

2. Business Incentive Analysis Examples

Example A – Small Manufacturer (NAICS 332) • \$50 million investment 200 jobs – Salary \$35K/year

		Expected Length
1a Quality Jobs	\$3,500,000 (in 5% area)	10 years
	\$2,948,760 (not in 5% area)	10 years
1b Alternative to Quality Jobs		
Investment/Jobs Tax Credit	\$4,750,000	5 years
(Tax Credits Accrue and may begin to be claimed July 1, 2012.)		
Sales Tax Reimbursements on Construction Materials	\$347,700	One-Time
2 Five-Year Property Tax Exemption	\$2,093,369	5 years
3 Freeport Tax Exemption	\$57,670	Annual
4 Sales Tax Exemption on Machinery and Equipment	\$3,477,000	One-Time
5 Sales Tax Exemption on Goods Consumed in Mfg. Process	\$1,762,902	Annual
6 Sales Tax Exemption on Energy Use in Mfg. Process	\$63,194	Annual
Estimated Total Value of Incentives Over 10 Years		
*With 1a, Quality Jobs Cash Incentive	\$27,908,031 (assuming 5% area)	
*With 1b, Investment Tax Credit Package	\$29,505,731	

Example B - Data Center: (NAICS 518210) • \$100 million investment 50 jobs - Salary \$75k/year

		Expected Length
1a Quality Jobs	\$1,875,000 (assuming 5% area)	10 years
2 Five-Year Property Tax Exemption	\$5,005,925	5 Years
Estimated Total Value of Incentives over 10 Years	\$6,880,925 (assuming 5% area)	

Example C – Large Manufacturer (NAICS 332) • 100 million investment 1,000 jobs – Salary \$35k/year

		Expected Length
1a Quality Jobs	\$17,500,000 (in 5% area)	10 years
	\$14,515,531 (not in 5% area)	10 years
1b Alternative to Quality Jobs		
Investment/Jobs Tax Credit	\$9,500,000	5 years
(Tax Credits Accrue and may begin to be claimed July 1, 2012.)		
Sales Tax Reimbursements on Construction Materials	\$657,400	One-Time
2 Five-Year Property Tax Exemption	\$4,186,737	5 years
3 Freeport Tax Exemption	\$288,351	Annual
4 Sales Tax Exemption on Machinery and Equipment	\$6,954,000	One-Time
5 Sales Tax Exemption on Goods Consumed in Mfg. Process	\$8,814,512	Annual
6 Sales Tax Exemption on Energy Use in Mfg. Process	\$315,968	Annual
Estimated Total Value of Incentives Over 10 Years		
*With 1a, Quality Jobs Cash Incentive	\$122,829,050 (assuming 5% area)	
*With 1b, Investment Tax Credit Package	\$115,524,450	
(Tax Credits Accrue and may begin to be claimed July 1, 2012.)		