

Compare the Cost of Doing Business in Minnesota vs. North Dakota

A recent business study indicates that the costs of doing business in Moorhead are comparable to Fargo, located just across the Red River. And now, there are even better reasons to locate or

expand into Moorhead. More businesses are discovering the less expensive commercial and industrial land, along with innovative, generous city and state economic development incentives.

The cost of doing business study, prepared by the Fiebigler Swanson West accounting firm, analyzed retail, service, construction, and manufacturing

businesses. The study shows the comparative costs of doing business are very similar on either side of the Red River.

Many business owners who have built and expanded in Moorhead say they are happily surprised at the overall good value of doing business in Moorhead.

Service Business						
Taxable Income	\$25,000		\$50,000		\$100,000	
	Minnesota	North Dakota	Minnesota	North Dakota	Minnesota	North Dakota
INCOME TAXES						
Federal	\$3,338	\$3,579	\$6,720	\$7,058	\$18,816	\$19,959
State	2,750	1,142	5,200	2,950	10,100	6,739
Total Income Taxes	\$6,088	\$4,721	\$11,920	\$10,008	\$28,916	\$26,698
UNEMPLOYMENT	494	434	494	434	494	434
WORKERS' COMP	1,231	1,629	1,231	1,629	1,231	1,629
REAL ESTATE TAXES	5,750	5,857	5,750	5,857	5,750	5,857
WATER/ELECTRICITY	4,438	4,626	4,438	4,626	4,438	4,626
TOTAL	\$18,001	\$17,267	\$23,833	\$22,554	\$40,829	\$39,244

Construction Business						
Taxable Income	\$25,000		\$50,000		\$100,000	
	Minnesota	North Dakota	Minnesota	North Dakota	Minnesota	North Dakota
INCOME TAXES						
Federal	\$3,432	\$3,466	\$6,884	\$6,940	\$19,474	\$19,651
State	2,123	1,890	4,110	3,733	8,164	7,644
Total Income Taxes	\$5,555	\$5,356	\$10,994	\$10,673	\$27,638	\$27,295
UNEMPLOYMENT	3,765	3,494	3,765	3,494	3,765	3,494
WORKERS' COMP	20,919	19,667	20,919	19,667	20,919	19,667
REAL ESTATE TAXES	5,750	5,857	5,750	5,857	5,750	5,857
WATER/ELECTRICITY	4,438	4,626	4,438	4,626	4,438	4,626
TOTAL	\$40,427	\$39,000	\$45,866	\$44,317	\$62,510	\$60,939

Manufacturing						
Taxable Income	\$25,000		\$50,000		\$100,000	
	Minnesota	North Dakota	Minnesota	North Dakota	Minnesota	North Dakota
INCOME TAXES						
Federal	\$3,338	\$3,579	\$6,720	\$7,058	\$18,816	\$19,959
State	2,750	1,142	5,200	2,950	10,100	6,739
Total Income Taxes	\$6,088	\$4,721	\$11,920	\$10,008	\$28,916	\$26,698
UNEMPLOYMENT	547	446	547	446	547	446
WORKERS' COMP	10,098	8,181	10,098	8,181	10,098	8,181
REAL ESTATE TAXES	5,750	5,857	5,750	5,857	5,750	5,857
WATER/ELECTRICITY	4,438	4,626	4,438	4,626	4,438	4,626
TOTAL	\$26,921	\$23,831	\$32,753	\$29,118	\$49,749	\$45,808

Retail						
Taxable Income	\$25,000		\$50,000		\$100,000	
	Minnesota	North Dakota	Minnesota	North Dakota	Minnesota	North Dakota
INCOME TAXES						
Federal	\$3,338	\$3,579	\$6,720	\$7,058	\$18,816	\$19,959
State	2,750	1,142	5,200	2,950	10,100	6,739
Total Income Taxes	\$6,088	\$4,721	\$11,920	\$10,008	\$28,916	\$26,698
UNEMPLOYMENT	222	212	222	212	222	212
WORKERS' COMP	2,653	1,444	2,653	1,444	2,653	1,444
REAL ESTATE TAXES	5,750	5,857	5,750	5,857	5,750	5,857
WATER/ELECTRICITY	4,438	4,626	4,438	4,626	4,438	4,626
TOTAL	\$19,151	\$16,860	\$24,983	\$22,147	\$41,979	\$38,837

This independent financial analysis conducted by Fiebigler Swanson West Co. compares businesses based in Moorhead and Fargo with 12-16 employees. For further information and all assumptions, contact Moorhead Community and Economic Development at 218-299-5441 or toll-free 877-833-6667. May 2000