in the range was applied.	

Note: Please note that the sample business criteria used to create the model are not representative of all businesses in Hartford and Connecticut. Each business should speak with their tax and legal consultants to analyze their specific business situation.

Q1 - 2023 Office Insights Report						
	CBD Class A Lease Rate	CBD Sublease Rate	CBD Class A Vacancy	Class B Rate	CBD Class B Vacancy	Suburban Class A Rate
Providence	\$20.33		14.40%			
Hartford, CT	\$22.55		20.30%	\$15.94		\$20.23
Des Moines	\$25.63	\$21.18	10.40%	\$18.56	14.70%	\$25.17
Columbus	\$26.48	\$19.32	18.10%	\$20.62	22.30%	\$22.70
Minneapolis/St. Paul	\$34.95		22.70%	\$27.23	34.70%	\$22.63
Chicago - Non CBD	\$35.94	\$35.51	25.38%	\$33.74	11.90%	\$22.37
Philadelphia	\$36.19	\$29.53	16.80%	\$29.35	17.40%	\$31.66
Tampa Bay	\$37.89	\$28.62	11.60%	\$28.24	2.70%	\$25.99
Dallas/Ft. Worth	\$38.28	\$24.84	25.10%	\$24.04	25.00%	\$23.68
Atlanta	\$40.31	\$24.98	23.20%	\$28.97	11.60%	\$29.62
Charlotte	\$40.70	\$28.63	21.30%	\$34.33	24.60%	\$32.93
Tysons (Northern VA)	\$41.91	\$32.66	18.70%	\$34.39	26.80%	\$48.77
Jersey City (Hudson Waterfront)	\$44.93	\$27.79	31.30%	\$35.08	18.80%	\$30.20
Chicago CBD	\$45.90	\$35.51	20.60%	\$40.81	23.30%	\$26.31
New York - Downtown	\$67.74		18.90%	\$54.25	18.20%	
Austin	\$71.50	\$44.91	24.90%	\$53.60	15.60%	\$53.80
Washington, DC	\$73.33	\$45.78	18.50%	\$55.15	17.90%	\$36.70
Boston CBD	\$78.61	\$34.50	14.30%	\$53.30	19.40%	\$31.03
New York - Midtown	\$88.22	\$59.25	15.30%	\$61.65	18.20%	
Boston - Cambridge	\$101.23	\$34.50	10.20%	\$68.86	29.00%	\$31.03

Source: JLL Q1 2023 Office Insights Report, CBRE Office Reports, Cush Wake

Total Cash Tax Liability & Lease Cost (Non-Insurance - General Class A Office User)										
Location	Total Tax Cost	Total Cost (Tax + Lease Cost)	Personal Property	Real Property	Sales Tax	State Unempl.	Commer. Rent Tax	Lease Cost	Gross Receipts	Corp. Inc./ Franchise Tax
Hartford	\$573,000	\$1,004,000	\$12,000	-	\$127,000	\$21,000	-	\$431,000	-	\$413,000
Columbus	\$562,000	\$1,017,000	-	-	\$150,000	\$12,000	-	\$455,000	\$65,000	\$335,000
Providence	\$515,000	\$1,035,000	\$13,000	-	\$140,000	\$12,000	-	\$520,000	-	\$350,000
Charlotte	\$301,800	\$1,038,800	\$2,000	-	\$145,000	\$14,800	-	\$737,000	-	\$140,000
Dallas/Ft. Worth	\$314,000	\$1,051,000	\$6,000	-	\$165,000	\$12,000	-	\$737,000	-	\$131,000
Des Moines	\$578,000	\$1,083,000	-	-	\$140,000	\$18,000	-	\$505,000	-	\$420,000
Atlanta	\$483,000	\$1,177,000	\$3,000	-	\$178,000	\$13,000	-	\$694,000	-	\$289,000
Minneapolis/ St. Paul	\$683,000	\$1,339,000	-	-	\$161,000	\$20,000	-	\$656,000	-	\$502,000
Austin	\$316,000	\$1,463,000	\$8,000	-	\$165,000	\$12,000	-	\$1,147,000	-	\$131,000
Chicago	\$706,000	\$1,506,000	-	-	\$205,000	\$26,000	-	\$800,000	-	\$475,000
Philadelphia	\$963,000	\$1,591,000	-	-	\$160,000	\$19,000	-	\$628,000	-	\$784,000
Jersey City	\$644,000	\$1,647,000	-	-	\$133,000	\$61,000	-	\$1,003,000	-	\$450,000
Tysons	\$891,000	\$1,750,000	\$11,000	-	\$120,000	\$10,000	-	\$859,000	-	\$750,000
Boston	\$1,168,000	\$2,235,000	\$6,000	-	\$125,000	\$11,000	-	\$1,067,000	-	\$1,026,000
New York	\$1,134,000	\$2,839,000	-	-	\$178,000	\$25,000	\$66,000	\$1,705,000	-	\$865,000

Tax Foundation

2023 State Business Tax Climate Index Ranks and Component Tax Ranks for Top 15 Fortune 500 States

State	Overall Rank	Corporate Tax Rank	Individual Income Tax Rank	Sales Tax Rank	Property Tax Rank	Unemployment Insurance Tax Rank	Fortune 500 Rank
North Carolina	10	5	17	20	13	10	15
Georgia	32	8	35	31	28	35	9
Florida	4	10	1	21	12	3	7
Virginia	26	17	34	12	29	39	6
Michigan	12	20	12	11	25	8	10
New York	49	24	50	43	49	40	3
Connecticut	47	27	47	23	50	23	13
Massachusetts	34	36	11	13	46	50	11
Illinois	36	38	13	38	44	43	4
Ohio	37	39	41	36	6	13	5
Pennsylvania	33	42	20	16	16	22	8
Minnesota	45	43	43	29	31	34	12
California	48	46	49	47	19	24	2
Texas	13	47	7	37	38	12	1
New Jersey	50	48	48	42	45	32	14

US News and World Report - 2023 Best State Rankings
Top 15 Fortune 500 States

RANK OVERALL	STATE	ECONOMY RANK	BUSINESS ENVIRONMENT RANK
5	Minnesota	15	22
10	Florida	7	12
11	Massachusetts	9	1
13	Virginia	18	21
16	Connecticut	17	6
17	North Carolina	14	15
19	New Jersey	24	25
20	New York	45	27
21	Georgia	11	13
33	California	29	2
34	Ohio	37	29
35	Texas	8	24
36	Illinois	39	26
40	Pennsylvania	38	31
41	Michigan	36	17

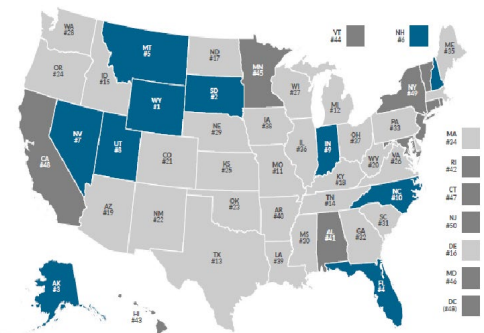
The 10 best states in this year's Index are:

1. Wyoming
2. South Dakota
3. Alaska
4. Florida
5. Montana
6. New Hampshire
7. Nevada
8. Utah
9. Indiana
10. North Carolina

The 10 lowest-ranked, or worst, states in this year's Index are:

41. Alabama
42. Rhode Island
43. Hawaii
44. Vermont
45. Minnesota
46. Maryland
47. Connecticut
48. California
49. New York
50. New Jersey

2023 State Business Tax Climate Index



Note: A rank of 1 is best, 50 is worst. D.C.'s score and rank do not affect other states. The report shows tax systems as of July 1, 2022 (the beginning of Fiscal Year 2023).
Source: Tax Foundation.

10 Best Business Tax Climates
10 Worst Business Tax Climates

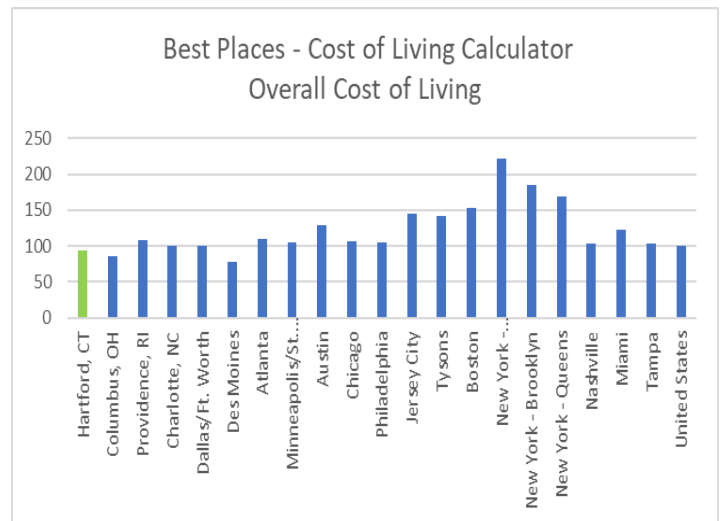


US Metropolitan Statistical Areas (MSA)
Ranked by Total Sq Miles

Rank	MSA	Sq Miles
1	Riverside	27,298
2	Phoenix	16,573
3	New York	11,842
4	Houston	10,062
5	Salt Lake City	9,977
6	Dallas	9,286
7	St. Louis	8,458
8	Denver	8,414
9	Atlanta	8,376
10	Sacramento	8,274
11	Las Vegas	8,091
12	Kansas City	7,952
13	San Antonio	7,387
14	Chicago	7,256
15	San Francisco	6,966
16	Nashville	6,868
17	Portland	6,684
18	Minneapolis/St. Paul	6,364
19	Oklahoma City	6,359
20	Miami	6,138
21	Seattle	5,872
22	Richmond	5,716
23	Pittsburgh	5,706
24	Washington	7,256
25	Birmingham	5,370
26	Philadelphia	5,118
27	Cincinnati	4,878
28	Los Angeles	4,850
	Connecticut	4,845
49	Hartford	1,607

Business Facilities Magazine
Leading U.S. Regions for InsurTech/FinTech Companies

- Des Moines
- Columbus
- Hartford
- Dallas/Fort Worth
- Providence
- Chicago
- Atlanta
- Minneapolis/St. Paul
- Charlotte
- Philadelphia
- Tysons (Fairfax County)
- Jersey City
- Austin
- Boston
- New York



Rank	Metropolitan Statistical Area (MSA)	2022 Population Estimate
1	New York-Newark-Jersey City, NY-NJ-PA	19,617,869
2	Los Angeles-Long Beach-Anaheim, CA	12,872,322
3	Chicago-Naperville-Elgin, IL-IN-WI	9,441,957
4	Dallas-Fort Worth-Arlington, TX	7,943,685
5	Houston-The Woodlands-Sugar Land, TX	7,340,118
6	Washington-Arlington-Alexandria, DC-VA-MD-WV	6,373,756
7	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	6,241,164
8	Atlanta-Sandy Springs-Roswell, GA	6,222,106
9	Miami-Fort Lauderdale-Pompano Beach, FL	6,139,340
10	Phoenix-Mesa-Chandler, AZ	5,015,678
11	Boston-Cambridge-Newton, MA-NH	4,900,550
12	Riverside-San Bernardino-Ontario, CA	4,667,558
13	San Francisco-Oakland-Berkeley, CA	4,579,599
14	Detroit-Warren-Dearborn, MI	4,345,761
15	Seattle-Tacoma-Bellevue, WA	4,034,248
16	Minneapolis-St. Paul-Bloomington, MN-WI	3,693,729
	Connecticut	3,626,205
17	Tampa-St. Petersburg-Clearwater, FL	3,290,730
18	San Diego-Chula Vista-Carlsbad, CA	3,276,208
19	Denver-Aurora-Lakewood, CO	2,985,871
20	Baltimore-Columbia-Towson, MD	2,835,672
21	St. Louis, MO-IL	2,801,319
22	Orlando-Kissimmee-Sanford, FL	2,764,182

23	Charlotte-Concord-Gastonia, NC-SC	2,756,069
24	San Antonio-New Braunfels, TX	2,655,342
25	Portland-Vancouver-Hillsboro, OR-WA	2,509,489
26	Austin-Round Rock-Georgetown, TX	2,421,115
27	Sacramento-Roseville-Folsom, CA	2,416,702
28	Pittsburgh, PA	2,349,172
29	Las Vegas-Henderson-Paradise, NV	2,322,985
30	Cincinnati, OH-KY-IN	2,265,051
31	Kansas City, MO-KS	2,209,494
32	Columbus, OH	2,161,511
33	Indianapolis-Carmel-Anderson, IN	2,141,779
34	Cleveland-Elyria, OH	2,063,132
35	Nashville-Davidson-Murfreesboro-Franklin, TN	2,046,828
36	San Jose-Sunnyvale-Santa Clara, CA	1,938,524
37	Virginia Beach-Norfolk-Newport News, VA-NC	1,806,840
38	Jacksonville, FL	1,675,668
39	Providence-Warwick, RI-MA	1,673,802
40	Milwaukee-Waukesha, WI	1,559,792
41	Raleigh-Cary, NC	1,484,338
42	Oklahoma City, OK	1,459,380
43	Richmond, VA MSA	1,339,182
44	Memphis, TN-MS-AR	1,332,305
45	Louisville/Jefferson County, KY-IN	1,284,553
46	Salt Lake City, UT MSA	1,266,191
47	New Orleans-Metairie, LA	1,246,176
48	Hartford-East Hartford-Middletown, CT	1,221,725
49	Buffalo-Cheektowaga, NY	1,161,192
50	Birmingham-Hoover, AL	1,116,857

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