

EXHIBIT 1
Corporate Income Tax Rates and Brackets
 January 1, 2007

| State | Corporate Tax Rate(s) | Brackets | State | Corporate Tax Rate(s) | Brackets |
|-----------------------|-----------------------|------------|----------------------------|-----------------------|--------------|
| Alabama | 6.5% | >\$0 | Minnesota | 9.8% | >\$0 |
| Alaska | 1% | >\$0 | Mississippi | 3% | >\$0 |
| | 2% | >\$10,000 | | 4% | >\$5,000 |
| | 3% | >\$20,000 | | 5% | >\$10,000 |
| | 4% | >\$30,000 | Missouri | 6.25% | >\$0 |
| | 5% | >\$40,000 | Montana | 6.75% | >\$0 |
| | 6% | >\$50,000 | Nebraska | 5.58% | >\$0 |
| | 7% | >\$60,000 | | 7.81% | >\$50,000 |
| | 8% | >\$70,000 | Nevada | None | |
| | 9% | >\$80,000 | | | |
| 9.4% | >\$90,000 | | | | |
| Arizona | 6.968% | >\$0 | New Hampshire ⁴ | 8.5% | >\$50,000 |
| Arkansas | 1% | >\$0 | New Jersey | 9.25% | >\$150,000 |
| | 2% | >\$3,000 | | 6.5% | >\$0 |
| | 3% | >\$6,000 | | 7.5% | >\$50,000 |
| | 5% | >\$11,000 | 9.36% ⁵ | >\$100,000 | |
| | 6% | >\$25,000 | New Mexico | 4.8% | >\$0 |
| | 6.5% | >\$100,000 | | 6.4% | >\$500,000 |
| California | 8.84% | >\$0 | | 7.6% | >\$1,000,000 |
| Colorado | 4.63% | >\$0 | New York | 7.5% | >\$0 |
| Connecticut | 9% ¹ | >\$0 | North Carolina | 6.9% | >\$0 |
| Delaware | 8.7% | >\$0 | North Dakota | 2.6% | >\$0 |
| Florida | 5.5% | >\$0 | | 4.1% | >\$3,000 |
| Georgia | 6% | >\$0 | | 5.6% | >\$8,000 |
| Hawaii | 4.4% | >\$0 | | 6.4% | >\$25,000 |
| | 5.4% | >\$25,000 | | 7% | >\$30,000 |
| | 6.4% | >\$100,000 | | | |
| Idaho | 7.6% | >\$0 | Ohio | 4.08% | >\$0 |
| Illinois | 7.3% | >\$0 | | 6.8% | >\$0 |
| Indiana | 8.5% | >\$0 | Oklahoma | 6% | >\$0 |
| Iowa | 6% | >\$0 | Oregon | 6.6% | >\$0 |
| | 8% | >\$25,000 | Pennsylvania | 9.99% | >\$0 |
| | 10% | >\$100,000 | Rhode Island | 9% | >\$0 |
| | 12% | >\$250,000 | | | |
| Kansas | 4% | >\$0 | South Carolina | 5% | >\$0 |
| | 7.35% ² | \$50,000 | South Dakota | None | |
| Kentucky | 4% | >\$0 | Tennessee | 6.5% | >\$0 |
| | 5% | >\$50,000 | Texas ⁶ | None | |
| | 7% | >\$100,000 | Utah | 5% | >\$0 |
| Louisiana | 4% | >\$0 | Vermont | 6% | >\$0 |
| | 5% | >\$25,000 | | 7% | >\$10,000 |
| | 6% | >\$50,000 | | 8.75% | >\$25,000 |
| | 7% | >\$100,000 | | 8.9% | >\$250,000 |
| | 8% | >\$200,000 | Virginia | 6% | >\$0 |
| Maine | 3.5% | >\$0 | Washington | None | |
| | 7.93% | >\$25,000 | Washington, D.C. | 9.98% | >\$0 |
| | 8.33% | >\$75,000 | West Virginia | 9% | >\$0 |
| | 8.93% | >\$250,000 | Wisconsin | 7.9% | >\$0 |
| Maryland | 7% | >\$0 | Wyoming | None | |
| Massachusetts | 9.5% | >\$0 | | | |
| Michigan ³ | 1.875% | >\$0 | | | |

1. Connecticut's top rate is a statutory 7.5% rate, plus a 20% surtax, which sums to 9%.
2. Kansas's top rate is a statutory 4% rate, plus a 3.35% surtax on taxable income above \$50,000.
3. In 2007, Michigan replaced its SBT with the MBT, the base for which consists of gross receipts, business assets, and business income (profits). Business income is taxed at 1.875%.
4. New Hampshire has a dual corporate income tax: business profits tax (BPT) and business enterprise tax (BET). The BPT has a rate of 8.5% if gross income exceeds \$50,000, and the BET has a rate of 0.75% if gross income exceeds \$150,000.
5. New Jersey's top rate of 9.36% is the statutory rate plus a surtax.
6. Texas levies a 4.5% tax on taxable earned surplus, or 0.25% tax on taxable capital. The tax liability is the greater of the two taxes.

Sources:
 Federation of Tax Administrators, at www.taxadmin.org/fta/rate/comp_inc.html.
 Tax Foundation, *Background Paper No. 52*.