



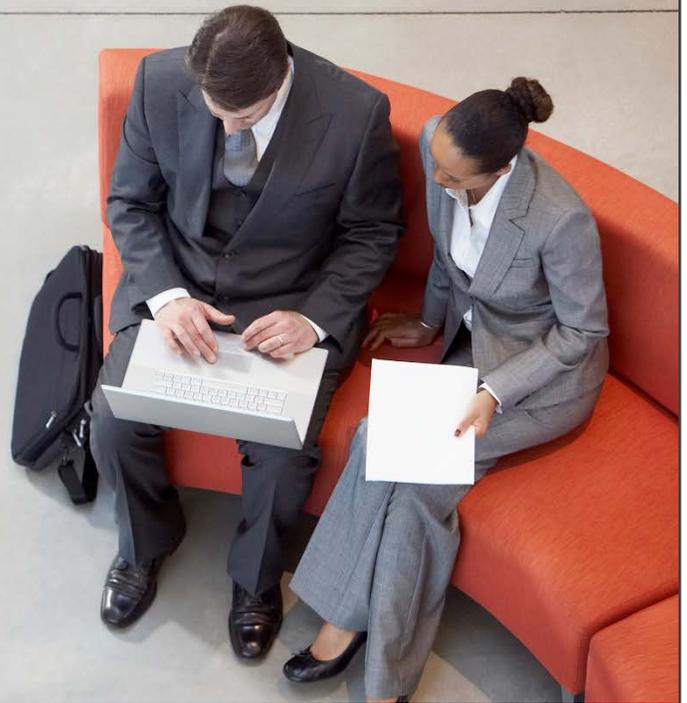
BDO USA, LLP

STATE TAX COMPARISON GUIDE

2017



Finding the right environment for growth.

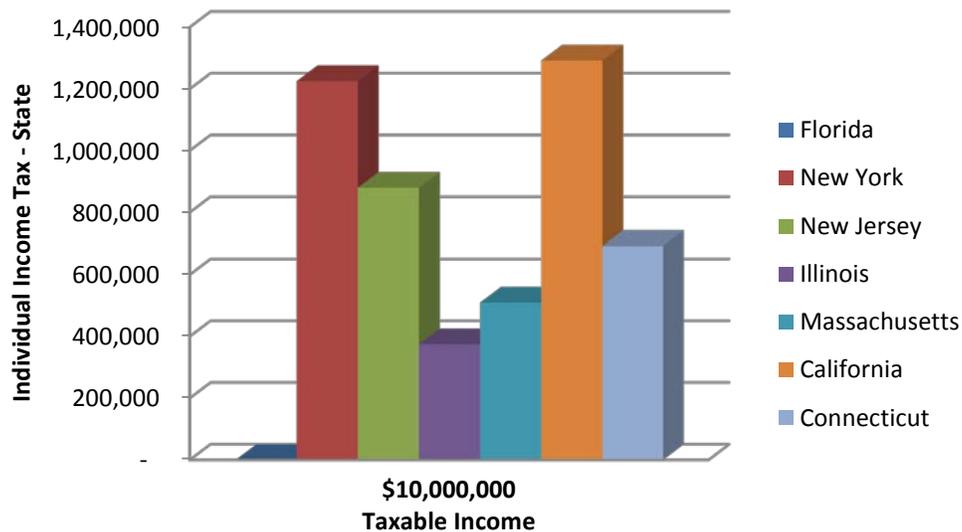
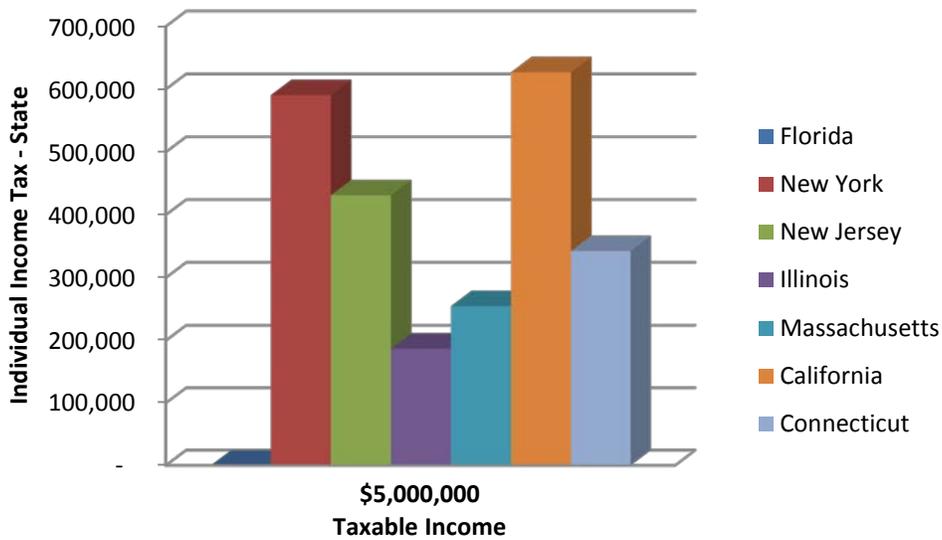
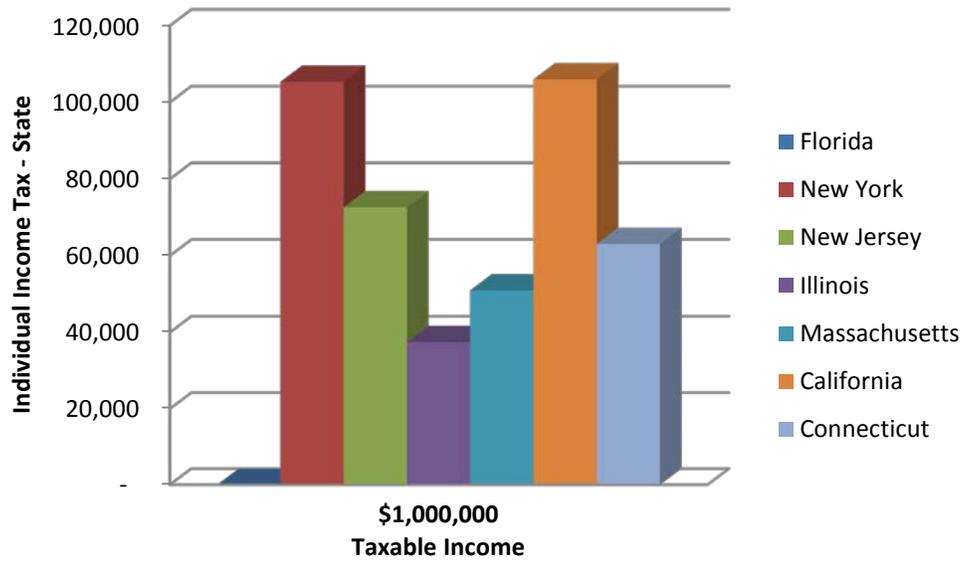


Florida is more than just a great place to visit. It's also a premier destination for companies seeking to start or grow a business. The Sunshine State presents a compelling case for enterprises across all industries. The third largest economy in the U.S., Florida boasts a talented workforce of 9.9 million, as well as robust job growth. The state is not only a key player in tourism, but in burgeoning industries like clean tech, life sciences, manufacturing, and more. Thanks to sunny skies, sandy beaches, and an affordable cost of living, Florida also affords residents an unmatched quality of life that many businesses desire for their employees. But perhaps the biggest boon for businesses? Florida's low tax rate. Florida is one of the few states in the country that carries no individual income tax. When compared to all states, Florida has the fourth best tax rate in the nation, according to the Tax Foundation's State Business Tax Climate Index.

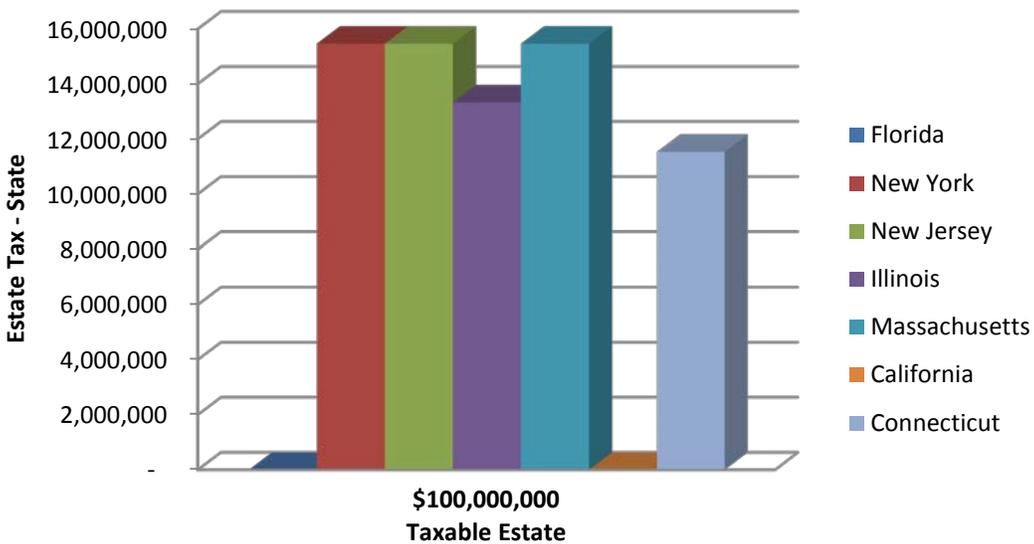
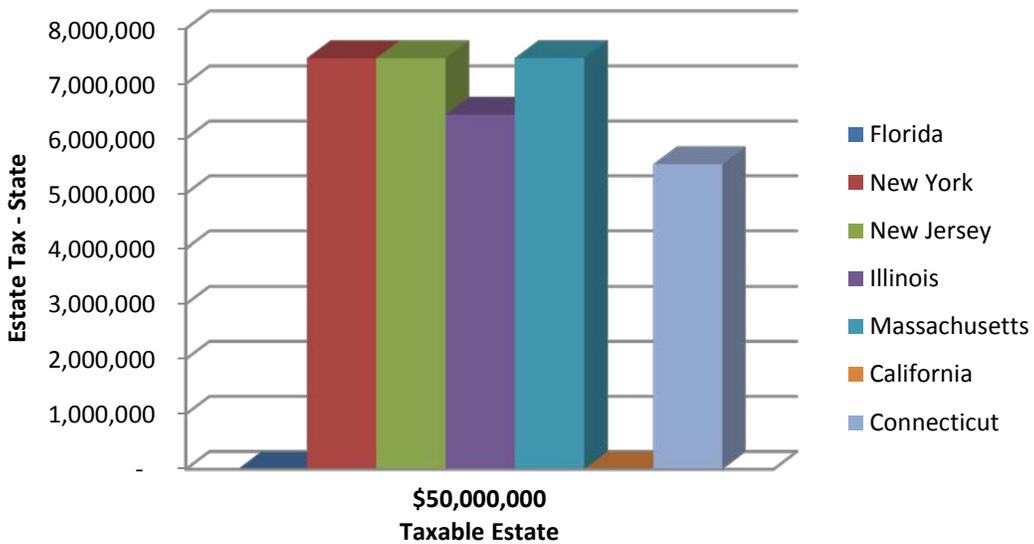
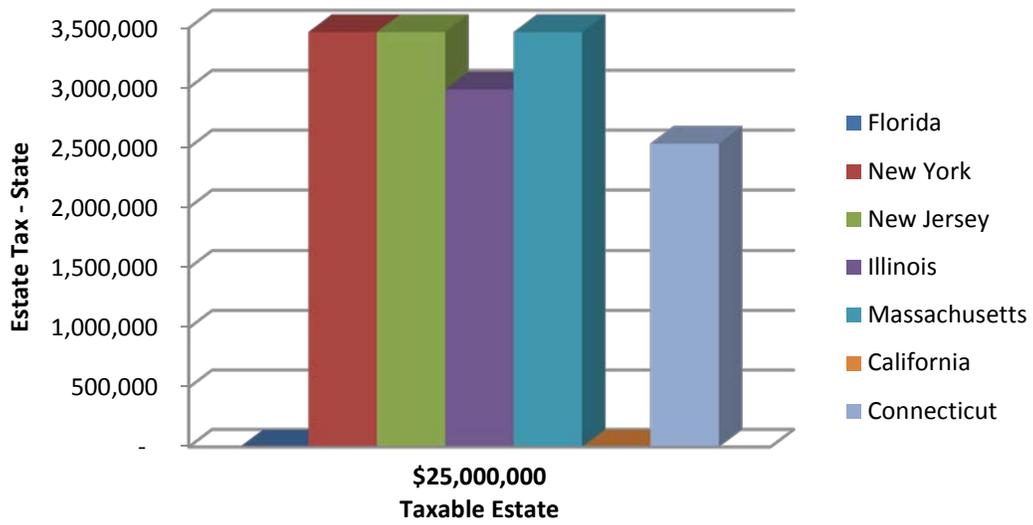
The tax savings illustrated in the charts on the following pages show how locating your business, and living in Florida, can result in substantial tax savings.

These examples are for illustrative purposes only. Before making any decisions regarding your particular situation, you should consult your tax advisor or contact BDO at 561.688.1600.

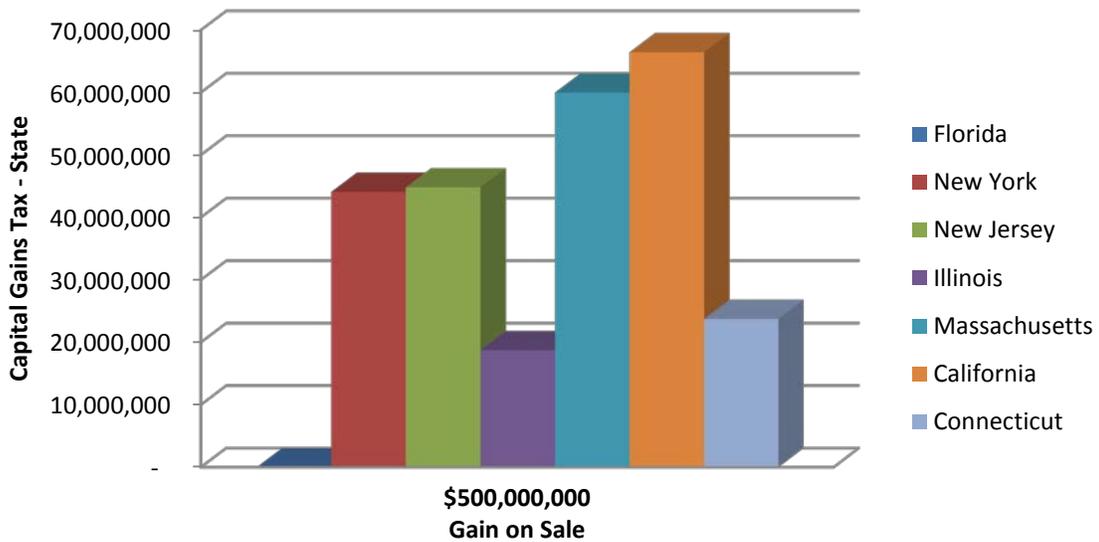
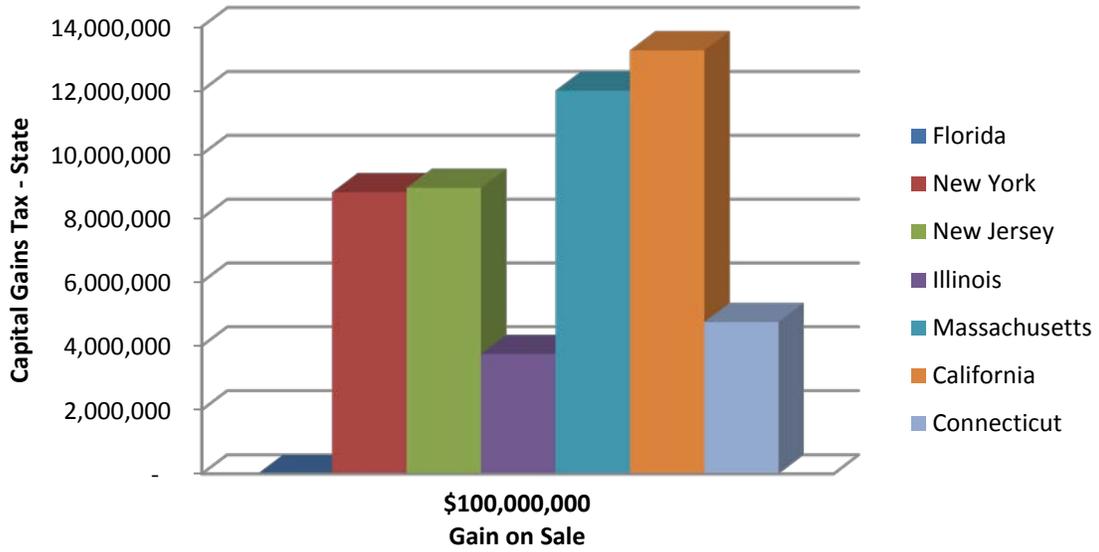
Individual income tax by state



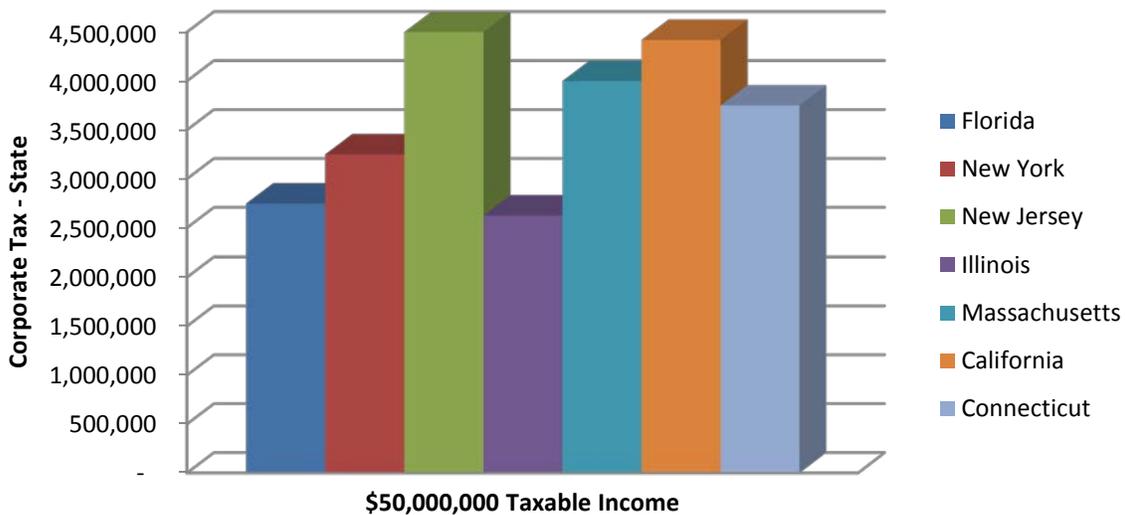
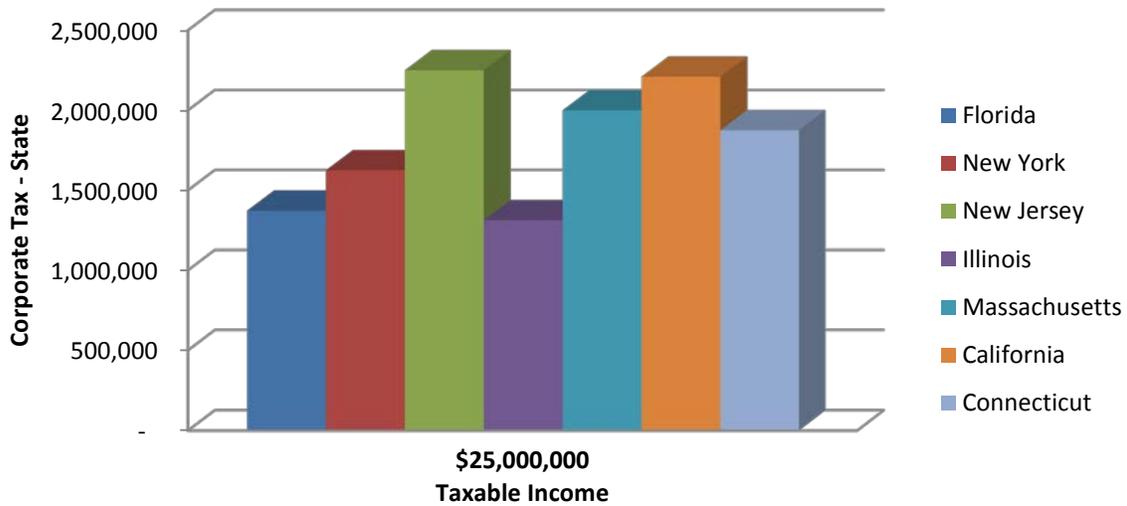
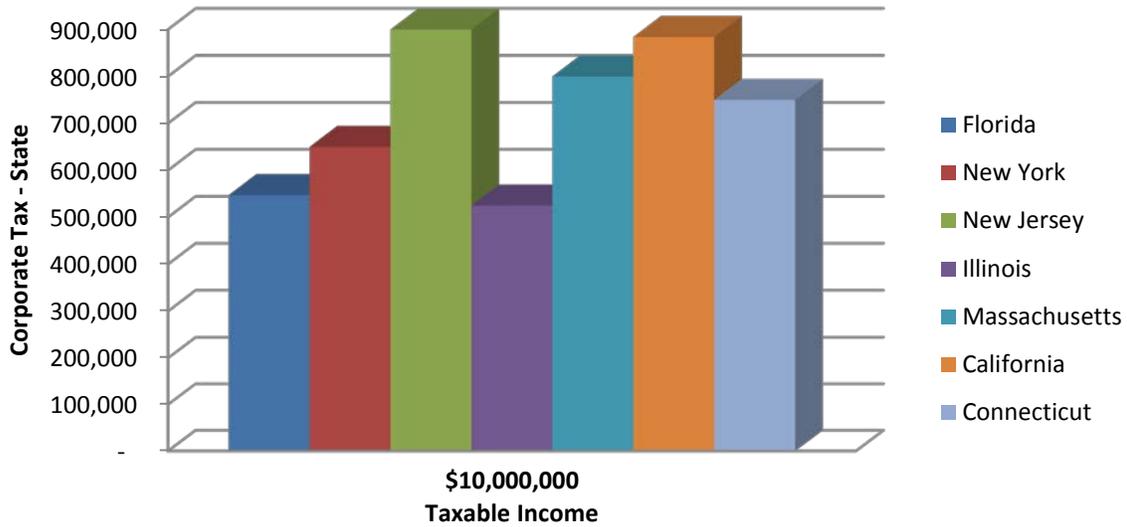
Estate tax by state



Capital gains tax by state



Corporate income tax by state



The BDO network

Where you need us, when you need us

ABOUT BDO INTERNATIONALLY

Accounting and Audit

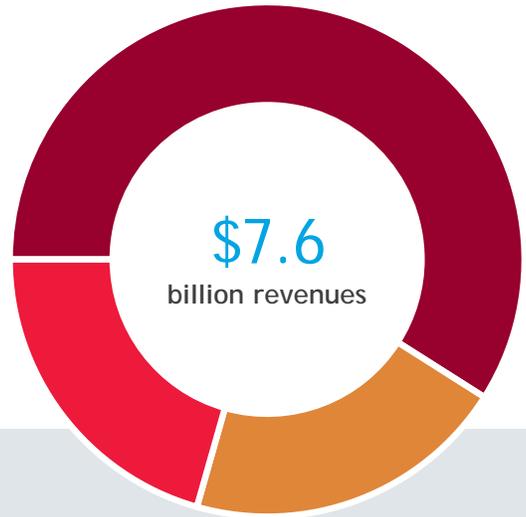
57%

Tax

22%

Consulting / Advisory

21%



* Including exclusive alliances of BDO Member Firms

ABOUT BDO NATIONALLY

Accounting and Audit

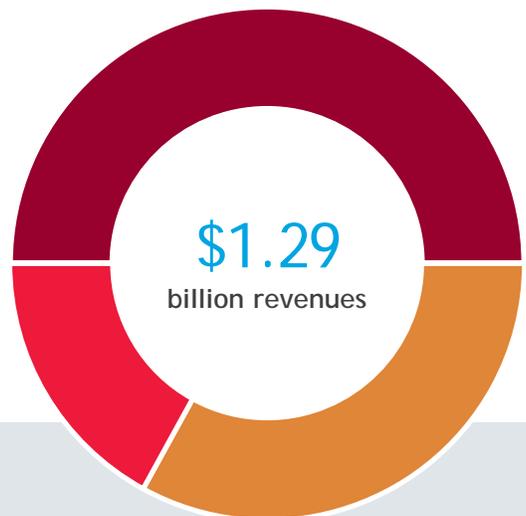
50%

Tax

33%

Consulting / Advisory

17%



Tax services summary

Our well-planned, flexible and effective tax services will help you meet deadlines with minimum disruption to your business. We will leverage tax technology applications and in-depth knowledge to deliver an efficient process that manages risk and underpins your tax strategy. In addition, our teams will work seamlessly to uncover every legitimate means of saving tax dollars with sound advice and proven tax strategies.

At BDO, you will have direct access to our partners and senior professionals. Our local partner-led, hands-on approach delivers high quality, responsive service through short, functional chains of communication.

EFFECTIVE TAX COMPLIANCE MODEL

As part of the tax compliance service module, BDO prepares income tax returns and, where appropriate, amended returns, claims for refund, and accounting method or period change requests. With the complexity and the constantly changing nature of the tax laws, this task has become much more involved and time consuming and, therefore, should not be undervalued.

Our thorough service approach and strategic focus is driven by our commitment to assisting companies in accurately minimizing and reflecting their liability through:

- ▶ Evaluation of tax positions;
- ▶ Discussion of the tax implications of business decisions;
- ▶ Compliance as a foundation for strategic tax services;
- ▶ Seamless interaction of tax planning and consulting;
- ▶ Proactive identification of tax saving opportunities;
- ▶ Access to the highest degree of BDO's technical skills and resources locally, in the U.S., and around the world.

TAX PLANNING AND CONSULTING SERVICES

Our tax services go beyond basic tax planning and preparing or reviewing tax returns and the global resources of the BDO International Limited Member Firm network, we work hard to keep our clients informed of new opportunities and challenges to help you expand business and secure tax savings.

Our tax planning and consulting services include income tax accounting, pass through entity, state and local taxation, international tax consulting, transfer pricing, expatriate tax consulting, compensation and benefits, research & development credits, and cost segregation.

ACCESS TO NATIONAL LEADERS

Our national resources work alongside our local tax professionals to serve clients and review tax planning matters. In Washington, D.C., our STS leaders help BDO professionals and their clients obtain rulings from the national office of the Internal Revenue Service ("IRS"). They maintain regular contact with the Treasury Department and communicate current tax developments to our clients through timely tax publications. Our national leaders are also accessible directly to you, as desired, and are available to provide assistance regarding various complex tax issues, including obtaining opinions from the IRS on a no-name basis and other matters.

Additional services

BDO offers a breadth of services tailored to meet your needs.

Our core services include:

ADVISORY

- ▶ Business Services & Outsourcing (BSO)
- ▶ Management & Technology Advisory Services (MTAS)
- ▶ Risk Advisory Services (RAS)
- ▶ Transaction Advisory Services (TAS)

ASSURANCE

- ▶ Accounting and Auditing
- ▶ Employee Benefit Plan Audits
- ▶ Human Capital Solutions
- ▶ Information Systems Assurance
- ▶ IPO Services
- ▶ Sarbanes-Oxley Services and Compliance
- ▶ SSAE 16 - Service Organization Control Reports
- ▶ SEC Reporting
- ▶ SysTrust/Webtrust

BDO CONSULTING

- ▶ Corporate Finance & M&A Advisory
- ▶ Corporate Real Estate Advisory
- ▶ Financial Services Advisory
- ▶ Forensic Insurance & Recovery
- ▶ Forensic Technology Services
- ▶ Global Forensics
- ▶ Litigation, Arbitration & Dispute Advisory
- ▶ Restructuring & Turnaround Services
- ▶ Technology Advisory Services & Cybersecurity
- ▶ Valuation & Business Analytics

BDO CAPITAL ADVISORS, LLC

- ▶ Investment Banking

TAX

- ▶ Account and Interest Recovery Services
- ▶ Accounting for Income Tax
- ▶ Accounting for Uncertainties in Tax Positions
- ▶ Accounting Methods
- ▶ Compensation and Benefits
- ▶ Corporate/Federal Taxation
- ▶ Cost Segregation
- ▶ Expatriate Tax
- ▶ Fixed Asset Advisory
- ▶ International Tax
- ▶ NOL Carry-forward Analysis
- ▶ Nonprofit Taxation
- ▶ Outsourced Financial Services
- ▶ Pass-through Taxation
- ▶ Private Client Tax Services
- ▶ R&D Credits and Incentives
- ▶ Sales Effectiveness
- ▶ State and Local Taxation
- ▶ Tax Controversy and Procedures
- ▶ Tax Process Transformation Services
- ▶ Transfer Pricing
- ▶ Value Added Tax

BDO's industry focus

The power of industry experience is perspective - perspective we bring to help you best leverage your own capabilities and resources.

- ▶ Industry experience has emerged at the top of the list of what businesses need and expect from their accountants and advisors.
- ▶ BDO's industry focus is part of who we are and how we serve our clients and has been for over a century. We demonstrate our experience through knowledgeable professionals, relevant client work and participation in the industries we serve.
- ▶ Whether in the field with our clients - from oil rigs in the Gulf of Mexico to manufacturing plants around the world, authoring articles on salient issues, speaking at industry conferences, or commenting on breaking news, our industry practices bring perspective on trends, opportunities, issues and regulations that frame our services and approach to address your needs and your industry.

"I appreciate the ability to pick up the phone and talk to the partner at any time. I most especially appreciate that the partner can quickly get national resources on the phone also to address a pressing matter."

JASON BERG
Principal Accounting Officer
Amerco/U-Haul

WE KNOW YOUR INDUSTRY



Consumer Business



Financial Services



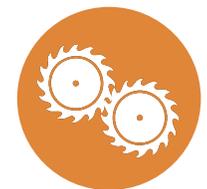
Gaming, Hospitality and Leisure



Government Contracting



Healthcare



Manufacturing and Distribution



Natural Resources



Nonprofit and Education



Private Equity



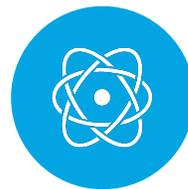
Public Sector



Real Estate and Construction



Restaurants



Technology and Life Sciences

Thought leadership and education

BDO commits significant resources to keep our professionals and our clients up-to-date on current and evolving technical, governance, industry, and reporting developments.

Our thought leadership consists of quarterly email updates, publications, surveys, practice aids, and tools that span a broad spectrum of topics that impact financial reporting, as well as corporate governance. Our focus is not to simply announce changes in technical guidance, regulations or emerging business trends, but rather expound on how such changes may impact our clients' business. Some examples of our thought leadership offerings include the following:

- ▶ **Board Reflections** — BDO's Board Governance Services site includes BDO's proprietary studies, publications, practice aids, and educational programs to keep board members of both public and private companies up-to-date on emerging issues and trends to assist in fulfilling their corporate oversight responsibilities. Visit: www.bdo.com/services/assurance/board-governance/overview
- ▶ **Significant Accounting and Reporting Matters Guide** — Quarterly digest of final and proposed financial accounting standards designed to help audit committees, boards and financial executives keep up to date on the latest corporate governance and financial reporting developments.
- ▶ **Client Advisories** — Concise documents that provide timely commentary, analysis and insights on events and trends of interest to management and boards of directors.
- ▶ **Tax Newsletters and Alerts** — Updates with respect to federal, state, local, expatriate, and international developments along with other specific tax planning and strategy considerations including specific practice areas such as compensation and benefits, private client and individual filer services, transfer pricing, Foreign Account Tax Compliance Act, etc.
- ▶ **Technical Research Tools** — BDO uses Accounting Research Manager™ (ARM) as a primary source of insightful interpretations on GAAP, GAAS and Securities and Exchange Commission rules. ARM is updated daily and is considered to be one of the timeliest and most comprehensive online databases of analytical interpretations of accounting, auditing and SEC matters. Access to ARM, and a number of other research tools provide each professional the technical research capability to enable immediate response to client-specific technical issues.
- ▶ **BDO Knows Flash Reports** — Provide briefs about select technical and regulatory developments and emerging issues are made immediately available to BDO professionals and to clients.
- ▶ **BDO Knows: Financial Reporting Letters** — Provide more in depth discussions and practical guidance on technical guidance affecting both public and private entities.
- ▶ **Industry Newsletters, Alerts, Reports, Proprietary Studies, and Surveys** — A variety of publications depicting specific industry issues, emerging trends and developments.



People and values

Our culture and core values reflect how we manage our work, our relationships and ourselves.

BDO'S CORE PURPOSE & CORE VALUES

The following core values embody the standards by which we conduct ourselves and the standards you can expect in all our dealings with you as a client:

PEOPLE FIRST

- ▶ Care
- ▶ Earn trust and be trusting
- ▶ Be respectful
- ▶ We before me!

EXCEPTIONAL: EVERY DAY, EVERY WAY

- ▶ Have integrity
- ▶ Be a true professional
- ▶ Everyone is a client
- ▶ Model excellence!

EMBRACE CHANGE

- ▶ Be forward thinking
- ▶ Lead the way
- ▶ Grow and help others grow
- ▶ Move to improve!

EMPOWERMENT THROUGH KNOWLEDGE

- ▶ Listen intently
- ▶ Be direct
- ▶ Share what you know
- ▶ Be curious!

CHOOSE ACCOUNTABILITY

- ▶ Take personal responsibility
- ▶ Be humble
- ▶ Mind the bottom line
- ▶ Do what you say you'll do!

INCLUSION AT BDO

Inclusion at BDO starts the way everything at BDO starts: with relationships. Our history of inclusion, building teams with a wide range of backgrounds and perspectives has made our company a better place to work, and made us better at what we do. As a company dedicated both to industry excellence and the well-being of our employees, BDO is deeply committed to fostering workplace inclusion across all dimensions.

Through our inclusion strategy and related programs, BDO encourages diverse voices and empowers our professionals - whoever they are, and wherever they're from. We have a focus on three objectives:

- ▶ **Build an inclusive environment that focuses on:**
 - Generations
 - Global mobility
 - LGBT
 - Parents
 - Race and ethnicity
 - Veterans
 - Women
- ▶ **Enable flexibility**
- ▶ **Encourage open minds**



BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, advisory and consulting services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through more than 60 offices and over 500 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of 67,700 people working out of 1,400 offices across 158 countries.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

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