TENNESSEE FACT SHEET

Tennessee's 2005 average hourly wage for production workers is lower than the national average.
Tennessee ... $14.03 United States $16.56

Tennessee's 2005 union membership for all industries and manufacturing compared to the national average:
Tennessee ... 5.4% all—7.0% mfg. United States .... 12.5% all—13.0% mfg.

Tennessee is a right-to-work state.

Tennessee's borders are within one day's delivery of 76% of the major United States markets.

Tennessee offers one of the lowest per capita tax burdens and lowest overall utility costs in the nation, and no sales tax on industrial equipment.

Tennessee's manufacturers are allowed an investment tax credit of 1% on the purchase, installation and repairs of qualified industrial machinery.

Tennessee allows a tax credit of $2,000 or $4,500 (in economically distressed counties) per new job against franchise and excise tax liability for qualified businesses. Minimum of 25 jobs and $500,000 capital investment.

Tennessee's distributors are exempt from property taxes on inventories of work-in-progress and finished goods.

Tennessee's distributors and warehouse facilities have no sales tax on purchases of material handling and racking systems associated with required capital investment of $10 million and are allowed excise tax credit of 1% of purchase price of material handling and racking systems associated with required capital investment of $10 million.

Tennessee exempts finished goods inventories over $30 million of manufacturers or warehouse and distribution facilities from the franchise tax.

Tennessee's FastTrack Job Training Assistance program is available to new and expanding industry.

Tennessee Valley Authority operates one of the largest electric power systems in the United States in terms of generating capacity.

Tennessee's 2005 population estimate of 5,962,959 represents a 4.8% increase over the 2000 census. (Tennessee is 21st in percent population change from 2000 to 2005.)

Tennessee has six foreign trade zones in Chattanooga, Knoxville, Memphis, Nashville and the Tri-Cities area.

Tennessee's City of Memphis has the world's busiest cargo airport and in the U.S. is: first in percentage of logistics workforce, third in Class I railroad service, third busiest trucking corridor, fourth largest inland port, the central hub for Federal Express and a major hub for Northwest Airlines.

Tennessee's Oak Ridge/Knoxville area is home to more than 1,000 high-tech companies, 45,000 high-tech professionals, 3,500 PhDs and more than 15,000 college students majoring in information technology, science, math or engineering.

Tennessee is ranked 15th best in the United States for "business tax friendliness" by the Tax Foundation, Washington, DC. (2005)

Tennessee is ranked the 15th "friendliest" state for small business by the Small Business & Entrepreneurship Council, Washington, DC. (2005)

Tennessee is home for over 200 *Fortune 500* companies with a presence in Tennessee.