

10 REASONS TO INVEST AND DO BUSINESS IN

North Dakota[®]

1. North Dakota is ranked first in the nation in state competitiveness. *Beacon Hill Competitiveness Index, 2010*
2. North Dakota was ranked first in Best Job Markets. *Gallup Job Creation Index, 2010*
3. North Dakota residents and businesses are enjoying the largest cut in personal, corporate and property taxes in state history; cuts in 2007, 2009, and 2011 legislative sessions. *North Dakota Tax Commissioner*
4. North Dakota was named the nation's top growth performer since 2000. *U.S. Chamber of Commerce, 2010*
5. *Forbes Magazine* has recognized North Dakota among the top 10 states for business. *Forbes* ranked Bismarck fourth and Fargo ninth in the 2010 Best Places for Business and Careers.
6. North Dakota had the lowest number of foreclosures in the nation. *Mortgage Bankers Association, Third Quarter 2010*
7. North Dakota has the lowest credit card delinquency rate and the second lowest average credit card debt in the nation. *Trans Union, National Credit Bureau, Third Quarter 2010*
8. North Dakota's exports have increased 303 percent since 2000. *U.S. Department of Commerce, 2011*
9. North Dakota had the third highest growth of gross domestic product in 2009, up 3.9 percent compared to a 2.1 percent drop in overall U.S. GDP. *Bureau of Economic Analysis*
10. *The Milken Institute Report on Best Performing Cities 2010* named Fargo-Moorhead as #1 and Bismarck as #2 in the nation for smaller cities.



North Dakota[®]
DEPARTMENT OF COMMERCE

STRATEGIC INCENTIVE ADVANTAGES

Corporate Tax Exemptions

Five-year corporate income tax exemption for new or expanding technology-based business

- Salary and R&D tax credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing/computer/telecommunication equipment, water, electricity, and interstate communications for technology-based business

Property Tax Exemptions

Up to 5-year property tax exemption

- Additional 5 years available for agricultural processors or a project located in property leased from a governmental entity
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years
- No personal property taxed, including equipment, materials in process, and accounts receivable

Financial Incentives

- North Dakota Development Fund - gap financing loan and equity program
- PACE Program - interest buy down program at Bank of North Dakota
- Match Program - some of the lowest interest rates in the nation for "A" rated companies

Job Training Programs

- One-stop job training assistance - both state and federal programs available for businesses
- Workforce 2020 - state-funded program for training new technologies and processes
- New Jobs Training Program - "no cost" program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation

COMPETITIVE BUSINESS COST ADVANTAGES

Power

- Power offered at industrial rates below national average - avg. 5.57 cents/kh - YTD January 2011
- State exports nearly 70% of electricity produced
- Supporting "green" business trend by developing renewable energy sources

Real Estate/Facilities

Effective averages for Fargo, ND, according to NAI Global

- Rent/lease
 - \$12.00-\$15.50/sf to rent quality office space
 - \$5.50-\$6.50/sf to rent industrial space
- Development land construction costs
 - \$9.00-\$15.00/acre to build in commercial building district

Public Policy

- Constitutionally balanced budget
- Person-to-person access to public officials
- Only state-owned bank in the nation offers business expansion funds

Taxes

- In 2011, State Legislature lowered top corporate income tax rate from 6.4% to 5.15%