

ILLINOIS - A GREAT PLACE FOR BUSINESS AND INVESTMENT



Illinois
Department of Commerce
& Economic Opportunity

Pat Quinn, Governor

Illinois provides a strong and diverse economy, with key strengths in transportation, manufacturing, biotechnology and agriculture. Its strategic central location and world-class infrastructure give way to a positive business climate, thereby attracting new business and investment from top companies around the world.

Illinois ranks #5 in the U.S. with a state GDP of \$670 billion and has the 19th largest economy in the world (2011). It is home to the Midwest's largest city and the nation's 3rd largest city, Chicago, which hosts two of the world's top exchanges, the Chicago Board of Trade and Chicago Board Options Exchange.

- #1 Midwest destination for foreign investment and exports
- Nation's leader in the production of nuclear power
- Entrepreneurial spirit driven by innovation at top notch R&D institutions and tech parks

- 2011 Site Selection Top 10 States/Metros: Illinois 7th, Chicago 2nd
- Highly skilled workforce with a growing manufacturing sector
- Leading companies in multiple sectors and emerging industries
- Competitive taxes and affordable costs

COMPETITIVE TAXES

Illinois' corporate taxes are lower than many state competitors in the region and country. Effective tax rates are very favorable when factoring in the total costs of doing business.

Corporate tax rates

Midwest		Other states		Despite raising taxes to reduce debt, Illinois remains competitive with states in the Midwest and across the country.
Indiana	8.5%	Pennsylvania	9.9%	
Wisconsin	7.9%	New Jersey	9.0%	
Illinois	7.0%	California	8.84%	
Missouri	6.25%	New York	7.1%	
Michigan	6.25%	Illinois	7.0%	
Kentucky	4.6%	Florida	5.5%	

Tax rate reverts back to 5.15% after 2015.

Effective tax rates on new investment

State	Tax rate	National rank	Effective tax rate on new investment accounts for all deductions and credits offered by the state.
U.S. Median	7.3%	N/A	
Michigan	7.2%	24	
Missouri	7.1%	22	
Indiana	6.8%	19	
Illinois	4.6%	5	
Wisconsin	4.5%	4	

Illinois' effective tax rate on new investment is 5th lowest in nation

AFFORDABLE SPACE

As one of the world's largest metropolitan areas, Chicago rent and office costs are practical in comparison to major cities worldwide; a huge advantage for locating and expanding new or existing facilities.

Chicago's Industrial Rent Costs

International City	Industrial Rent ¹ (USD/SF/Yr)
Tokyo	\$21.38
London (Heathrow)	\$19.59
Hong Kong	\$16.26
San Francisco	\$ 9.24
Washington, D.C.	\$ 7.74
Los Angeles	\$ 5.85
Toronto	\$ 4.98
Shanghai	\$ 5.23
Beijing	\$ 4.90
Chicago	\$ 3.77

¹ 20,000+ sq ft, up to 15% office, the balance being general industrial/ logistics/ distribution space with 18-30' ceilings, built in 1990 or later and standing in a prime industrial location. (Colliers International, December 2010)

Chicago's Office Costs

Total annual office space operating costs	per Square Foot	per Square Meter
Hong Kong (CBD)	\$184.21	\$1,983.00
Tokyo (Inner Central), Japan	\$158.08	\$1,702.00
Mumbai, India	\$132.41	\$1,404.00
London City, UK	\$124.59	\$1,341.00
Paris, France	\$115.72	\$1,246.00
New York (Midtown), US	\$66.59	\$717.00
Shanghai (Pudong), China	\$61.82	\$665.00
Toronto (CBD), Canada	\$59.07	\$636.00
Washington, D.C. (CBD), US	\$53.03	\$571.00
Boston (CBD), US	\$43.42	\$467.00
Los Angeles (Suburb), US	\$43.33	\$466.00
San Francisco, US	\$33.97	\$366.00
Chicago (CBD), US	\$33.89	\$365.00
Las Vegas, US	\$32.35	\$348.00
Los Angeles (CBD), US	\$28.80	\$310.00
Chicago (Suburb), US	\$22.83	\$246.00

November 2010, CB Richard Ellis, INC

MAJOR INDUSTRIES AND LEADING BUSINESSES

Illinois ranks #4 in Fortune 500 companies by state. These, and other companies, help contribute to the state's growth and expansion in manufacturing and other leading industries in Illinois.

MAJOR INDUSTRIES	CORPORATE HEADQUARTERS	
Machinery	Abbott Labs	Hyatt Hotels
Transportation Equipment	ADM	Illinois Tool Works
Chemical Products	Allstate	Kraft Foods
Agriculture and Food	Baxter	McDonald's
Processing	Boeing	Motorola
Electrical Equipment	Caterpillar	Navistar
Fabricated Metal Products	CDW	Sara Lee
Computers and Electronics	CME Group	Sears Holdings
Business and Financial Svcs	Discover	State Farm
Biotechnology and	John Deere	United Continental
Biopharmaceuticals	Exelon	Walgreens

TRANSPORTATION AND LOGISTICS HUB

Illinois is an excellent gateway to U.S. and world markets, recognized worldwide for its transportation system and logistics strength. Located at the industrial and geographic heart of the nation, Illinois companies are able to ship and receive without high costs or delays.

- 3 coast-to-coast interstates pass through Illinois
 - 3rd largest interstate system in the nation
- 13 port districts and waterways
 - Chicago is the #1 container hub in western hemisphere & 3rd largest intermodal port in world
- 6 Class 1 North American railroads that interchange traffic
 - ½ of all U.S. rail freight passes through Illinois
- O'Hare Airport is a nonstop global gateway to world's business capitals
 - Only "dual-hub" in North America handling 3,100 flights a day