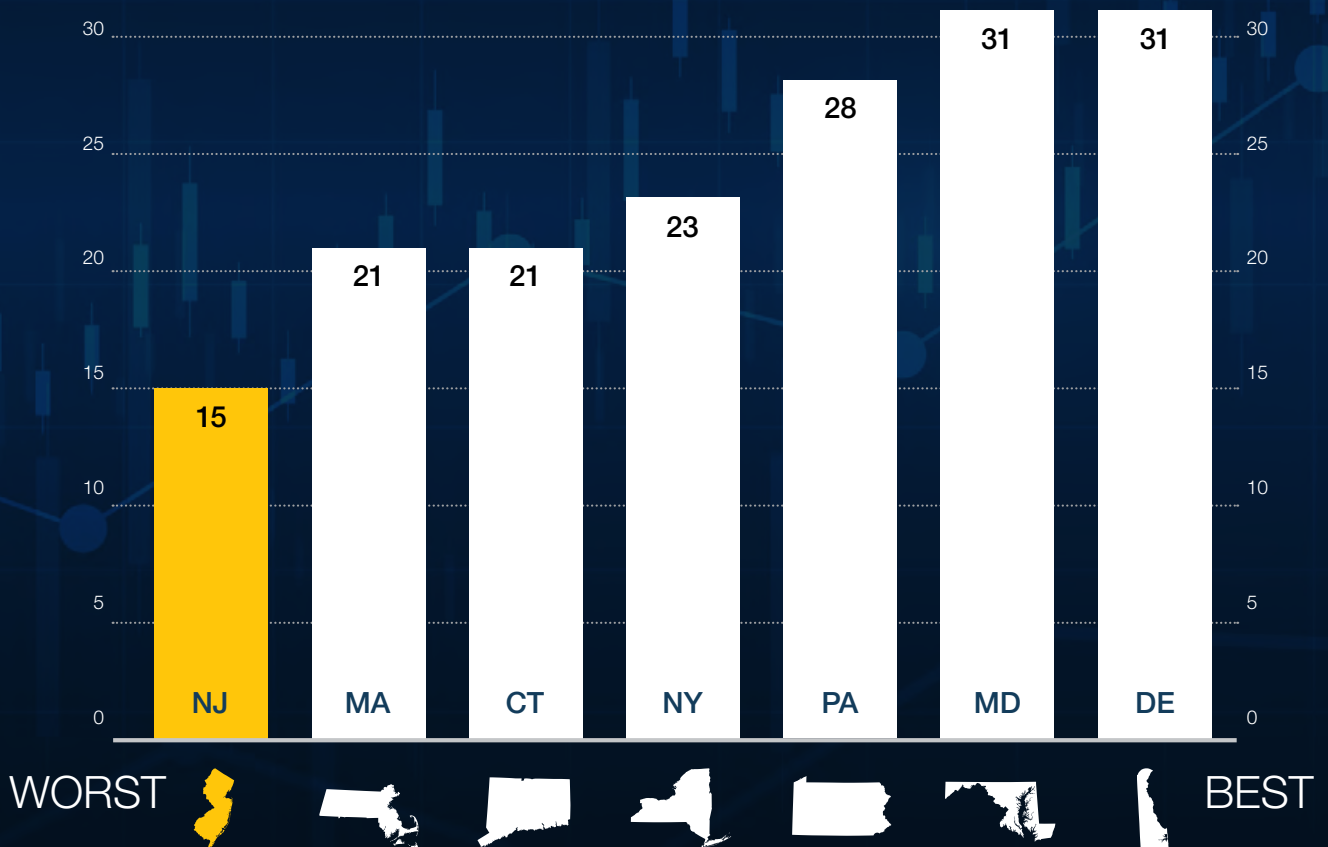


2021 Regional Business Climate

New Jersey Remains Worst in Region

Overall Regional Business Climate Score



RELEASED: FEBRUARY 2021

2021 Regional Business Climate

An NJBIA State Level Analysis

METHODOLOGY: NJBIA tracked six individual business costs – minimum wage rate, top income tax rate, top corporate tax rate, sales tax rate, property taxes as a percentage of personal income, and the top unemployment tax rate – and compared New Jersey’s rates with those of Connecticut, Delaware, Maryland, Massachusetts, New York and Pennsylvania.

NJBIA scored the regional rates from 1 (least competitive in the region) to 7 (most competitive). Overall, the higher the total points, the more competitive a state is. New Jersey’s cumulative regional business climate score was 15 after totaling the six rates, ranking seventh in the region. Delaware and Maryland have the best regional scores, tied at 31. Pennsylvania (28) and New York (23), New Jersey’s largest outmigration states, finished third and fourth, respectively.

2021 Regional Rates

State	Minimum Wage Rate	Top Income Tax Rate	Top Corporate Tax Rate	State Sales Tax Rate	Property Tax Paid as a % of Personal Income	Top Unemployment Tax Rate	Overall Regional Business Climate Score
Delaware	\$9.25 (6)	6.60% (4)	8.70% (3)	0.00% (7)	1.83% (7)	8.20% (4)	31
Maryland	\$11.75 (5)	5.75% (5)	8.25% (T5)	6.00% (T5)	2.68% (6)	7.50% (5)	31
Pennsylvania	\$7.25 (7)	3.07% (7)	9.99% (2)	6.00% (T5)	2.88% (5)	11.03% (2)	28
New York	\$12.50 (3)	8.82% (2)	6.50% (7)	4.00% (6)	4.42% (2)	9.10% (3)	23
Connecticut	\$13.00* (2)	6.99% (3)	8.25% (T5)	6.35% (2)	4.18% (3)	6.80% (6)	21
Massachusetts	\$13.50 (1)	5.05% (6)	8.00% (6)	6.25% (3)	3.57% (4)	14.37% (1)	21
New Jersey	\$12.00 (4)	10.75% (1)	10.50% (1)	6.625% (1)	5.05% (1)	5.40% (7)	15

*Effective-8/1/2021

Sources:

- National Conference of State Legislatures. (2021). State Minimum Wages- 2021 Minimum Wage by State.
- State Government Websites.
- Tax Foundation. (2020). 2021 State Business Tax Climate Index.