



**For Immediate Release**  
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**KPMG STUDY REVEALS OMAHA, NEB. HAS MOST FAVORABLE TAX  
STRUCTURE FOR BUSINESSES AMONG MID-SIZED U.S. CITIES**

*Greenville-Spartanburg, S.C., Little Rock, Ark., and Milwaukee, Wis.  
also Rank High in the Category*

**NEW YORK, JULY 28** – Omaha, Neb. has the most favorable tax structure for businesses among the U.S. and affiliated cities/locations with populations between 500,000 and 2 million, according to a study released today by KPMG International (KPMG).

Following closely behind Omaha was Greenville-Spartanburg, S.C., which ranked second in the category, and Little Rock, Ark. and Milwaukee, Wis., which came in third and fourth, respectively.

KPMG's 2008 *Competitive Alternatives: Focus on Tax* study is a global comparison of the total tax burden that may be faced by companies in 102 cities throughout 10 countries including corporate income taxes, capital taxes, sales taxes, property taxes, miscellaneous local business taxes and statutory labor costs. The study is intended to provide a guide for companies wanting to compare the tax burden they may incur in different cities around the world.

“Mid-sized cities often offer tax incentives to attract businesses to their locations, and tax costs are clearly a key consideration in the site selection process,” said Hartley Powell, national leader of the Strategic Relocation and Expansion Services practice at KPMG LLP, the U.S. member firm of KPMG International. “In addition to these incentives, mid-sized cities tend to have lower labor and real estate costs, making them an attractive option for businesses to consider.”

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## KPMG's 2008 Competitive Alternatives Focus on Tax Study -- 2

According to the study, Omaha had a total tax index of 94.2 representing tax costs 5.8 percent below the U.S. national average of 100.0. Omaha was followed by Greenville-Spartanburg, Little Rock, and Milwaukee at 95.2, 95.7, and 96.0, respectively.

Other high-ranking mid-sized U.S. cities included Youngtown, Ohio (97.1), Raleigh, N.C. (98.1), McAllen, Texas (98.5), Buffalo, N.Y. (98.9), and Salt Lake City, Utah (99.1).

### **Industry Classifications**

The results of the study also vary depending on the type of business. As a location for R&D operations, the three U.S. cities with the most cost effective tax structure in the mid-sized city category were Omaha (85.1), Indianapolis, Ind. (91.3), and Boise, Idaho (93.7).

For manufacturing operations, where property taxes and taxes on equipment and capital are of interest, the three, mid-sized U.S. cities with the most cost effective tax structure were Little Rock (94.5), Greenville-Spartanburg (95.0), and Milwaukee (95.7).

The services industry, on the other hand, tends to be most affected by statutory labor costs. The top three, mid-sized U.S. cities with the most favorable tax structure for services included Omaha (92.7), Youngstown (93.8) and McAllen (93.9).

### **Large-sized Cities**

In the large-sized city category (populations exceeding 2 million), the top cities included San Juan, Puerto Rico (46.6), Baltimore (92.1), Atlanta (95.1), Tampa, Fla. (98.1), Detroit (98.6), and Phoenix (98.8).



**Small-sized Cities**

In the small-sized city category (populations between 100,000 and 500,000), the top cities included Saginaw, Mich. (92.0), Cheyenne, Wyo. (92.1), Cedar Rapids, Iowa (92.1), Sioux Falls, S.D. (92.8), Shreveport, La. (92.9), Lexington, Ky. (93.0), and Montgomery, Ala. (95.2).

The full text of the 2008 study by KPMG International is available online at [www.CompetitiveAlternatives.com](http://www.CompetitiveAlternatives.com).

Total tax indexes for the mid-sized U.S. cities studied follow.

*KPMG's 2008 COMPETITIVE ALTERNATIVES FOCUS ON TAX STUDY*  
**(U.S. cities with populations between 500,000 and 2 million)**

City	Total Tax Index	Rank
Omaha, NE	94.2	1
Greenville-Spartanburg, SC	95.2	2
Little Rock, AR	95.7	3
Milwaukee, WI	96.0	4
Youngstown, OH	97.1	5
Raleigh, NC	98.1	6
McAllen, TX	98.5	7
Buffalo, NY	98.9	8
Salt Lake City, UT	99.1	9
Indianapolis, IN	99.6	10
Oklahoma City, OK	99.7	11
Providence, RI	100.0	12
Wilmington, DE	100.2	13
Nashville, TN	100.6	14

City	Total Tax Index	Rank
Hartford, CT	100.6	15
Boise, ID	101.1	16
Charleston, WV	101.4	17
Jackson, MS	101.5	18
Las Vegas, NV	103.9	19
Harrisburg, PA	103.9	20
Wichita, KS	104.7	21
Trenton, NJ	106.7	22
Albuquerque, NM	109.1	23
Honolulu, HI	125.7	24

The total tax index is a measure of the total taxes paid by corporations in a particular location and industry, expressed as a percentage of total taxes paid by similar corporations in the United States. Thus the United States has a total tax index of 100.0, which represents the benchmark against which the other countries and cities are scored.

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## KPMG's 2008 Competitive Alternatives Focus on Tax Study -- 4

KPMG LLP's Strategic Relocation and Expansion Services practice, with more than 50 U.S. professionals, offers a comprehensive range of services that can help companies identify potential tax and other efficiencies when expanding, relocating or consolidating their facilities. The practice operates domestically and globally -- through KPMG International member firms -- and is part of the Global Location and Expansion Services group.

KPMG LLP, the audit, tax and advisory firm ([www.us.kpmg.com](http://www.us.kpmg.com)), is the U.S. member firm of KPMG International. KPMG International's member firms have 123,000 professionals, including 7,100 partners, in 145 countries.