EXHIBIT 11
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numerous scientifically done studies reveal that state tax cuts show dramatic and significant effects on a given state's economy and wage growth. For instance, a massive (50-state) 1990's study entitled **"State and Local Taxation and Economic Growth"**. Key findings of the study include:

a) *"Relatively low tax states grew nearly one-third faster than high-tax states.*
b) *On average, an increase in state tax burdens equal to 1% of personal income lowered income growth by over 3½%.*
c) *Income taxes have a particularly adverse impact on income growth... Flat-rate income taxes are significantly more favorable to economic growth than progressive [graduated] taxes."*

Note economist Richard Vedder, who has done several studies for the Joint Economic Committee of Congress:

"I've seen no persuasive, scientifically done studies showing any positive relationship between [state government] development spending and economic growth, but ***there are literally scores of studies showing that general tax reduction is positively associated with growth...*** *States are far better off taking the money they would give out as development assistance ("corporate food stamps") and instead give generalized tax relief, especially lowering the personal income tax marginal rate."*