



Legend

 Potential Plant Location

Economic Benefit Statement for Brazos Midland Processing, LLC in Martin County, TX

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Prepared by:

Impact DataSource, LLC
7500 Rialto Blvd
Building 1 Suite 250
Austin, Texas 78735
(512) 524-0892
www.impactdatasource.com



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An Economic Benefit Statement for Brazos Midland Processing, LLC

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis estimates the potential economic benefits to be generated by Brazos Midland Processing, LLC in Martin County, Texas for the project's Jobs, Energy, Technology and Innovation (JETI) application. The economic benefits include economic impacts - measured by revenues (or output), jobs, and salaries in the state and local region. In addition, the benefits include estimated state and local tax revenues supported by the company, its employees, and other businesses economically linked to the project throughout the state. In total, this analysis covers a 36-year period beginning with 1 years of building construction, a 10-year incentive period, and an additional period of 25 years as required by Tex. Gov't Code § 403.608 (b).

<u>Years</u>	<u>Period</u>
2025	Construction
2026-2035	Incentive Period
2036-2060	Additional 25 Years

A Description of the Facility and Its Operations

The proposed project is a 300MMscfd gas processing plant. It is a cryogenic plant utilizing the Recycle Split Vapor (RSV) process with three refrigeration stages. The facility is a natural gas processing plant that cools raw gas to extremely low temperatures, allowing for the efficient extraction of valuable Natural Gas Liquids (NGLs) like ethane, propane, and butane by leveraging the different boiling points of the hydrocarbon components. This is done primarily through a series of heat exchangers and a turboexpander, with the key feature being the use of a "split vapor" recycle stream to optimize ethane recovery, all while utilizing three distinct refrigerant loops to achieve the necessary cooling at different temperature levels throughout the process.

Timeline for Permanent Employment and Investment

The facility's timeline for total jobs to be created and investment over the next 36 years will be as follows:

Table 1 Timeline for Permanent Employment and Investment					
Year	Number of New Workers to be Hired Each Year		Buildings and Other Real Property Improvements	Machinery & Equipment	Total JETI Investment
2025	10	<i>Construction</i>	\$2,390,000	\$182,340,000	\$184,730,000
2026	0	<i>Incentive Year 1</i>	\$0	\$0	\$0
2027	0	<i>Incentive Year 2</i>	\$0	\$0	\$0
2028	0	<i>Incentive Year 3</i>	\$0	\$0	\$0
2029	0	<i>Incentive Year 4</i>	\$0	\$0	\$0
2030	0	<i>Incentive Year 5</i>	\$0	\$0	\$0
2031	0	<i>Incentive Year 6</i>	\$0	\$0	\$0
2032	0	<i>Incentive Year 7</i>	\$0	\$0	\$0
2033	0	<i>Incentive Year 8</i>	\$0	\$0	\$0
2034	0	<i>Incentive Year 9</i>	\$0	\$0	\$0
2035	0	<i>Incentive Year 10</i>	\$0	\$0	\$0
2036	0		\$0	\$0	\$0
2037	0		\$0	\$0	\$0
2038	0		\$0	\$0	\$0
2039	0		\$0	\$0	\$0
2040	0		\$0	\$0	\$0
2041	0		\$0	\$0	\$0
2042	0		\$0	\$0	\$0
2043	0		\$0	\$0	\$0
2044	0		\$0	\$0	\$0
2045	0		\$0	\$0	\$0
2046	0		\$0	\$0	\$0
2047	0		\$0	\$0	\$0
2048	0		\$0	\$0	\$0
2049	0		\$0	\$0	\$0
2050	0		\$0	\$0	\$0
2051	0		\$0	\$0	\$0
2052	0		\$0	\$0	\$0
2053	0		\$0	\$0	\$0
2054	0		\$0	\$0	\$0
2055	0		\$0	\$0	\$0

Table 1 continued on the next page

Table 1 - Continued Timeline for Permanent Employment and Investment				
Year	Number of New Workers to be Hired Each Year	Buildings and Other Real Property Improvements	Machinery & Equipment	Total JETI Investment
2056	0	\$0	\$0	\$0
2057	0	\$0	\$0	\$0
2058	0	\$0	\$0	\$0
2059	0	\$0	\$0	\$0
2060	0	\$0	\$0	\$0
<u>Total</u>	<u>10</u>	<u>\$2,390,000</u>	<u>\$182,340,000</u>	<u>\$184,730,000</u>

Total Capital Investment and Total Employment

The facility's proposed capital investment and total employment will be as follows:

Table 2 Total Capital Investment and Employment	
Total Capital Investment	\$184,730,000
Total Employment	10

Estimated Increase in Appraised Value of Property Attributable to the Project

The estimated increase in appraised value of the facility's investment over the next 36 years is shown below. The table focuses on the appraised value of the investment as defined by the Jobs, Energy, Technology and Innovation (JETI) program. This property is expected to be eligible for the value limitation.

Table 3 Appraised Value of the Facility's Investment	
Year	Total Appraised Value of Investment
2025	\$0
2026	\$180,684,413
2027	\$176,324,785
2028	\$171,632,643
2029	\$166,534,095
2030	\$161,047,614
2031	\$155,117,781
2032	\$148,707,650
2033	\$141,798,748
2034	\$134,317,183
2035	\$126,244,482
2036	\$117,543,699
2037	\$108,122,469
2038	\$97,962,319
2039	\$86,989,357
2040	\$75,129,691
2041	\$62,309,429
2042	\$55,419,000
2043	\$55,419,000
2044	\$55,419,000
2045	\$55,419,000
2046	\$55,419,000
2047	\$55,419,000
2048	\$55,419,000
2049	\$55,419,000
2050	\$55,419,000
2051	\$55,419,000
2052	\$55,419,000
2053	\$55,419,000
2054	\$55,419,000

Table 3 continued on the next page

Table 3 - Continued Appraised Value of the Facility's Investment	
Year	Total Appraised Value of Investment
2055	\$55,419,000
2056	\$55,419,000
2057	\$55,419,000
2058	\$55,419,000
2059	\$55,419,000
2060	\$55,419,000

Appraised Value Assumptions:

Applies Martin County 20-year depreciation to total investment value over time based on company's projections.

Estimated Ad Valorem Taxes Imposed by Each Taxing Unit on the Investment

The prospective site is located in Martin County subject to the following property tax rates:

Table 4 Taxing Units and Tax Rates (Per \$100 of Taxable Value) at Proposed Site		
City:	N/A	0.0000000
County:	Martin County	0.2023000
School:	Stanton ISD	0.7182940
	<i>M&O Rate:</i>	<i>0.6969000</i>
	<i>I&S Rate:</i>	<i>0.0213940</i>
Spec Dist #1:	Martin County Road & Bridge	0.0152000
Spec Dist #2:	Martin Hospital District	0.1319020
Spec Dist #3:	Permian Basin Water District	0.0017504
<u>Total Rate</u>		<u>1.0694464</u>

The estimated ad valorem taxes to be collected by each taxing unit on the eligible investment is summarized in the table below and shown in detail on the following pages.

Table 5 Ad Valorem Taxes for Each Taxing Unit on the Investment Over the Next 36 Years		
City:	N/A	\$0
County:	Martin County	\$6,399,614
School:	Stanton ISD	\$17,278,493
M&O Taxes:		\$16,601,710
I&S Taxes:		\$676,784
Spec Dist #1:	Martin County Road & Bridge	\$480,841
Spec Dist #2:	Martin Hospital District	\$4,172,624
Spec Dist #3:	Permian Basin Water District	\$55,373
<u>Total</u>		<u>\$28,386,944</u>

It is important to note these property tax calculations reflect the expected taxes on the company's eligible investment. The company may pay additional property taxes on land and inventories and those taxes are detailed separately in the "Local Area Benefits: Economic Impact & Tax Revenue" section of this report.

Table 6 Ad Valorem Taxes for School District on Investment: Stanton ISD							
Year	Taxable Value of Eligible Property for M&O Tax*	M&O Tax Rate	M&O Taxes	Taxable Value of Property for I&S Tax**	I&S Tax Rate	I&S Taxes	Total School District Taxes
2025	\$0	0.69690	\$0	\$0	0.02139	\$0	\$0
2026	\$90,342,207	0.69690	\$629,595	\$180,684,413	0.02139	\$38,656	\$668,250
2027	\$88,162,393	0.69690	\$614,404	\$176,324,785	0.02139	\$37,723	\$652,127
2028	\$85,816,322	0.69690	\$598,054	\$171,632,643	0.02139	\$36,719	\$634,773
2029	\$83,267,048	0.69690	\$580,288	\$166,534,095	0.02139	\$35,628	\$615,916
2030	\$80,523,807	0.69690	\$561,170	\$161,047,614	0.02139	\$34,455	\$595,625
2031	\$77,558,891	0.69690	\$540,508	\$155,117,781	0.02139	\$33,186	\$573,694
2032	\$74,353,825	0.69690	\$518,172	\$148,707,650	0.02139	\$31,815	\$549,986
2033	\$70,899,374	0.69690	\$494,098	\$141,798,748	0.02139	\$30,336	\$524,434
2034	\$67,158,592	0.69690	\$468,028	\$134,317,183	0.02139	\$28,736	\$496,764
2035	\$63,122,241	0.69690	\$439,899	\$126,244,482	0.02139	\$27,009	\$466,908
2036	\$117,543,699	0.69690	\$819,162	\$117,543,699	0.02139	\$25,147	\$844,309
2037	\$108,122,469	0.69690	\$753,505	\$108,122,469	0.02139	\$23,132	\$776,637
2038	\$97,962,319	0.69690	\$682,699	\$97,962,319	0.02139	\$20,958	\$703,657
2039	\$86,989,357	0.69690	\$606,229	\$86,989,357	0.02139	\$18,611	\$624,839

Table 6 continued on the next page

Table 6 - Continued
Ad Valorem Taxes for School District on Investment: Stanton ISD

Year	Taxable Value of Eligible Property for M&O Tax*	M&O Tax Rate	M&O Taxes	Taxable Value of Property for I&S Tax**	I&S Tax Rate	I&S Taxes	Total School District Taxes
2040	\$75,129,691	0.69690	\$523,579	\$75,129,691	0.02139	\$16,073	\$539,652
2041	\$62,309,429	0.69690	\$434,234	\$62,309,429	0.02139	\$13,330	\$447,565
2042	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2043	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2044	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2045	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2046	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2047	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2048	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2049	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2050	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2051	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2052	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2053	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2054	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2055	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2056	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2057	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2058	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2059	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
2060	\$55,419,000	0.69690	\$386,215	\$55,419,000	0.02139	\$11,856	\$398,071
Total			\$16,601,710			\$676,784	\$17,278,493

* Taxable Value of Eligible Property for M&O Tax is equal to 50% of the appraised or market value of the investment property during the 10-year incentive period and equal to the appraised or market value thereafter.

** Taxable Value of Property for I&S Tax is equal to the appraised or market value of the investment property.

Table 7 Ad Valorem Taxes for Other Taxing Units on Investment				
Year	N/A <i>0.0000000</i>	Martin County <i>0.2023000</i>	Other Local Districts <i>0.1488524</i>	Total
2025	\$0	\$0	\$0	\$0
2026	\$0	\$365,525	\$268,953	\$634,478
2027	\$0	\$356,705	\$262,464	\$619,169
2028	\$0	\$347,213	\$255,479	\$602,692
2029	\$0	\$336,898	\$247,890	\$584,788
2030	\$0	\$325,799	\$239,723	\$565,523
2031	\$0	\$313,803	\$230,897	\$544,700
2032	\$0	\$300,836	\$221,355	\$522,190
2033	\$0	\$286,859	\$211,071	\$497,930
2034	\$0	\$271,724	\$199,934	\$471,658
2035	\$0	\$255,393	\$187,918	\$443,311
2036	\$0	\$237,791	\$174,967	\$412,758
2037	\$0	\$218,732	\$160,943	\$379,675
2038	\$0	\$198,178	\$145,819	\$343,997
2039	\$0	\$175,979	\$129,486	\$305,465
2040	\$0	\$151,987	\$111,832	\$263,820
2041	\$0	\$126,052	\$92,749	\$218,801
2042	\$0	\$112,113	\$82,493	\$194,605
2043	\$0	\$112,113	\$82,493	\$194,605
2044	\$0	\$112,113	\$82,493	\$194,605
2045	\$0	\$112,113	\$82,493	\$194,605
2046	\$0	\$112,113	\$82,493	\$194,605
2047	\$0	\$112,113	\$82,493	\$194,605
2048	\$0	\$112,113	\$82,493	\$194,605
2049	\$0	\$112,113	\$82,493	\$194,605
2050	\$0	\$112,113	\$82,493	\$194,605
2051	\$0	\$112,113	\$82,493	\$194,605
2052	\$0	\$112,113	\$82,493	\$194,605
2053	\$0	\$112,113	\$82,493	\$194,605
2054	\$0	\$112,113	\$82,493	\$194,605
2055	\$0	\$112,113	\$82,493	\$194,605
2056	\$0	\$112,113	\$82,493	\$194,605
2057	\$0	\$112,113	\$82,493	\$194,605
2058	\$0	\$112,113	\$82,493	\$194,605
2059	\$0	\$112,113	\$82,493	\$194,605

Table 7 continued on the next page

Table 7 - Continued				
Ad Valorem Taxes for Other Taxing Units on Investment				
Year	N/A	Martin County	Other Local Districts	Total
	0.0000000	0.2023000	0.1488524	
2060	\$0	\$112,113	\$82,493	\$194,605
<u>Total</u>	<u>\$0</u>	<u>\$6,399,614</u>	<u>\$4,708,838</u>	<u>\$11,108,451</u>

Note: Taxable Value of Property for these taxing units is equal to the appraised or market value of the investment property.

Total Impact on Gross Domestic Product and Personal Income in the State

The project's construction and on-going operations will generate new revenues for businesses in the state and increase the gross domestic product of the state. Additionally, these activities will support employment and increase personal income in the state.

The economic output represents gross revenues of businesses impacted by the project. Indirect businesses reflect suppliers to the project and induced businesses reflect business serving employees supported by the project.

State Economic Output During Construction

The economic impact/increase in gross state product during construction of buildings and improvements will be as follows:

Table 8 Economic Impact of Construction at the Firm's Facility			
	Direct	Indirect & Induced	Total
Economic output / increase in gross area product	\$2.39 M	\$3.43 M	\$5.82 M
Construction employment (annual average)	15	19	33
Payroll / increase in state personal income	\$0.96 M	\$0.95 M	\$1.91 M

State Economic Impacts During the Facility's Operations

The total annual economic output/increase in gross state product during the facility's operations is shown below along with the employment and payroll supported in the state economy.

Table 9 Total Economic Impact During the Facility's Operations in the State of Texas			
		Annually at Full Operations in 2029	36-Year Total
Economic output / increase in gross state product:			
	Direct	\$24.48 M	\$997.84 M
	Indirect & Induced	\$28.41 M	\$1,158.39 M
	<u>Total</u>	<u>\$52.89 M</u>	<u>\$2.16 B</u>
Employment:			
	Direct	10	10
	Indirect & Induced	40	40
	<u>Total</u>	<u>50</u>	<u>50</u>
Payroll / increase in state personal income:			
	Direct	\$1.86 M	\$104.51 M
	Indirect & Induced	\$2.27 M	\$127.80 M
	<u>Total</u>	<u>\$4.13 M</u>	<u>\$232.31 M</u>

Additional information and year-by-year calculations for state impacts summarized above can be found in the "State of Texas Benefits: Economic Impact & Tax Revenue" section of this report.

Impact on Gross Revenues and Employment of Local Businesses

The project's construction and on-going operations will generate new revenues for local businesses and support local employment. The tables below summarize these local economic impacts within Martin County.

The economic output represents gross revenues of businesses impacted by the project. Indirect businesses reflect suppliers to the project and induced businesses reflect business serving employees supported by the project.

Local Economic Output During Construction

The economic impact/increase in gross area product during construction of buildings and improvements will be as follows:

Table 10 Local Economic Impact of Construction at the Firm's Facility			
	Direct	Indirect & Induced	Total
Economic output / increase in gross area product	\$2.39 M	\$0.33 M	\$2.72 M
Construction employment (annual average)	15	5	20
Payroll / increase in county personal income	\$0.96 M	\$0.29 M	\$1.24 M

Local Economic Impacts During the Facility's Operations

The total annual economic output/increase in gross area product during the facility's operations is shown below along with the employment and payroll supported in the Martin County economy.

Table 11 Total Economic Impact During the Facility's Operations in Martin County			
		Annually at Full Operations in 2029	36-Year Total
Economic output / increase in gross area product:			
	Direct	\$24.48 M	\$997.84 M
	Indirect & Induced	\$5.82 M	\$237.29 M
	<u>Total</u>	<u>\$30.30 M</u>	<u>\$1,235.13 M</u>
Employment:			
	Direct	10	10
	Indirect & Induced	6	6
	<u>Total</u>	<u>16</u>	<u>16</u>
Payroll/Personal Income:			
	Direct	\$1.86 M	\$104.51 M
	Indirect & Induced	\$0.49 M	\$27.54 M
	<u>Total</u>	<u>\$2.35 M</u>	<u>\$132.05 M</u>

Additional information and year-by-year calculations for state impacts summarized above can be found in the "Local Area Benefits: Economic Impact & Tax Revenue" section of this report.

The State and Local Tax Revenues Generated as a Result of the Project

During construction, the State of Texas and local jurisdictions will receive the following tax revenues:

Table 12 Tax Revenues for the State and Local Taxing Units During Construction				
	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Tax Revenues
State of Texas	\$668,022	\$4,363	\$35,615	\$708,000
Nearby Cities	\$21,377	\$0	\$0	\$21,377
Martin County	\$0	\$0	\$0	\$0
Total	\$689,399	\$4,363	\$35,615	\$729,377

The state and local tax revenues from the facility's operations over the 36-year period is shown below.

Table 13 Tax Revenues for the State and Local Taxing Units During Operations						
	Sales Tax Collections	Hotel Taxes	Franchise Tax Collections	Other Taxes and Revenues	Property Taxes*	Total Tax Revenues
State of Texas	\$6,104,051	\$185,254	\$2,051,572	\$3,387,996	\$0	\$11,728,872
Nearby Cities	\$195,330	\$216,129	\$0	\$0	\$0	\$411,459
Martin County	\$0	\$0	\$0	\$0	\$6,399,614	\$6,399,614
Stanton ISD	\$0	\$0	\$0	\$0	\$17,278,493	\$17,278,493
Martin County Road & Bridge	\$0	\$0	\$0	\$0	\$480,841	\$480,841
Martin Hospital District	\$0	\$0	\$0	\$0	\$4,172,624	\$4,172,624
Permian Basin Water District	\$0	\$0	\$0	\$0	\$55,373	\$55,373
Total	\$6,299,381	\$401,383	\$2,051,572	\$3,387,996	\$28,386,944	\$40,527,276

* Property taxes include both taxes on the facilities JETI investment as well as the taxable land and inventories. See the Local Area Benefits section for more detail.

Additional information and year-by-year calculations for state and local tax revenues summarized above can be found in the State of Texas and Local Area Benefits sections of this report.

Direct vs. Indirect Tax Revenues Generated as a Result of the Project

The tables below break down tax revenues during construction and operations, showing direct and indirect taxes. The first table covers construction, and the second focuses on operations.

Table 14 Direct vs. Indirect Tax Revenues for the State and Local Taxing Units During Construction			
	Direct Taxes	Indirect Taxes	Total Tax Revenues
State of Texas	\$637,031	\$70,969	\$708,000
Local Districts	\$20,385	\$992	\$21,377
<u>Total</u>	<u>\$657,416</u>	<u>\$71,961</u>	<u>\$729,377</u>

Table 15 Direct vs. Indirect Tax Revenues for the State and Local Taxing Units During Operations			
	Direct Taxes	Indirect Taxes	Total Tax Revenues
State of Texas	\$1,372,031	\$10,356,842	\$11,728,872
Local Districts	\$28,406,901	\$391,502	\$28,798,403
<u>Total</u>	<u>\$29,778,932</u>	<u>\$10,748,344</u>	<u>\$40,527,276</u>

Direct taxes are the estimated taxes paid by the company. These taxes primarily include the sales taxes paid on taxable purchases or sales, the estimated franchise taxes paid by the company, and property taxes paid by the company. Indirect taxes include all other taxes expected to be supported by the construction and on-going operations of the facility. Indirect taxes include sales taxes paid by the company's workers and by workers of indirect and induced businesses as well as other revenues detailed throughout the report.

Additional information and year-by-year calculations for tax revenues summarized above can be found in the State of Texas and Local Area Benefits sections of this report.

Development of Complementary Businesses or Industries in the State

The company's operations will draw on suppliers throughout the state and drive expansion in complementary businesses. Although the specific businesses are not known at this time, the expansion of industries affected by the company and its employees is shown below based on the impact by industry.

Table 16 Development of Industries in the State		
	New Spending	Percent of Total
Agriculture, forestry, fishing and hunting	\$124,824	0.4%
Mining, quarrying, and oil and gas extraction	\$2,848,922	10.0%
Utilities	\$854,187	3.0%
Construction	\$293,703	1.0%
Durable goods manufacturing	\$1,424,461	5.0%
Nondurable goods manufacturing	\$1,926,204	6.8%
Wholesale trade	\$1,679,004	5.9%
Retail trade	\$1,676,556	5.9%
Transportation and warehousing	\$1,534,600	5.4%
Information	\$900,690	3.2%
Finance and insurance	\$2,973,746	10.5%
Real estate and rental and leasing	\$3,568,495	12.6%
Professional, scientific, and technical services	\$1,519,915	5.3%
Management of companies and enterprises	\$1,696,137	6.0%
Administrative & support & waste mgmt & remediation svcs	\$930,060	3.3%
Educational services	\$298,598	1.1%
Health care and social assistance	\$2,046,133	7.2%
Arts, entertainment, and recreation	\$188,460	0.7%
Accommodation	\$186,012	0.7%
Food services and drinking places	\$795,446	2.8%
Other services	\$947,193	3.3%
<u>Total</u>	<u>\$28,413,348</u>	<u>100.0%</u>

The industries most affected by the project will include:

1. Real estate and rental and leasing
2. Finance and insurance
3. Mining, quarrying, and oil and gas extraction
4. Health care and social assistance
5. Nondurable goods manufacturing

State of Texas Benefits Economic Impact & Tax Revenue

State of Texas Economic Impacts During Construction

The facility plans to spend the following estimated amounts on construction at the facility:

Table 17 Construction Costs	
Year	Construction Costs
2025	\$2,390,000
2026	\$0
2027	\$0
2028	\$0
<u>Total</u>	<u>\$2,390,000</u>

Construction Economic Output/Increase in Gross State Product

The facility's construction project will provide direct, indirect and induced economic output/increase in gross state product, as shown below.

Table 18 Economic Output/Increase in Gross State Product During Construction			
Year	Direct Construction Output	Indirect & Induced Output	Total Output
2025	\$2,390,000	\$3,427,260	\$5,817,260
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$2,390,000</u>	<u>\$3,427,260</u>	<u>\$5,817,260</u>

An explanation of the multipliers used to calculate indirect and induced impacts is included later in this report.

Construction Employment

The estimated number of construction workers for a hypothetical construction project is shown below.

Table 19 Number of Construction Workers for a Hypothetical \$1 Million Construction Project	
Total estimated construction	\$1,000,000
Estimated on-site labor costs as a percentage of construction costs	40%
Estimated annual construction worker's salary	\$65,000
Estimated number of construction workers for a \$1 million construction project	6.15

Using the above average construction worker estimate, the number of construction workers employed during the facility's construction is shown below.

Table 20 Construction Workers Employed During Construction		
Year	Construction Costs	Number of Construction Jobs Supported Each Year
2025	\$2,390,000	15
2026	\$0	0
2027	\$0	0
2028	\$0	0
<u>Total</u>	<u>\$2,390,000</u>	
<u>Average construction jobs per year</u>		<u>15</u>

During construction, the following number of direct, indirect and induced jobs will be supported each year:

Table 21 Direct, Indirect and Induced Employment During Construction			
Year	Direct Construction Employment	Indirect & Induced Employment	Total Employment
2025	15	19	33
2026	0	0	0
2027	0	0	0
2028	0	0	0
<u>Annual Avg.</u>	<u>15</u>	<u>19</u>	<u>33</u>

Construction Payroll

Construction workers will have the following payrolls:

Table 22 Direct Construction Payroll		
Year	Construction Costs	Total Construction Payroll
2025	\$2,390,000	\$956,000
2026	\$0	\$0
2027	\$0	\$0
2028	\$0	\$0
<u>Total</u>	<u>\$2,390,000</u>	<u>\$956,000</u>

The direct, indirect and induced payrolls during construction will be the following:

Table 23 Direct, Indirect and Induced Payroll During Construction			
Year	Direct Construction Payroll	Indirect & Induced Payroll	Total Payroll
2025	\$956,000	\$951,124	\$1,907,124
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$956,000</u>	<u>\$951,124</u>	<u>\$1,907,124</u>

State of Texas Fiscal Impacts During Construction

Taxable Sales

The percent of construction costs for building materials and the percent of total worker salaries to be spent on taxable goods and services are shown below.

Table 24 Percent of Construction Costs and Worker Salaries Subject to Sales Tax	
Percent of construction costs for materials	60%
Estimated percent of construction materials that may be subject to sales tax	75%
Percent of worker salaries spent on taxable goods and services	26%
Estimated percent of machinery and equipment subject to sales tax	5%

The facility's construction project will result in the following taxable sales:

Table 25 Estimated Taxable Sales					
Year	Estimated Taxable Machinery and Equipment	Estimated Total Construction Materials	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2025	\$9,117,000	\$1,434,000	\$1,075,500	\$495,852	\$10,688,352
2026	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$9,117,000</u>	<u>\$1,434,000</u>	<u>\$1,075,500</u>	<u>\$495,852</u>	<u>\$10,688,352</u>

Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on machinery and equipment, construction materials and construction worker spending:

Table 26 Estimated Sales Tax Collections During Construction						
Year	On Taxable Machinery & Equipment	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections	<i>Direct Sales Tax Collections</i>	<i>Indirect Sales Tax Collections</i>
2025	\$569,813	\$67,219	\$30,991	\$668,022	\$637,031	\$30,991
2026	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$569,813</u>	<u>\$67,219</u>	<u>\$30,991</u>	<u>\$668,022</u>	<u>\$637,031</u>	<u>\$30,991</u>

Taxable Margins Subject to Texas Franchise Tax

If direct, indirect and induced revenues during construction are revenues for organizations subject to Texas' franchise tax, their taxable margins will be subject to the tax. If this is the case, and the estimated taxable margins of the construction companies and indirect and induced companies are 10% of revenues, then construction on this project will result in the following taxable margins:

Table 27 Estimated Taxable Margins During Construction Subject to Texas' Franchise Tax			
Year	On Direct Revenues During Construction	On Indirect & Induced Revenues	Total Taxable Margins
2025	\$239,000	\$342,726	\$581,726
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$239,000</u>	<u>\$342,726</u>	<u>\$581,726</u>

Franchise Tax Collections

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

The estimated franchise tax to be collected by the state from construction companies and indirect and induced businesses is shown below.

Table 28 Estimated Franchise Tax Collections During Construction		
Year	Total Taxable Margins	Franchise Tax Collections
2025	\$581,726	\$4,363
2026	\$0	\$0
2027	\$0	\$0
2028	\$0	\$0
<u>Total</u>	<u>\$581,726</u>	<u>\$4,363</u>

Other Taxes and Revenues from Workers

During the facility's construction, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections from each worker of these other taxes during construction are the following:

Table 29 Other Revenues for the State from Each Worker During Construction	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$438
Cigarette and tobacco taxes	\$110
Alcohol beverage taxes	\$185
Net lottery proceeds	\$302
<u>Total</u>	<u>\$1,072</u>

Other taxes and revenues from workers for the State during construction will be the following:

Table 30 Other Revenues for the State from Workers During Construction						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes & Revenues
2025	\$1,246	\$14,535	\$3,655	\$6,146	\$10,033	\$35,615
2026	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$1,246</u>	<u>\$14,535</u>	<u>\$3,655</u>	<u>\$6,146</u>	<u>\$10,033</u>	<u>\$35,615</u>

Summary of General Fund Revenues for the State During Construction

During the facility's construction project, the State will receive the following revenues for its general fund:

Table 31 General Fund Revenues for the State During Construction				
Year	Sales Tax Collections	Franchise Tax Collections	Other Taxes and Revenues	Total Revenues
2025	\$668,022	\$4,363	\$35,615	\$708,000
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$668,022</u>	<u>\$4,363</u>	<u>\$35,615</u>	<u>\$708,000</u>

State of Texas Economic Impacts During the Facility's Operations

The facility's estimated annual expenditures during the first 36 years are shown below:

Table 32 Facility's Estimated Annual Operating Expenditures		
		Total Operating Expenditures
2025	Year 1	\$3,990,586
2026	Year 2	\$15,079,681
2027	Year 3	\$17,826,065
2028	Year 4	\$21,761,687
2029	Year 5	\$24,475,276
2030	Year 6	\$25,209,535
2031	Year 7	\$25,965,821
2032	Year 8	\$26,744,795
2033	Year 9	\$27,547,139
2034	Year 10	\$28,373,553
2035	Year 11	\$29,224,760
2036	Year 12	\$30,101,503
2037	Year 13	\$31,004,548
2038	Year 14	\$31,934,684
2039	Year 15	\$32,892,725
2040	Year 16	\$33,879,506
2041	Year 17	\$34,895,892
2042	Year 18	\$35,942,768
2043	Year 19	\$37,021,051
2044	Year 20	\$38,131,683
2045	Year 21	\$69,637,817
2046	Year 22	\$20,226,951
2047	Year 23	\$20,833,760
2048	Year 24	\$21,458,773
2049	Year 25	\$22,102,536
2050	Year 26	\$22,765,612
2051	Year 27	\$23,448,580
2052	Year 28	\$24,152,038
2053	Year 29	\$24,876,599
2054	Year 30	\$25,622,897
2055	Year 31	\$26,391,584
2056	Year 32	\$27,183,331
2057	Year 33	\$27,998,831
2058	Year 34	\$28,838,796

Table 32 continued on the next page

Table 32 - Continued Facility's Estimated Annual Operating Expenditures		
		Total Operating Expenditures
2059	Year 35	\$29,703,960
2060	Year 36	\$30,595,079
<u>Total</u>		<u>\$997,840,398</u>

Economic Output During Operations

The facility's annual operating expenditures will result in the following direct, indirect and induced output:

Table 33 Output During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2025	\$3,990,586	\$4,632,671	\$8,623,257
2026	\$15,079,681	\$17,506,002	\$32,585,683
2027	\$17,826,065	\$20,694,279	\$38,520,345
2028	\$21,761,687	\$25,263,143	\$47,024,830
2029	\$24,475,276	\$28,413,348	\$52,888,624
2030	\$25,209,535	\$29,265,749	\$54,475,283
2031	\$25,965,821	\$30,143,721	\$56,109,542
2032	\$26,744,795	\$31,048,033	\$57,792,828
2033	\$27,547,139	\$31,979,474	\$59,526,613
2034	\$28,373,553	\$32,938,858	\$61,312,411
2035	\$29,224,760	\$33,927,024	\$63,151,783
2036	\$30,101,503	\$34,944,834	\$65,046,337
2037	\$31,004,548	\$35,993,179	\$66,997,727
2038	\$31,934,684	\$37,072,975	\$69,007,659
2039	\$32,892,725	\$38,185,164	\$71,077,889
2040	\$33,879,506	\$39,330,719	\$73,210,225
2041	\$34,895,892	\$40,510,641	\$75,406,532
2042	\$35,942,768	\$41,725,960	\$77,668,728
2043	\$37,021,051	\$42,977,739	\$79,998,790
2044	\$38,131,683	\$44,267,071	\$82,398,754
2045	\$69,637,817	\$80,842,541	\$150,480,358
2046	\$20,226,951	\$23,481,468	\$43,708,419

Table 33 continued on the next page

Table 33 - Continued Output During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2047	\$20,833,760	\$24,185,912	\$45,019,671
2048	\$21,458,773	\$24,911,489	\$46,370,262
2049	\$22,102,536	\$25,658,834	\$47,761,369
2050	\$22,765,612	\$26,428,599	\$49,194,210
2051	\$23,448,580	\$27,221,457	\$50,670,037
2052	\$24,152,038	\$28,038,100	\$52,190,138
2053	\$24,876,599	\$28,879,243	\$53,755,842
2054	\$25,622,897	\$29,745,621	\$55,368,517
2055	\$26,391,584	\$30,637,989	\$57,029,573
2056	\$27,183,331	\$31,557,129	\$58,740,460
2057	\$27,998,831	\$32,503,843	\$60,502,674
2058	\$28,838,796	\$33,478,958	\$62,317,754
2059	\$29,703,960	\$34,483,327	\$64,187,287
2060	\$30,595,079	\$35,517,827	\$66,112,905
<u>Total</u>	<u>\$997.84 M</u>	<u>\$1,158.39 M</u>	<u>\$2.16 B</u>

Employment during Operations

The facility expects to have the following number of new jobs:

Table 34 Number of Jobs to be Created		
Year	Number of New Jobs to be Created	Cumulative Number of New Jobs
2025	10	10
2026	0	10
2027	0	10
2028	0	10
2029	0	10
2030	0	10
2031	0	10
2032	0	10
2033	0	10
2034	0	10
<u>Total</u>	<u>10</u>	

Therefore, the following number of direct, indirect and induced jobs will be supported during the facility's operations:

Table 35 Direct, Indirect & Induced Employment During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2025	10	40	50
2026	10	40	50
2027	10	40	50
2028	10	40	50
2029	10	40	50
2030	10	40	50
2031	10	40	50
2032	10	40	50
2033	10	40	50

Table 35 continued on the next page

Table 35 - Continued			
Direct, Indirect & Induced Employment During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2034	10	40	50
2035	10	40	50
2036	10	40	50
2037	10	40	50
2038	10	40	50
2039	10	40	50
2040	10	40	50
2041	10	40	50
2042	10	40	50
2043	10	40	50
2044	10	40	50
2045	10	40	50
2046	10	40	50
2047	10	40	50
2048	10	40	50
2049	10	40	50
2050	10	40	50
2051	10	40	50
2052	10	40	50
2053	10	40	50
2054	10	40	50
2055	10	40	50
2056	10	40	50
2057	10	40	50
2058	10	40	50
2059	10	40	50
2060	10	40	50

The estimated annual payroll at the facility will be the following:

Table 36 Estimated Annual Payroll			
Percent of annual increase		3.0%	
	Year	Average Annual Salaries	Annual Payroll
Year 1	2025	\$165,165	\$1,651,650
Year 2	2026	\$170,120	\$1,701,200
Year 3	2027	\$175,224	\$1,752,235
Year 4	2028	\$180,480	\$1,804,803
Year 5	2029	\$185,895	\$1,858,947
Year 6	2030	\$191,472	\$1,914,715
Year 7	2031	\$197,216	\$1,972,156
Year 8	2032	\$203,132	\$2,031,321
Year 9	2033	\$209,226	\$2,092,261
Year 10	2034	\$215,503	\$2,155,029
Year 11	2035	\$221,968	\$2,219,679
Year 12	2036	\$228,627	\$2,286,270
Year 13	2037	\$235,486	\$2,354,858
Year 14	2038	\$242,550	\$2,425,504
Year 15	2039	\$249,827	\$2,498,269
Year 16	2040	\$257,322	\$2,573,217
Year 17	2041	\$265,041	\$2,650,413
Year 18	2042	\$272,993	\$2,729,926
Year 19	2043	\$281,182	\$2,811,824
Year 20	2044	\$289,618	\$2,896,178
Year 21	2045	\$298,306	\$2,983,064
Year 22	2046	\$307,256	\$3,072,556
Year 23	2047	\$316,473	\$3,164,732
Year 24	2048	\$325,967	\$3,259,674
Year 25	2049	\$335,746	\$3,357,464
Year 26	2050	\$345,819	\$3,458,188
Year 27	2051	\$356,193	\$3,561,934
Year 28	2052	\$366,879	\$3,668,792
Year 29	2053	\$377,886	\$3,778,856
Year 30	2054	\$389,222	\$3,892,221
Year 31	2055	\$400,899	\$4,008,988
Year 32	2056	\$412,926	\$4,129,258
Year 33	2057	\$425,314	\$4,253,135

Table 36 continued on the next page

Table 36 - Continued Estimated Annual Payroll			
	Year	Average Annual Salaries	Annual Payroll
Year 34	2058	\$438,073	\$4,380,729
Year 35	2059	\$451,215	\$4,512,151
Year 36	2060	\$464,752	\$4,647,516

The direct, indirect and induced payrolls during the facility's operations will be the following:

Table 37 Direct, Indirect and Induced Payroll During Operations			
Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2025	\$1,651,650	\$2,019,803	\$3,671,453
2026	\$1,701,200	\$2,080,397	\$3,781,596
2027	\$1,752,235	\$2,142,809	\$3,895,044
2028	\$1,804,803	\$2,207,093	\$4,011,896
2029	\$1,858,947	\$2,273,306	\$4,132,252
2030	\$1,914,715	\$2,341,505	\$4,256,220
2031	\$1,972,156	\$2,411,750	\$4,383,907
2032	\$2,031,321	\$2,484,103	\$4,515,424
2033	\$2,092,261	\$2,558,626	\$4,650,887
2034	\$2,155,029	\$2,635,385	\$4,790,413
2035	\$2,219,679	\$2,714,446	\$4,934,126
2036	\$2,286,270	\$2,795,879	\$5,082,149
2037	\$2,354,858	\$2,879,756	\$5,234,614
2038	\$2,425,504	\$2,966,148	\$5,391,652
2039	\$2,498,269	\$3,055,133	\$5,553,402
2040	\$2,573,217	\$3,146,787	\$5,720,004
2041	\$2,650,413	\$3,241,191	\$5,891,604
2042	\$2,729,926	\$3,338,426	\$6,068,352
2043	\$2,811,824	\$3,438,579	\$6,250,403
2044	\$2,896,178	\$3,541,736	\$6,437,915
2045	\$2,983,064	\$3,647,989	\$6,631,052
2046	\$3,072,556	\$3,757,428	\$6,829,984
2047	\$3,164,732	\$3,870,151	\$7,034,883
2048	\$3,259,674	\$3,986,256	\$7,245,930
2049	\$3,357,464	\$4,105,843	\$7,463,308

Table 37 continued on the next page

Table 37 - Continued			
Direct, Indirect and Induced Payroll During Operations			
Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2050	\$3,458,188	\$4,229,018	\$7,687,207
2051	\$3,561,934	\$4,355,889	\$7,917,823
2052	\$3,668,792	\$4,486,566	\$8,155,358
2053	\$3,778,856	\$4,621,163	\$8,400,018
2054	\$3,892,221	\$4,759,798	\$8,652,019
2055	\$4,008,988	\$4,902,591	\$8,911,580
2056	\$4,129,258	\$5,049,669	\$9,178,927
2057	\$4,253,135	\$5,201,159	\$9,454,295
2058	\$4,380,729	\$5,357,194	\$9,737,924
2059	\$4,512,151	\$5,517,910	\$10,030,061
2060	\$4,647,516	\$5,683,447	\$10,330,963
<u>Total</u>	<u>\$104.51 M</u>	<u>\$127.80 M</u>	<u>\$232.31 M</u>

State of Texas Fiscal Impacts During the Facility's Operations

Taxable Sales on Direct, Indirect and Induced Worker Spending

An estimated 26% of the gross salaries of direct, indirect and induced workers will be spent on taxable goods and services. If this is the case, worker spending will result in taxable sales, as shown below.

Table 38 Taxable Spending by Direct, Indirect, & Induced Workers		
Year	Worker Salaries	Workers' Taxable Spending
2025	\$3,671,453	\$954,578
2026	\$3,781,596	\$983,215
2027	\$3,895,044	\$1,012,712
2028	\$4,011,896	\$1,043,093
2029	\$4,132,252	\$1,074,386
2030	\$4,256,220	\$1,106,617
2031	\$4,383,907	\$1,139,816
2032	\$4,515,424	\$1,174,010
2033	\$4,650,887	\$1,209,231
2034	\$4,790,413	\$1,245,507
2035	\$4,934,126	\$1,282,873
2036	\$5,082,149	\$1,321,359
2037	\$5,234,614	\$1,361,000
2038	\$5,391,652	\$1,401,830
2039	\$5,553,402	\$1,443,884
2040	\$5,720,004	\$1,487,201
2041	\$5,891,604	\$1,531,817
2042	\$6,068,352	\$1,577,772
2043	\$6,250,403	\$1,625,105
2044	\$6,437,915	\$1,673,858
2045	\$6,631,052	\$1,724,074
2046	\$6,829,984	\$1,775,796
2047	\$7,034,883	\$1,829,070
2048	\$7,245,930	\$1,883,942
2049	\$7,463,308	\$1,940,460
2050	\$7,687,207	\$1,998,674
2051	\$7,917,823	\$2,058,634
2052	\$8,155,358	\$2,120,393
2053	\$8,400,018	\$2,184,005
2054	\$8,652,019	\$2,249,525

Table 38 continued on the next page

Table 38 - Continued Taxable Spending by Direct, Indirect, & Induced Workers		
Year	Worker Salaries	Workers' Taxable Spending
2055	\$8,911,580	\$2,317,011
2056	\$9,178,927	\$2,386,521
2057	\$9,454,295	\$2,458,117
2058	\$9,737,924	\$2,531,860
2059	\$10,030,061	\$2,607,816
2060	\$10,330,963	\$2,686,050
<u>Total</u>	<u>\$232.31 M</u>	<u>\$60.40 M</u>

The Facility's Taxable Sales

The facility will produce commodities for resale, and as a result, the company does not anticipate these sales being subject to Texas sales tax.

Taxable Spending by the Facility and Indirect and Induced Companies

The facility's estimated taxable spending is shown below along with 2% of operating expenditures of indirect and induced companies which may be spent on taxable goods and services. If this is the case, the following taxable spending can be expected from the companies:

Table 39 Taxable Spending by the Facility and Indirect Companies			
Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect & Induced Companies	Total Facility and Companies' Taxable Spending
2025	\$39,906	\$92,653	\$132,559
2026	\$150,797	\$350,120	\$500,917
2027	\$178,261	\$413,886	\$592,146
2028	\$217,617	\$505,263	\$722,880
2029	\$244,753	\$568,267	\$813,020
2030	\$252,095	\$585,315	\$837,410
2031	\$259,658	\$602,874	\$862,533
2032	\$267,448	\$620,961	\$888,409
2033	\$275,471	\$639,589	\$915,061
2034	\$283,736	\$658,777	\$942,513
2035	\$292,248	\$678,540	\$970,788
2036	\$301,015	\$698,897	\$999,912
2037	\$310,045	\$719,864	\$1,029,909
2038	\$319,347	\$741,459	\$1,060,806
2039	\$328,927	\$763,703	\$1,092,631
2040	\$338,795	\$786,614	\$1,125,409
2041	\$348,959	\$810,213	\$1,159,172
2042	\$359,428	\$834,519	\$1,193,947
2043	\$370,211	\$859,555	\$1,229,765
2044	\$381,317	\$885,341	\$1,266,658
2045	\$696,378	\$1,616,851	\$2,313,229
2046	\$202,270	\$469,629	\$671,899
2047	\$208,338	\$483,718	\$692,056
2048	\$214,588	\$498,230	\$712,818
2049	\$221,025	\$513,177	\$734,202
2050	\$227,656	\$528,572	\$756,228
2051	\$234,486	\$544,429	\$778,915
2052	\$241,520	\$560,762	\$802,282

Table 39 continued on the next page

Table 39 - Continued Taxable Spending by the Facility and Indirect Companies			
Year	The Facility's Estimated Taxable Spending	Estimated Taxable Spending by Indirect & Induced Companies	Total Facility and Companies' Taxable Spending
2053	\$248,766	\$577,585	\$826,351
2054	\$256,229	\$594,912	\$851,141
2055	\$263,916	\$612,760	\$876,676
2056	\$271,833	\$631,143	\$902,976
2057	\$279,988	\$650,077	\$930,065
2058	\$288,388	\$669,579	\$957,967
2059	\$297,040	\$689,667	\$986,706
2060	\$305,951	\$710,357	\$1,016,307
<u>Total</u>	<u>\$9.98 M</u>	<u>\$23.17 M</u>	<u>\$33.15 M</u>

Taxable Spending by Out-of-Town Visitors to the Facility

The firm expects to have the following number of out-of-town visitors to its facility along with the estimated number of days and spending:

Table 40 Spending by a Typical Out-of-State Visitor	
Estimated number of out of town visitors	324
Annual increase in the number of out of town visitors after year 1	1.0%
Estimated average number of days spent visiting the facility	2
Average daily spending in the community subject to sales tax	\$100
Estimated number of nights in a local motel	1
Average nightly room rate at a local motel	\$150
Average annual increase in nightly room rate	2.0%
Average annual increase in daily taxable spending in the community	2.0%

Therefore, taxable spending by these visitors in the community and spending on lodging subject to hotel occupancy taxes are shown below.

Table 41 Spending by Out-of-Town Visitors		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2025	\$64,800	\$48,600
2026	\$66,757	\$50,068
2027	\$68,773	\$51,580
2028	\$70,850	\$53,137
2029	\$72,990	\$54,742
2030	\$75,194	\$56,395
2031	\$77,465	\$58,099
2032	\$79,804	\$59,853
2033	\$82,214	\$61,661
2034	\$84,697	\$63,523
2035	\$87,255	\$65,441
2036	\$89,890	\$67,418
2037	\$92,605	\$69,454
2038	\$95,401	\$71,551
2039	\$98,283	\$73,712
2040	\$101,251	\$75,938
2041	\$104,309	\$78,231
2042	\$107,459	\$80,594
2043	\$110,704	\$83,028
2044	\$114,047	\$85,535
2045	\$117,491	\$88,119
2046	\$121,040	\$90,780
2047	\$124,695	\$93,521
2048	\$128,461	\$96,346
2049	\$132,340	\$99,255
2050	\$136,337	\$102,253
2051	\$140,454	\$105,341
2052	\$144,696	\$108,522
2053	\$149,066	\$111,799
2054	\$153,568	\$115,176
2055	\$158,205	\$118,654
2056	\$162,983	\$122,237
2057	\$167,905	\$125,929
2058	\$172,976	\$129,732

Table 41 continued on the next page

Table 41 - Continued Spending by Out-of-Town Visitors		
Year	Taxable Spending in the Community	Spending on Lodging in the Community
2059	\$178,200	\$133,650
2060	\$183,582	\$137,686
<u>Total</u>	<u>\$4,116,746</u>	<u>\$3,087,560</u>

Total Taxable Sales

Taxable spending by workers and spending by the facility and related indirect and induced companies will result in the following total taxable sales:

Table 42 Estimated Total Taxable Sales						
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2025	\$954,578	\$0	\$39,906	\$92,653	\$64,800	\$1,151,937
2026	\$983,215	\$0	\$150,797	\$350,120	\$66,757	\$1,550,889
2027	\$1,012,712	\$0	\$178,261	\$413,886	\$68,773	\$1,673,631
2028	\$1,043,093	\$0	\$217,617	\$505,263	\$70,850	\$1,836,823
2029	\$1,074,386	\$0	\$244,753	\$568,267	\$72,990	\$1,960,395
2030	\$1,106,617	\$0	\$252,095	\$585,315	\$75,194	\$2,019,221
2031	\$1,139,816	\$0	\$259,658	\$602,874	\$77,465	\$2,079,813
2032	\$1,174,010	\$0	\$267,448	\$620,961	\$79,804	\$2,142,223
2033	\$1,209,231	\$0	\$275,471	\$639,589	\$82,214	\$2,206,506
2034	\$1,245,507	\$0	\$283,736	\$658,777	\$84,697	\$2,272,717
2035	\$1,282,873	\$0	\$292,248	\$678,540	\$87,255	\$2,340,916
2036	\$1,321,359	\$0	\$301,015	\$698,897	\$89,890	\$2,411,161
2037	\$1,361,000	\$0	\$310,045	\$719,864	\$92,605	\$2,483,513
2038	\$1,401,830	\$0	\$319,347	\$741,459	\$95,401	\$2,558,037
2039	\$1,443,884	\$0	\$328,927	\$763,703	\$98,283	\$2,634,798
2040	\$1,487,201	\$0	\$338,795	\$786,614	\$101,251	\$2,713,861
2041	\$1,531,817	\$0	\$348,959	\$810,213	\$104,309	\$2,795,297
2042	\$1,577,772	\$0	\$359,428	\$834,519	\$107,459	\$2,879,177
2043	\$1,625,105	\$0	\$370,211	\$859,555	\$110,704	\$2,965,574
2044	\$1,673,858	\$0	\$381,317	\$885,341	\$114,047	\$3,054,563
2045	\$1,724,074	\$0	\$696,378	\$1,616,851	\$117,491	\$4,154,794

Table 42 continued on the next page

Table 42 - Continued
Estimated Total Taxable Sales

Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2046	\$1,775,796	\$0	\$202,270	\$469,629	\$121,040	\$2,568,734
2047	\$1,829,070	\$0	\$208,338	\$483,718	\$124,695	\$2,645,820
2048	\$1,883,942	\$0	\$214,588	\$498,230	\$128,461	\$2,725,220
2049	\$1,940,460	\$0	\$221,025	\$513,177	\$132,340	\$2,807,002
2050	\$1,998,674	\$0	\$227,656	\$528,572	\$136,337	\$2,891,239
2051	\$2,058,634	\$0	\$234,486	\$544,429	\$140,454	\$2,978,003
2052	\$2,120,393	\$0	\$241,520	\$560,762	\$144,696	\$3,067,371
2053	\$2,184,005	\$0	\$248,766	\$577,585	\$149,066	\$3,159,422
2054	\$2,249,525	\$0	\$256,229	\$594,912	\$153,568	\$3,254,234
2055	\$2,317,011	\$0	\$263,916	\$612,760	\$158,205	\$3,351,892
2056	\$2,386,521	\$0	\$271,833	\$631,143	\$162,983	\$3,452,480
2057	\$2,458,117	\$0	\$279,988	\$650,077	\$167,905	\$3,556,087
2058	\$2,531,860	\$0	\$288,388	\$669,579	\$172,976	\$3,662,803
2059	\$2,607,816	\$0	\$297,040	\$689,667	\$178,200	\$3,772,722
2060	\$2,686,050	\$0	\$305,951	\$710,357	\$183,582	\$3,885,939
<u>Total</u>	<u>\$60,401,807</u>	<u>\$0</u>	<u>\$9,978,404</u>	<u>\$23,167,858</u>	<u>\$4,116,746</u>	<u>\$97,664,816</u>

Sales Tax Collections

With a 6.25% sales tax, the state will collect the following sales tax on the spending of workers, companies and visitors:

Table 43 Estimated Sales Tax Collections During Operations						
Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2025	\$59,661	\$0	\$2,494	\$5,791	\$4,050	\$71,996
2026	\$61,451	\$0	\$9,425	\$21,883	\$4,172	\$96,931
2027	\$63,294	\$0	\$11,141	\$25,868	\$4,298	\$104,602
2028	\$65,193	\$0	\$13,601	\$31,579	\$4,428	\$114,801
2029	\$67,149	\$0	\$15,297	\$35,517	\$4,562	\$122,525
2030	\$69,164	\$0	\$15,756	\$36,582	\$4,700	\$126,201
2031	\$71,238	\$0	\$16,229	\$37,680	\$4,842	\$129,988
2032	\$73,376	\$0	\$16,715	\$38,810	\$4,988	\$133,889
2033	\$75,577	\$0	\$17,217	\$39,974	\$5,138	\$137,907
2034	\$77,844	\$0	\$17,733	\$41,174	\$5,294	\$142,045
2035	\$80,180	\$0	\$18,265	\$42,409	\$5,453	\$146,307
2036	\$82,585	\$0	\$18,813	\$43,681	\$5,618	\$150,698
2037	\$85,062	\$0	\$19,378	\$44,991	\$5,788	\$155,220
2038	\$87,614	\$0	\$19,959	\$46,341	\$5,963	\$159,877
2039	\$90,243	\$0	\$20,558	\$47,731	\$6,143	\$164,675
2040	\$92,950	\$0	\$21,175	\$49,163	\$6,328	\$169,616
2041	\$95,739	\$0	\$21,810	\$50,638	\$6,519	\$174,706
2042	\$98,611	\$0	\$22,464	\$52,157	\$6,716	\$179,949
2043	\$101,569	\$0	\$23,138	\$53,722	\$6,919	\$185,348
2044	\$104,616	\$0	\$23,832	\$55,334	\$7,128	\$190,910
2045	\$107,755	\$0	\$43,524	\$101,053	\$7,343	\$259,675
2046	\$110,987	\$0	\$12,642	\$29,352	\$7,565	\$160,546
2047	\$114,317	\$0	\$13,021	\$30,232	\$7,793	\$165,364
2048	\$117,746	\$0	\$13,412	\$31,139	\$8,029	\$170,326
2049	\$121,279	\$0	\$13,814	\$32,074	\$8,271	\$175,438
2050	\$124,917	\$0	\$14,229	\$33,036	\$8,521	\$180,702
2051	\$128,665	\$0	\$14,655	\$34,027	\$8,778	\$186,125
2052	\$132,525	\$0	\$15,095	\$35,048	\$9,044	\$191,711
2053	\$136,500	\$0	\$15,548	\$36,099	\$9,317	\$197,464
2054	\$140,595	\$0	\$16,014	\$37,182	\$9,598	\$203,390
2055	\$144,813	\$0	\$16,495	\$38,297	\$9,888	\$209,493
2056	\$149,158	\$0	\$16,990	\$39,446	\$10,186	\$215,780
2057	\$153,632	\$0	\$17,499	\$40,630	\$10,494	\$222,255
2058	\$158,241	\$0	\$18,024	\$41,849	\$10,811	\$228,925

Table 43 continued on the next page

Table 43 - Continued Estimated Sales Tax Collections During Operations						
Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2059	\$162,988	\$0	\$18,565	\$43,104	\$11,137	\$235,795
2060	\$167,878	\$0	\$19,122	\$44,397	\$11,474	\$242,871
<u>Total</u>	<u>\$3,775,113</u>	<u>\$0</u>	<u>\$623,650</u>	<u>\$1,447,991</u>	<u>\$257,297</u>	<u>\$6,104,051</u>

Hotel Occupancy Tax Collections

From the overnight lodging spending of visitors to the facility, the state will collect the following hotel occupancy taxes:

Table 44 Estimated Hotel Occupancy Tax Collections from Visitors		
Year	Total Hotel Spending on Lodging	Occupancy Tax Collections
2025	\$48,600	\$2,916
2026	\$50,068	\$3,004
2027	\$51,580	\$3,095
2028	\$53,137	\$3,188
2029	\$54,742	\$3,285
2030	\$56,395	\$3,384
2031	\$58,099	\$3,486
2032	\$59,853	\$3,591
2033	\$61,661	\$3,700
2034	\$63,523	\$3,811
2035	\$65,441	\$3,926
2036	\$67,418	\$4,045
2037	\$69,454	\$4,167
2038	\$71,551	\$4,293
2039	\$73,712	\$4,423
2040	\$75,938	\$4,556
2041	\$78,231	\$4,694
2042	\$80,594	\$4,836

Table 44 continued on the next page

Table 44 - Continued
Estimated Hotel Occupancy Tax Collections
from Visitors

Year	Spending on Lodging	Total Hotel Occupancy Tax Collections
2043	\$83,028	\$4,982
2044	\$85,535	\$5,132
2045	\$88,119	\$5,287
2046	\$90,780	\$5,447
2047	\$93,521	\$5,611
2048	\$96,346	\$5,781
2049	\$99,255	\$5,955
2050	\$102,253	\$6,135
2051	\$105,341	\$6,320
2052	\$108,522	\$6,511
2053	\$111,799	\$6,708
2054	\$115,176	\$6,911
2055	\$118,654	\$7,119
2056	\$122,237	\$7,334
2057	\$125,929	\$7,556
2058	\$129,732	\$7,784
2059	\$133,650	\$8,019
2060	\$137,686	\$8,261
<u>Total</u>	<u>\$3,087,560</u>	<u>\$185,254</u>

Franchise Tax Collections from the Company and Indirect and Induced Businesses

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

Estimated Taxable Margins of the Company and Indirect and Induced Companies

The facility's estimated taxable margins subject to Texas franchise tax may be 10% of its operating revenues and the estimated taxable margins of indirect companies may be 15% of revenues. If this is the case, the estimated taxable margins of the company and indirect and induced companies that will be subject to corporate franchise taxes in the state of Texas are shown below.

Table 45 Revenues of the Company Subject to Franchise Taxes & Taxable Margins of Indirect and Induced Companies During Operations			
Year	Direct Taxable Margins	Indirect & Induced Taxable Margins	Total Revenues Subject to Franchise Taxes
2025	\$399,059	\$694,901	\$1,093,959
2026	\$1,507,968	\$2,625,900	\$4,133,868
2027	\$1,782,607	\$3,104,142	\$4,886,748
2028	\$2,176,169	\$3,789,471	\$5,965,640
2029	\$2,447,528	\$4,262,002	\$6,709,530
2030	\$2,520,953	\$4,389,862	\$6,910,816
2031	\$2,596,582	\$4,521,558	\$7,118,140
2032	\$2,674,480	\$4,657,205	\$7,331,684
2033	\$2,754,714	\$4,796,921	\$7,551,635
2034	\$2,837,355	\$4,940,829	\$7,778,184
2035	\$2,922,476	\$5,089,054	\$8,011,530
2036	\$3,010,150	\$5,241,725	\$8,251,875
2037	\$3,100,455	\$5,398,977	\$8,499,432
2038	\$3,193,468	\$5,560,946	\$8,754,415
2039	\$3,289,272	\$5,727,775	\$9,017,047
2040	\$3,387,951	\$5,899,608	\$9,287,558

Table 45 continued on the next page

Table 45 - Continued
Revenues of the Company Subject to Franchise Taxes &
Taxable Margins of Indirect and Induced Companies
During Operations

Year	Direct Taxable Margins	Indirect & Induced Taxable Margins	Total Revenues Subject to Franchise Taxes
2041	\$3,489,589	\$6,076,596	\$9,566,185
2042	\$3,594,277	\$6,258,894	\$9,853,171
2043	\$3,702,105	\$6,446,661	\$10,148,766
2044	\$3,813,168	\$6,640,061	\$10,453,229
2045	\$6,963,782	\$12,126,381	\$19,090,163
2046	\$2,022,695	\$3,522,220	\$5,544,915
2047	\$2,083,376	\$3,627,887	\$5,711,263
2048	\$2,145,877	\$3,736,723	\$5,882,601
2049	\$2,210,254	\$3,848,825	\$6,059,079
2050	\$2,276,561	\$3,964,290	\$6,240,851
2051	\$2,344,858	\$4,083,218	\$6,428,077
2052	\$2,415,204	\$4,205,715	\$6,620,919
2053	\$2,487,660	\$4,331,887	\$6,819,546
2054	\$2,562,290	\$4,461,843	\$7,024,133
2055	\$2,639,158	\$4,595,698	\$7,234,857
2056	\$2,718,333	\$4,733,569	\$7,451,902
2057	\$2,799,883	\$4,875,576	\$7,675,460
2058	\$2,883,880	\$5,021,844	\$7,905,723
2059	\$2,970,396	\$5,172,499	\$8,142,895
2060	\$3,059,508	\$5,327,674	\$8,387,182
<u>Total</u>	<u>\$99.78 M</u>	<u>\$173.76 M</u>	<u>\$273.54 M</u>

Estimated Franchise Tax Payments by the Company and Indirect and Induced Companies

The estimated annual franchise tax payments to the State by the facility and indirect and induced businesses are shown below.

Table 46 Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations			
	The Facility	Indirect & Induced Businesses	Total
2025	\$2,993	\$5,212	\$8,205
2026	\$11,310	\$19,694	\$31,004
2027	\$13,370	\$23,281	\$36,651
2028	\$16,321	\$28,421	\$44,742
2029	\$18,356	\$31,965	\$50,321
2030	\$18,907	\$32,924	\$51,831
2031	\$19,474	\$33,912	\$53,386
2032	\$20,059	\$34,929	\$54,988
2033	\$20,660	\$35,977	\$56,637
2034	\$21,280	\$37,056	\$58,336
2035	\$21,919	\$38,168	\$60,086
2036	\$22,576	\$39,313	\$61,889
2037	\$23,253	\$40,492	\$63,746
2038	\$23,951	\$41,707	\$65,658
2039	\$24,670	\$42,958	\$67,628
2040	\$25,410	\$44,247	\$69,657
2041	\$26,172	\$45,574	\$71,746
2042	\$26,957	\$46,942	\$73,899
2043	\$27,766	\$48,350	\$76,116
2044	\$28,599	\$49,800	\$78,399
2045	\$52,228	\$90,948	\$143,176
2046	\$15,170	\$26,417	\$41,587
2047	\$15,625	\$27,209	\$42,834
2048	\$16,094	\$28,025	\$44,120
2049	\$16,577	\$28,866	\$45,443
2050	\$17,074	\$29,732	\$46,806
2051	\$17,586	\$30,624	\$48,211
2052	\$18,114	\$31,543	\$49,657
2053	\$18,657	\$32,489	\$51,147
2054	\$19,217	\$33,464	\$52,681

Table 46 continued on the next page

Table 46 - Continued Estimated Franchise Tax Collections from the Facility and Indirect and Induced Businesses During Operations			
	The Facility	Indirect & Induced Businesses	Total
2055	\$19,794	\$34,468	\$54,261
2056	\$20,387	\$35,502	\$55,889
2057	\$20,999	\$36,567	\$57,566
2058	\$21,629	\$37,664	\$59,293
2059	\$22,278	\$38,794	\$61,072
2060	\$22,946	\$39,958	\$62,904
<u>Total</u>	<u>\$748,380</u>	<u>\$1,303,192</u>	<u>\$2,051,572</u>

Other Taxes and Revenues from Workers

During the facility's operations, other taxes -- in addition to sales and franchise taxes -- will be collected for the State's general fund. The estimated annual collections of other taxes from each worker during operations are the following:

Table 47 Other Revenues for the State from Each Worker During Operations	
Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$438
Cigarette and tobacco taxes	\$110
Alcoholic beverage taxes	\$185
Net lottery proceeds	\$302
<u>Total</u>	<u>\$1,072</u>

Other taxes and revenues for the State from workers during the facility's operations will be the following:

Table 48 Other Revenues for the State from Workers During Operations						
Year	Gasoline Taxes	Motor Vehicle Sales and Use Taxes	Cigarette and Tobacco Taxes	Alcoholic Beverage Taxes	Net Lottery Proceeds	Total Other Taxes and Revenues
2025	\$1,873	\$21,852	\$5,494	\$9,240	\$15,084	\$53,543
2026	\$1,929	\$22,507	\$5,659	\$9,517	\$15,537	\$55,149
2027	\$1,987	\$23,183	\$5,829	\$9,803	\$16,003	\$56,804
2028	\$2,047	\$23,878	\$6,004	\$10,097	\$16,483	\$58,508
2029	\$2,108	\$24,594	\$6,184	\$10,400	\$16,977	\$60,263
2030	\$2,171	\$25,332	\$6,369	\$10,712	\$17,486	\$62,071
2031	\$2,236	\$26,092	\$6,560	\$11,033	\$18,011	\$63,933
2032	\$2,304	\$26,875	\$6,757	\$11,364	\$18,551	\$65,851
2033	\$2,373	\$27,681	\$6,960	\$11,705	\$19,108	\$67,827
2034	\$2,444	\$28,512	\$7,169	\$12,056	\$19,681	\$69,862
2035	\$2,517	\$29,367	\$7,384	\$12,418	\$20,272	\$71,958
2036	\$2,593	\$30,248	\$7,605	\$12,791	\$20,880	\$74,116
2037	\$2,670	\$31,155	\$7,833	\$13,174	\$21,506	\$76,340
2038	\$2,751	\$32,090	\$8,068	\$13,570	\$22,151	\$78,630
2039	\$2,833	\$33,053	\$8,310	\$13,977	\$22,816	\$80,989
2040	\$2,918	\$34,044	\$8,560	\$14,396	\$23,500	\$83,419
2041	\$3,006	\$35,066	\$8,817	\$14,828	\$24,205	\$85,921
2042	\$3,096	\$36,118	\$9,081	\$15,273	\$24,932	\$88,499
2043	\$3,189	\$37,201	\$9,353	\$15,731	\$25,679	\$91,154
2044	\$3,284	\$38,317	\$9,634	\$16,203	\$26,450	\$93,888
2045	\$3,383	\$39,467	\$9,923	\$16,689	\$27,243	\$96,705
2046	\$3,484	\$40,651	\$10,221	\$17,189	\$28,061	\$99,606
2047	\$3,589	\$41,870	\$10,527	\$17,705	\$28,902	\$102,594
2048	\$3,697	\$43,126	\$10,843	\$18,236	\$29,770	\$105,672
2049	\$3,807	\$44,420	\$11,169	\$18,783	\$30,663	\$108,842
2050	\$3,922	\$45,753	\$11,504	\$19,347	\$31,583	\$112,108
2051	\$4,039	\$47,125	\$11,849	\$19,927	\$32,530	\$115,471
2052	\$4,161	\$48,539	\$12,204	\$20,525	\$33,506	\$118,935
2053	\$4,285	\$49,995	\$12,570	\$21,141	\$34,511	\$122,503
2054	\$4,414	\$51,495	\$12,947	\$21,775	\$35,546	\$126,178
2055	\$4,546	\$53,040	\$13,336	\$22,428	\$36,613	\$129,963
2056	\$4,683	\$54,631	\$13,736	\$23,101	\$37,711	\$133,862
2057	\$4,823	\$56,270	\$14,148	\$23,794	\$38,843	\$137,878
2058	\$4,968	\$57,958	\$14,572	\$24,508	\$40,008	\$142,014
2059	\$5,117	\$59,697	\$15,010	\$25,243	\$41,208	\$146,275
2060	\$5,270	\$61,488	\$15,460	\$26,001	\$42,444	\$150,663
<u>Total</u>	<u>\$118,517</u>	<u>\$1,382,694</u>	<u>\$347,649</u>	<u>\$584,682</u>	<u>\$954,454</u>	<u>\$3,387,996</u>

The Total Revenues for the State of Texas from the Facility's Operations

The total increase in state revenues from the facility's operations are shown below.

Table 49 General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2025	\$71,996	\$2,916	\$8,205	\$53,543	\$136,660
2026	\$96,931	\$3,004	\$31,004	\$55,149	\$186,088
2027	\$104,602	\$3,095	\$36,651	\$56,804	\$201,151
2028	\$114,801	\$3,188	\$44,742	\$58,508	\$221,240
2029	\$122,525	\$3,285	\$50,321	\$60,263	\$236,394
2030	\$126,201	\$3,384	\$51,831	\$62,071	\$243,487
2031	\$129,988	\$3,486	\$53,386	\$63,933	\$250,794
2032	\$133,889	\$3,591	\$54,988	\$65,851	\$258,319
2033	\$137,907	\$3,700	\$56,637	\$67,827	\$266,070
2034	\$142,045	\$3,811	\$58,336	\$69,862	\$274,054
2035	\$146,307	\$3,926	\$60,086	\$71,958	\$282,278
2036	\$150,698	\$4,045	\$61,889	\$74,116	\$290,748
2037	\$155,220	\$4,167	\$63,746	\$76,340	\$299,472
2038	\$159,877	\$4,293	\$65,658	\$78,630	\$308,458
2039	\$164,675	\$4,423	\$67,628	\$80,989	\$317,714
2040	\$169,616	\$4,556	\$69,657	\$83,419	\$327,248
2041	\$174,706	\$4,694	\$71,746	\$85,921	\$337,067
2042	\$179,949	\$4,836	\$73,899	\$88,499	\$347,182
2043	\$185,348	\$4,982	\$76,116	\$91,154	\$357,599
2044	\$190,910	\$5,132	\$78,399	\$93,888	\$368,330
2045	\$259,675	\$5,287	\$143,176	\$96,705	\$504,843
2046	\$160,546	\$5,447	\$41,587	\$99,606	\$307,186
2047	\$165,364	\$5,611	\$42,834	\$102,594	\$316,404
2048	\$170,326	\$5,781	\$44,120	\$105,672	\$325,899
2049	\$175,438	\$5,955	\$45,443	\$108,842	\$335,678
2050	\$180,702	\$6,135	\$46,806	\$112,108	\$345,752
2051	\$186,125	\$6,320	\$48,211	\$115,471	\$356,127
2052	\$191,711	\$6,511	\$49,657	\$118,935	\$366,814
2053	\$197,464	\$6,708	\$51,147	\$122,503	\$377,821
2054	\$203,390	\$6,911	\$52,681	\$126,178	\$389,159
2055	\$209,493	\$7,119	\$54,261	\$129,963	\$400,837
2056	\$215,780	\$7,334	\$55,889	\$133,862	\$412,866
2057	\$222,255	\$7,556	\$57,566	\$137,878	\$425,255

Table 49 continued on the next page

Table 49 - Continued					
General Fund Revenues for the State During Operations					
Year	Sales Tax Collections	Hotel Occupancy Taxes	Franchise Tax Collections	Other Taxes and Revenues	Total State Revenues
2058	\$228,925	\$7,784	\$59,293	\$142,014	\$438,017
2059	\$235,795	\$8,019	\$61,072	\$146,275	\$451,161
2060	\$242,871	\$8,261	\$62,904	\$150,663	\$464,699
<u>Total</u>	<u>\$6,104,051</u>	<u>\$185,254</u>	<u>\$2,051,572</u>	<u>\$3,387,996</u>	<u>\$11,728,872</u>

The Total Revenues for the State of Texas from the Facility's Operations - Direct vs. Indirect

The table below details the total increase in state revenues from the facility's operations by direct and indirect sources.

Table 50				
Direct vs. Indirect: General Fund Revenues for the State During Operations				
Year	Direct Taxes	Indirect Taxes	Total State Revenues	
2025	\$5,487	\$131,173	\$136,660	
2026	\$20,735	\$165,354	\$186,088	
2027	\$24,511	\$176,640	\$201,151	
2028	\$29,922	\$191,318	\$221,240	
2029	\$33,654	\$202,741	\$236,394	
2030	\$34,663	\$208,824	\$243,487	
2031	\$35,703	\$215,091	\$250,794	
2032	\$36,774	\$221,545	\$258,319	
2033	\$37,877	\$228,193	\$266,070	
2034	\$39,014	\$235,041	\$274,054	
2035	\$40,184	\$242,094	\$282,278	
2036	\$41,390	\$249,358	\$290,748	
2037	\$42,631	\$256,841	\$299,472	
2038	\$43,910	\$264,548	\$308,458	
2039	\$45,227	\$272,487	\$317,714	
2040	\$46,584	\$280,664	\$327,248	
2041	\$47,982	\$289,086	\$337,067	
2042	\$49,421	\$297,760	\$347,182	
2043	\$50,904	\$306,696	\$357,599	
2044	\$52,431	\$315,899	\$368,330	
2045	\$95,752	\$409,091	\$504,843	
2046	\$27,812	\$279,374	\$307,186	
2047	\$28,646	\$287,757	\$316,404	
2048	\$29,506	\$296,393	\$325,899	
2049	\$30,391	\$305,287	\$335,678	
2050	\$31,303	\$314,449	\$345,752	
2051	\$32,242	\$323,885	\$356,127	
2052	\$33,209	\$333,605	\$366,814	
2053	\$34,205	\$343,616	\$377,821	
2054	\$35,231	\$353,928	\$389,159	
2055	\$36,288	\$364,549	\$400,837	
2056	\$37,377	\$375,489	\$412,866	

Table 50 continued on the next page

Table 50 - Continued			
Direct vs. Indirect: General Fund Revenues for the State During Operations			
Year	Direct Taxes	Indirect Taxes	Total State Revenues
2057	\$38,498	\$386,757	\$425,255
2058	\$39,653	\$398,363	\$438,017
2059	\$40,843	\$410,318	\$451,161
2060	\$42,068	\$422,631	\$464,699
<u>Total</u>	<u>\$1,372,031</u>	<u>\$10,356,842</u>	<u>\$11,728,872</u>

Local Area Benefits

Economic Impact & Tax Revenue

Local vs. State Economic Impacts

The previous section of this analysis presented the economic impact in the State of Texas and this section presents the local economic impact, specifically within Martin County. In general, the state level economic impacts will be larger than the county level economic impacts. The larger statewide impact results from the fact that more economic activity will be captured within the state economy relative to the county economy.

The reason the occurs is known as leakage. Leakage results when the local economy is unable to supply all of the inputs needed by the project and some inputs are purchased from suppliers located outside of the local economy, for example elsewhere in the state.

It is important to note that the local economic impacts of output, employment, and payroll represent a subset of the statewide impact.

Local Economic Impacts During Construction

Construction Economic Output/Increase in Gross Area Product

The facility's construction project will provide direct, indirect and induced economic output/increase in gross area product in Martin County, as shown below.

The facility's construction costs again serve as the direct construction output and county-level multipliers are used to estimate the total impact inclusive of the indirect and induced effects.

Table 51 Economic Output/Increase in Gross Area Product in Martin County During Construction			
Year	Direct Construction Output	Indirect & Induced Output	Total Output
2025	\$2,390,000	\$329,342	\$2,719,342
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$2.39 M</u>	<u>\$0.33 M</u>	<u>\$2.72 M</u>

An explanation of the multipliers used to calculate indirect and induced impacts is included later in this report.

Construction Employment

During construction, the following number of direct, indirect and induced jobs will be supported in Martin County each year:

Table 52 Direct, Indirect and Induced Employment in Martin County During Construction			
Year	Direct Construction Employment	Indirect & Induced Employment	Total Employment
2025	15	5	20
2026	0	0	0
2027	0	0	0
2028	0	0	0
<u>Annual Avg.</u>	<u>15</u>	<u>5</u>	<u>20</u>

Construction Payroll

The direct, indirect and induced payrolls during construction will be the following:

Table 53 Direct, Indirect and Induced Payroll in Martin County During Construction			
Year	Direct Construction Payroll	Indirect & Induced Payroll	Total Payroll
2025	\$956,000	\$287,756	\$1,243,756
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$956,000</u>	<u>\$287,756</u>	<u>\$1,243,756</u>

The direct construction employment and direct construction payroll derived in the state impact section serve as the direct impacts. The local impact shown here relies on Martin County multipliers to estimate the total impact inclusive of the indirect and induced effects.

Local Fiscal Impacts During Construction

Taxable Sales

A significant amount of taxable sales or spending during construction can be expected to take place within Martin County and nearby cities. If 10% of the statewide taxable sales during construction occur locally, the facility's construction project will result in the following taxable sales:

Table 54 Local Estimated Taxable Sales During Construction				
Year	Estimated Taxable Machinery and Equipment	Estimated Taxable Construction Materials	Estimated Taxable Worker Spending	Total Taxable Sales
2025	\$911,700	\$107,550	\$49,585	\$1,068,835
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$911,700</u>	<u>\$107,550</u>	<u>\$49,585</u>	<u>\$1,068,835</u>

Sales Tax Collections

With a combined 2.00% local sales tax, Martin County and nearby cities will collect the following sales tax on machinery and equipment, construction materials and construction worker spending:

Table 55 Estimated Sales Tax Collections During Construction						
Year	On Taxable Machinery & Equipment	On Construction Materials	On Taxable Worker Spending	Total Sales Tax Collections	Direct Sales Tax Collections	Total Sales Tax Collections
2025	\$18,234	\$2,151	\$992	\$21,377	\$20,385	\$992
2026	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total</u>	<u>\$18,234</u>	<u>\$2,151</u>	<u>\$992</u>	<u>\$21,377</u>	<u>\$20,385</u>	<u>\$992</u>

Summary of Local Taxes During Construction

During the facility's construction project, Martin County and nearby cities will receive the following tax revenues:

Table 56 Tax Revenues for the City During Construction			
Year	City Sales Tax Collections	County Sales Tax Collections	Total Revenues
2025	\$21,377	\$0	\$21,377
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
<u>Total</u>	<u>\$21,377</u>	<u>\$0</u>	<u>\$21,377</u>

Local Economic Impacts During the Facility's Operations

Economic Output During Operations

The facility's estimated annual revenues during the first 36 years again serve as the direct economic output during operations.

The facility's annual operating expenditures will result in the following direct, indirect and induced output in Martin County when applying the local economic impact multiplier.

Table 57 Direct, Indirect & Induced Output in Martin County During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2025	\$3,990,586	\$948,961	\$4,939,547
2026	\$15,079,681	\$3,585,948	\$18,665,629
2027	\$17,826,065	\$4,239,038	\$22,065,104
2028	\$21,761,687	\$5,174,929	\$26,936,617
2029	\$24,475,276	\$5,820,221	\$30,295,497
2030	\$25,209,535	\$5,994,827	\$31,204,362
2031	\$25,965,821	\$6,174,672	\$32,140,493
2032	\$26,744,795	\$6,359,912	\$33,104,707
2033	\$27,547,139	\$6,550,710	\$34,097,849
2034	\$28,373,553	\$6,747,231	\$35,120,784
2035	\$29,224,760	\$6,949,648	\$36,174,408
2036	\$30,101,503	\$7,158,137	\$37,259,640
2037	\$31,004,548	\$7,372,881	\$38,377,429
2038	\$31,934,684	\$7,594,068	\$39,528,752
2039	\$32,892,725	\$7,821,890	\$40,714,615
2040	\$33,879,506	\$8,056,547	\$41,936,053
2041	\$34,895,892	\$8,298,243	\$43,194,135
2042	\$35,942,768	\$8,547,190	\$44,489,959
2043	\$37,021,051	\$8,803,606	\$45,824,657
2044	\$38,131,683	\$9,067,714	\$47,199,397
2045	\$69,637,817	\$16,559,873	\$86,197,690
2046	\$20,226,951	\$4,809,969	\$25,036,920
2047	\$20,833,760	\$4,954,268	\$25,788,028
2048	\$21,458,773	\$5,102,896	\$26,561,669
2049	\$22,102,536	\$5,255,983	\$27,358,519
2050	\$22,765,612	\$5,413,662	\$28,179,274

Table 57 continued on the next page

Table 57 - Continued Direct, Indirect & Induced Output in Martin County During Operations			
Year	Direct Operations Output	Indirect & Induced Output	Total Output
2051	\$23,448,580	\$5,576,072	\$29,024,652
2052	\$24,152,038	\$5,743,355	\$29,895,392
2053	\$24,876,599	\$5,915,655	\$30,792,254
2054	\$25,622,897	\$6,093,125	\$31,716,021
2055	\$26,391,584	\$6,275,919	\$32,667,502
2056	\$27,183,331	\$6,464,196	\$33,647,527
2057	\$27,998,831	\$6,658,122	\$34,656,953
2058	\$28,838,796	\$6,857,866	\$35,696,662
2059	\$29,703,960	\$7,063,602	\$36,767,561
2060	\$30,595,079	\$7,275,510	\$37,870,588
<u>Total</u>	<u>\$997.84 M</u>	<u>\$237.29 M</u>	<u>\$1,235.13 M</u>

Employment during Operations

Based on the expected number of new jobs created and the local employment multiplier for the project, the following number of direct, indirect and induced jobs will be supported during the facility's operations:

Table 58 Direct, Indirect & Induced Employment in Martin County During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2025	10	6	16
2026	10	6	16
2027	10	6	16
2028	10	6	16
2029	10	6	16
2030	10	6	16
2031	10	6	16
2032	10	6	16
2033	10	6	16
2034	10	6	16
2035	10	6	16
2036	10	6	16
2037	10	6	16
2038	10	6	16
2039	10	6	16
2040	10	6	16
2041	10	6	16
2042	10	6	16
2043	10	6	16
2044	10	6	16
2045	10	6	16
2046	10	6	16
2047	10	6	16
2048	10	6	16
2049	10	6	16
2050	10	6	16
2051	10	6	16
2052	10	6	16
2053	10	6	16
2054	10	6	16
2055	10	6	16

Table 58 continued on the next page

Table 58 - Continued Direct, Indirect & Induced Employment in Martin County During Operations			
Year	Direct Operations Employment	Indirect & Induced Employment	Total Employment
2056	10	6	16
2057	10	6	16
2058	10	6	16
2059	10	6	16
2060	10	6	16

The direct, indirect and induced payrolls in Martin County during the facility's operations will be the following:

Table 59 Direct, Indirect and Induced Payroll in Martin County During Operations			
Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2025	\$1,651,650	\$435,210	\$2,086,860
2026	\$1,701,200	\$448,266	\$2,149,466
2027	\$1,752,235	\$461,714	\$2,213,950
2028	\$1,804,803	\$475,565	\$2,280,368
2029	\$1,858,947	\$489,832	\$2,348,779
2030	\$1,914,715	\$504,527	\$2,419,242
2031	\$1,972,156	\$519,663	\$2,491,820
2032	\$2,031,321	\$535,253	\$2,566,574
2033	\$2,092,261	\$551,311	\$2,643,572
2034	\$2,155,029	\$567,850	\$2,722,879
2035	\$2,219,679	\$584,886	\$2,804,565
2036	\$2,286,270	\$602,432	\$2,888,702
2037	\$2,354,858	\$620,505	\$2,975,363
2038	\$2,425,504	\$639,120	\$3,064,624
2039	\$2,498,269	\$658,294	\$3,156,563
2040	\$2,573,217	\$678,043	\$3,251,260
2041	\$2,650,413	\$698,384	\$3,348,797
2042	\$2,729,926	\$719,335	\$3,449,261

Table 59 continued on the next page

Table 59 - Continued
Direct, Indirect and Induced Payroll
in Martin County During Operations

Year	Direct Operations Payroll	Indirect & Induced Payroll	Total Payroll
2043	\$2,811,824	\$740,916	\$3,552,739
2044	\$2,896,178	\$763,143	\$3,659,321
2045	\$2,983,064	\$786,037	\$3,769,101
2046	\$3,072,556	\$809,618	\$3,882,174
2047	\$3,164,732	\$833,907	\$3,998,639
2048	\$3,259,674	\$858,924	\$4,118,598
2049	\$3,357,464	\$884,692	\$4,242,156
2050	\$3,458,188	\$911,233	\$4,369,421
2051	\$3,561,934	\$938,570	\$4,500,504
2052	\$3,668,792	\$966,727	\$4,635,519
2053	\$3,778,856	\$995,728	\$4,774,584
2054	\$3,892,221	\$1,025,600	\$4,917,822
2055	\$4,008,988	\$1,056,368	\$5,065,356
2056	\$4,129,258	\$1,088,059	\$5,217,317
2057	\$4,253,135	\$1,120,701	\$5,373,837
2058	\$4,380,729	\$1,154,322	\$5,535,052
2059	\$4,512,151	\$1,188,952	\$5,701,103
2060	\$4,647,516	\$1,224,620	\$5,872,136
Total	<u>\$104,509,713</u>	<u>\$27,538,309</u>	<u>\$132,048,023</u>

Local Fiscal Impacts During the Facility's Operations

Local Taxable Sales

A significant amount of taxable sales or spending can be expected to take place within Martin County and nearby cities. If 10% of the statewide taxable spending by workers, the company, indirect businesses, and visitors during operations occurs locally, the project will result in the following taxable sales:

Table 60 Local Estimated Total Taxable Sales During Operations						
Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2025	\$95,458	\$0	\$3,991	\$9,265	\$6,480	\$115,194
2026	\$98,322	\$0	\$15,080	\$35,012	\$6,676	\$155,089
2027	\$101,271	\$0	\$17,826	\$41,389	\$6,877	\$167,363
2028	\$104,309	\$0	\$21,762	\$50,526	\$7,085	\$183,682
2029	\$107,439	\$0	\$24,475	\$56,827	\$7,299	\$196,039
2030	\$110,662	\$0	\$25,210	\$58,531	\$7,519	\$201,922
2031	\$113,982	\$0	\$25,966	\$60,287	\$7,746	\$207,981
2032	\$117,401	\$0	\$26,745	\$62,096	\$7,980	\$214,222
2033	\$120,923	\$0	\$27,547	\$63,959	\$8,221	\$220,651
2034	\$124,551	\$0	\$28,374	\$65,878	\$8,470	\$227,272
2035	\$128,287	\$0	\$29,225	\$67,854	\$8,726	\$234,092
2036	\$132,136	\$0	\$30,102	\$69,890	\$8,989	\$241,116
2037	\$136,100	\$0	\$31,005	\$71,986	\$9,260	\$248,351
2038	\$140,183	\$0	\$31,935	\$74,146	\$9,540	\$255,804
2039	\$144,388	\$0	\$32,893	\$76,370	\$9,828	\$263,480
2040	\$148,720	\$0	\$33,880	\$78,661	\$10,125	\$271,386
2041	\$153,182	\$0	\$34,896	\$81,021	\$10,431	\$279,530
2042	\$157,777	\$0	\$35,943	\$83,452	\$10,746	\$287,918
2043	\$162,510	\$0	\$37,021	\$85,955	\$11,070	\$296,557
2044	\$167,386	\$0	\$38,132	\$88,534	\$11,405	\$305,456
2045	\$172,407	\$0	\$69,638	\$161,685	\$11,749	\$415,479
2046	\$177,580	\$0	\$20,227	\$46,963	\$12,104	\$256,873
2047	\$182,907	\$0	\$20,834	\$48,372	\$12,469	\$264,582
2048	\$188,394	\$0	\$21,459	\$49,823	\$12,846	\$272,522
2049	\$194,046	\$0	\$22,103	\$51,318	\$13,234	\$280,700
2050	\$199,867	\$0	\$22,766	\$52,857	\$13,634	\$289,124
2051	\$205,863	\$0	\$23,449	\$54,443	\$14,045	\$297,800
2052	\$212,039	\$0	\$24,152	\$56,076	\$14,470	\$306,737
2053	\$218,400	\$0	\$24,877	\$57,758	\$14,907	\$315,942
2054	\$224,952	\$0	\$25,623	\$59,491	\$15,357	\$325,423
2055	\$231,701	\$0	\$26,392	\$61,276	\$15,821	\$335,189
2056	\$238,652	\$0	\$27,183	\$63,114	\$16,298	\$345,248

Table 60 continued on the next page

Table 60 - Continued
Local Estimated Total Taxable Sales or Spending

Year	Workers' Taxable Spending	The Facility's Taxable Sales	The Company's Taxable Spending	Indirect & Induced Companies' Taxable Spending	Taxable Spending by Visitors in The Community	Total Taxable Sales
2057	\$245,812	\$0	\$27,999	\$65,008	\$16,791	\$355,609
2058	\$253,186	\$0	\$28,839	\$66,958	\$17,298	\$366,280
2059	\$260,782	\$0	\$29,704	\$68,967	\$17,820	\$377,272
2060	\$268,605	\$0	\$30,595	\$71,036	\$18,358	\$388,594
<u>Total</u>	<u>\$6,040,181</u>	<u>\$0</u>	<u>\$997,840</u>	<u>\$2,316,786</u>	<u>\$411,675</u>	<u>\$9,766,482</u>

Sales Tax Collections

With a combined 2.00% local sales tax rate, Martin County and nearby cities will collect sales tax on the spending of workers, companies and visitors:

Table 61 Estimated Sales Tax Collections During Operations						
Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2025	\$1,909	\$0	\$80	\$185	\$130	\$2,304
2026	\$1,966	\$0	\$302	\$700	\$134	\$3,102
2027	\$2,025	\$0	\$357	\$828	\$138	\$3,347
2028	\$2,086	\$0	\$435	\$1,011	\$142	\$3,674
2029	\$2,149	\$0	\$490	\$1,137	\$146	\$3,921
2030	\$2,213	\$0	\$504	\$1,171	\$150	\$4,038
2031	\$2,280	\$0	\$519	\$1,206	\$155	\$4,160
2032	\$2,348	\$0	\$535	\$1,242	\$160	\$4,284
2033	\$2,418	\$0	\$551	\$1,279	\$164	\$4,413
2034	\$2,491	\$0	\$567	\$1,318	\$169	\$4,545
2035	\$2,566	\$0	\$584	\$1,357	\$175	\$4,682
2036	\$2,643	\$0	\$602	\$1,398	\$180	\$4,822
2037	\$2,722	\$0	\$620	\$1,440	\$185	\$4,967
2038	\$2,804	\$0	\$639	\$1,483	\$191	\$5,116
2039	\$2,888	\$0	\$658	\$1,527	\$197	\$5,270
2040	\$2,974	\$0	\$678	\$1,573	\$203	\$5,428
2041	\$3,064	\$0	\$698	\$1,620	\$209	\$5,591
2042	\$3,156	\$0	\$719	\$1,669	\$215	\$5,758
2043	\$3,250	\$0	\$740	\$1,719	\$221	\$5,931
2044	\$3,348	\$0	\$763	\$1,771	\$228	\$6,109
2045	\$3,448	\$0	\$1,393	\$3,234	\$235	\$8,310
2046	\$3,552	\$0	\$405	\$939	\$242	\$5,137
2047	\$3,658	\$0	\$417	\$967	\$249	\$5,292
2048	\$3,768	\$0	\$429	\$996	\$257	\$5,450
2049	\$3,881	\$0	\$442	\$1,026	\$265	\$5,614
2050	\$3,997	\$0	\$455	\$1,057	\$273	\$5,782
2051	\$4,117	\$0	\$469	\$1,089	\$281	\$5,956
2052	\$4,241	\$0	\$483	\$1,122	\$289	\$6,135
2053	\$4,368	\$0	\$498	\$1,155	\$298	\$6,319
2054	\$4,499	\$0	\$512	\$1,190	\$307	\$6,508
2055	\$4,634	\$0	\$528	\$1,226	\$316	\$6,704
2056	\$4,773	\$0	\$544	\$1,262	\$326	\$6,905
2057	\$4,916	\$0	\$560	\$1,300	\$336	\$7,112
2058	\$5,064	\$0	\$577	\$1,339	\$346	\$7,326

Table 61 continued on the next page

Table 61 - Continued
Estimated Sales Tax Collections During Operations

Year	On Workers' Spending	On The Facility's Taxable Sales	On the Company's Taxable Spending	On Indirect Companies' Taxable Spending	On Taxable Spending of Visitors in the Community	Total Sales Tax Collections
2059	\$5,216	\$0	\$594	\$1,379	\$356	\$7,545
2060	\$5,372	\$0	\$612	\$1,421	\$367	\$7,772
<u>Total</u>	<u>\$120,804</u>	<u>\$0</u>	<u>\$19,957</u>	<u>\$46,336</u>	<u>\$8,233</u>	<u>\$195,330</u>

Hotel Occupancy Tax Collections

From the overnight lodging spending of visitors to the facility, cities in the county will collect the following hotel occupancy taxes:

Table 62
Estimated Hotel Occupancy Tax Collections
from Visitors

Year	City Hotel Spending on Lodging	Occupancy Tax Collections
2025	\$48,600	\$3,402
2026	\$50,068	\$3,505
2027	\$51,580	\$3,611
2028	\$53,137	\$3,720
2029	\$54,742	\$3,832
2030	\$56,395	\$3,948
2031	\$58,099	\$4,067
2032	\$59,853	\$4,190
2033	\$61,661	\$4,316
2034	\$63,523	\$4,447
2035	\$65,441	\$4,581
2036	\$67,418	\$4,719
2037	\$69,454	\$4,862
2038	\$71,551	\$5,009
2039	\$73,712	\$5,160
2040	\$75,938	\$5,316
2041	\$78,231	\$5,476

Table 62 continued on the next page

Table 62 - Continued
Estimated Hotel Occupancy Tax Collections
from Visitors

Year	City Hotel Spending on Lodging	Occupancy Tax Collections
2042	\$80,594	\$5,642
2043	\$83,028	\$5,812
2044	\$85,535	\$5,987
2045	\$88,119	\$6,168
2046	\$90,780	\$6,355
2047	\$93,521	\$6,546
2048	\$96,346	\$6,744
2049	\$99,255	\$6,948
2050	\$102,253	\$7,158
2051	\$105,341	\$7,374
2052	\$108,522	\$7,597
2053	\$111,799	\$7,826
2054	\$115,176	\$8,062
2055	\$118,654	\$8,306
2056	\$122,237	\$8,557
2057	\$125,929	\$8,815
2058	\$129,732	\$9,081
2059	\$133,650	\$9,355
2060	\$137,686	\$9,638
<u>Total</u>	<u>\$3,087,560</u>	<u>\$216,129</u>

Property Tax Collections - JETI Investment

As detailed in an earlier section of this report ("Estimated Ad Valorem Taxes Imposed by Each Taxing Unit on the Investment") the annual property taxes to be collected on the facility's investment property is summarized below:

Table 63 Ad Valorem Tax Collections for Local Taxing Units on Investment					
Year	N/A	Martin County	Stanton ISD	Other Local Jurisdictions	Total
2025	\$0	\$0	\$0	\$0	\$0
2026	\$0	\$365,525	\$668,250	\$268,953	\$1,302,728
2027	\$0	\$356,705	\$652,127	\$262,464	\$1,271,295
2028	\$0	\$347,213	\$634,773	\$255,479	\$1,237,465
2029	\$0	\$336,898	\$615,916	\$247,890	\$1,200,705
2030	\$0	\$325,799	\$595,625	\$239,723	\$1,161,147
2031	\$0	\$313,803	\$573,694	\$230,897	\$1,118,394
2032	\$0	\$300,836	\$549,986	\$221,355	\$1,072,177
2033	\$0	\$286,859	\$524,434	\$211,071	\$1,022,364
2034	\$0	\$271,724	\$496,764	\$199,934	\$968,422
2035	\$0	\$255,393	\$466,908	\$187,918	\$910,218
2036	\$0	\$237,791	\$844,309	\$174,967	\$1,257,067
2037	\$0	\$218,732	\$776,637	\$160,943	\$1,156,312
2038	\$0	\$198,178	\$703,657	\$145,819	\$1,047,654
2039	\$0	\$175,979	\$624,839	\$129,486	\$930,305
2040	\$0	\$151,987	\$539,652	\$111,832	\$803,472
2041	\$0	\$126,052	\$447,565	\$92,749	\$666,366
2042	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2043	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2044	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2045	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2046	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2047	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2048	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2049	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2050	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2051	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2052	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2053	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2054	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2055	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2056	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2057	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2058	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2059	\$0	\$112,113	\$398,071	\$82,493	\$592,677
2060	\$0	\$112,113	\$398,071	\$82,493	\$592,677
Total	\$0	\$6,399,614	\$17,278,493	\$4,708,838	\$28,386,944

Property Tax Collections - Land and Inventories

In addition to the property taxes generated for local taxing units on the facility's eligible JETI investment, local taxing units will also benefit from property taxes paid on the facility's taxable land and inventory property. The table below shows the estimated taxable value of the facility's land and inventories.

Table 64 Appraised Value of the Facility's Land & Inventories			
Year	Land	Inventories	Total Appraised Value of Land & Inventories
2025	\$0	\$0	\$0
2026	\$0	\$0	\$0
2027	\$0	\$0	\$0
2028	\$0	\$0	\$0
2029	\$0	\$0	\$0
2030	\$0	\$0	\$0
2031	\$0	\$0	\$0
2032	\$0	\$0	\$0
2033	\$0	\$0	\$0
2034	\$0	\$0	\$0
2035	\$0	\$0	\$0
2036	\$0	\$0	\$0
2037	\$0	\$0	\$0
2038	\$0	\$0	\$0
2039	\$0	\$0	\$0
2040	\$0	\$0	\$0
2041	\$0	\$0	\$0
2042	\$0	\$0	\$0
2043	\$0	\$0	\$0
2044	\$0	\$0	\$0
2045	\$0	\$0	\$0
2046	\$0	\$0	\$0
2047	\$0	\$0	\$0
2048	\$0	\$0	\$0
2049	\$0	\$0	\$0
2050	\$0	\$0	\$0
2051	\$0	\$0	\$0
2052	\$0	\$0	\$0
2053	\$0	\$0	\$0

Table 64 continued on the next page

Table 64 - Continued Appraised Value of the Facility's Land & Inventories			
Year	Land	Inventories	Total Appraised Value of Land & Inventories
2054	\$0	\$0	\$0
2055	\$0	\$0	\$0
2056	\$0	\$0	\$0
2057	\$0	\$0	\$0
2058	\$0	\$0	\$0
2059	\$0	\$0	\$0
2060	\$0	\$0	\$0

*Appraised Value Assumptions:
Land Value: No annual appreciation.
Inventories: None expected.*

Table 65 Ad Valorem Taxes for Other Taxing Units on Land & Inventories						
Year	Taxable Value of Land & Inventories	N/A <i>0.0000000</i>	Martin County <i>0.2023000</i>	Stanton ISD <i>0.7182940</i>	Other Local Jurisdictions <i>0.1488524</i>	Total <i>1.0694464</i>
2025	\$0	\$0	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$0
2032	\$0	\$0	\$0	\$0	\$0	\$0
2033	\$0	\$0	\$0	\$0	\$0	\$0
2034	\$0	\$0	\$0	\$0	\$0	\$0
2035	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$0	\$0	\$0	\$0	\$0	\$0

Table 65 continued on the next page

Table 65 - Continued
Ad Valorem Taxes for Other Taxing Units on Land & Inventories

Year	Taxable Value of Land & Inventories	N/A <i>0.0000000</i>	Martin County <i>0.2023000</i>	Stanton ISD <i>0.7182940</i>	Other Local Jurisdictions <i>0.1488524</i>	Total <i>1.0694464</i>
2042	\$0	\$0	\$0	\$0	\$0	\$0
2043	\$0	\$0	\$0	\$0	\$0	\$0
2044	\$0	\$0	\$0	\$0	\$0	\$0
2045	\$0	\$0	\$0	\$0	\$0	\$0
2046	\$0	\$0	\$0	\$0	\$0	\$0
2047	\$0	\$0	\$0	\$0	\$0	\$0
2048	\$0	\$0	\$0	\$0	\$0	\$0
2049	\$0	\$0	\$0	\$0	\$0	\$0
2050	\$0	\$0	\$0	\$0	\$0	\$0
2051	\$0	\$0	\$0	\$0	\$0	\$0
2052	\$0	\$0	\$0	\$0	\$0	\$0
2053	\$0	\$0	\$0	\$0	\$0	\$0
2054	\$0	\$0	\$0	\$0	\$0	\$0
2055	\$0	\$0	\$0	\$0	\$0	\$0
2056	\$0	\$0	\$0	\$0	\$0	\$0
2057	\$0	\$0	\$0	\$0	\$0	\$0
2058	\$0	\$0	\$0	\$0	\$0	\$0
2059	\$0	\$0	\$0	\$0	\$0	\$0
2060	\$0	\$0	\$0	\$0	\$0	\$0
<u>Total</u>		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

The Total Tax Revenues for Local Taxing Units from the Facility's Operations

The total increase in local tax revenues from the facility's operations are shown below.

Table 66 Tax Revenues for Local Taxing Units During Operations by Year						
Year	City Sales Tax Collections	County Sales Tax Collections	City Hotel Occupancy Taxes	Property Taxes JETI Investment	Property Taxes Land & Inventories	Total Local Revenues
2025	\$2,304	\$0	\$3,402	\$0	\$0	\$5,706
2026	\$3,102	\$0	\$3,505	\$1,302,728	\$0	\$1,309,335
2027	\$3,347	\$0	\$3,611	\$1,271,295	\$0	\$1,278,253
2028	\$3,674	\$0	\$3,720	\$1,237,465	\$0	\$1,244,858
2029	\$3,921	\$0	\$3,832	\$1,200,705	\$0	\$1,208,458
2030	\$4,038	\$0	\$3,948	\$1,161,147	\$0	\$1,169,134
2031	\$4,160	\$0	\$4,067	\$1,118,394	\$0	\$1,126,620
2032	\$4,284	\$0	\$4,190	\$1,072,177	\$0	\$1,080,651
2033	\$4,413	\$0	\$4,316	\$1,022,364	\$0	\$1,031,093
2034	\$4,545	\$0	\$4,447	\$968,422	\$0	\$977,414
2035	\$4,682	\$0	\$4,581	\$910,218	\$0	\$919,481
2036	\$4,822	\$0	\$4,719	\$1,257,067	\$0	\$1,266,608
2037	\$4,967	\$0	\$4,862	\$1,156,312	\$0	\$1,166,141
2038	\$5,116	\$0	\$5,009	\$1,047,654	\$0	\$1,057,779
2039	\$5,270	\$0	\$5,160	\$930,305	\$0	\$940,734
2040	\$5,428	\$0	\$5,316	\$803,472	\$0	\$814,215
2041	\$5,591	\$0	\$5,476	\$666,366	\$0	\$677,433
2042	\$5,758	\$0	\$5,642	\$592,677	\$0	\$604,076
2043	\$5,931	\$0	\$5,812	\$592,677	\$0	\$604,420
2044	\$6,109	\$0	\$5,987	\$592,677	\$0	\$604,773
2045	\$8,310	\$0	\$6,168	\$592,677	\$0	\$607,154
2046	\$5,137	\$0	\$6,355	\$592,677	\$0	\$604,169
2047	\$5,292	\$0	\$6,546	\$592,677	\$0	\$604,515
2048	\$5,450	\$0	\$6,744	\$592,677	\$0	\$604,871
2049	\$5,614	\$0	\$6,948	\$592,677	\$0	\$605,238
2050	\$5,782	\$0	\$7,158	\$592,677	\$0	\$605,617
2051	\$5,956	\$0	\$7,374	\$592,677	\$0	\$606,006
2052	\$6,135	\$0	\$7,597	\$592,677	\$0	\$606,408
2053	\$6,319	\$0	\$7,826	\$592,677	\$0	\$606,821
2054	\$6,508	\$0	\$8,062	\$592,677	\$0	\$607,247
2055	\$6,704	\$0	\$8,306	\$592,677	\$0	\$607,686
2056	\$6,905	\$0	\$8,557	\$592,677	\$0	\$608,138
2057	\$7,112	\$0	\$8,815	\$592,677	\$0	\$608,604
2058	\$7,326	\$0	\$9,081	\$592,677	\$0	\$609,083
2059	\$7,545	\$0	\$9,355	\$592,677	\$0	\$609,577
2060	\$7,772	\$0	\$9,638	\$592,677	\$0	\$610,086
Total	\$195,330	\$0	\$216,129	\$28,386,944	\$0	\$28,798,403

The Total Tax Revenues for Local Taxing Units from the Facility's Operations - Direct vs. Indirect

The table below details the total increase in local tax revenues from the facility's operations by direct and indirect sources.

Table 67 Direct vs. Indirect: Tax Revenues for Local Taxing Units During Operations by Year			
Year	Direct Taxes	Indirect Taxes	Total Local Revenues
2025	\$80	\$5,626	\$5,706
2026	\$1,303,030	\$6,305	\$1,309,335
2027	\$1,271,652	\$6,601	\$1,278,253
2028	\$1,237,900	\$6,958	\$1,244,858
2029	\$1,201,194	\$7,263	\$1,208,458
2030	\$1,161,652	\$7,482	\$1,169,134
2031	\$1,118,913	\$7,707	\$1,126,620
2032	\$1,072,712	\$7,939	\$1,080,651
2033	\$1,022,915	\$8,178	\$1,031,093
2034	\$968,990	\$8,425	\$977,414
2035	\$910,803	\$8,678	\$919,481
2036	\$1,257,669	\$8,940	\$1,266,608
2037	\$1,156,932	\$9,209	\$1,166,141
2038	\$1,048,293	\$9,486	\$1,057,779
2039	\$930,962	\$9,772	\$940,734
2040	\$804,149	\$10,066	\$814,215
2041	\$667,064	\$10,369	\$677,433
2042	\$593,395	\$10,681	\$604,076
2043	\$593,417	\$11,003	\$604,420
2044	\$593,439	\$11,334	\$604,773
2045	\$594,069	\$13,085	\$607,154
2046	\$593,081	\$11,088	\$604,169
2047	\$593,093	\$11,421	\$604,515
2048	\$593,106	\$11,765	\$604,871
2049	\$593,119	\$12,120	\$605,238
2050	\$593,132	\$12,485	\$605,617
2051	\$593,145	\$12,861	\$606,006
2052	\$593,160	\$13,248	\$606,408
2053	\$593,174	\$13,647	\$606,821
2054	\$593,189	\$14,058	\$607,247
2055	\$593,204	\$14,482	\$607,686
2056	\$593,220	\$14,918	\$608,138
2057	\$593,236	\$15,367	\$608,604
2058	\$593,253	\$15,830	\$609,083
2059	\$593,271	\$16,307	\$609,577
2060	\$593,288	\$16,798	\$610,086
<u>Total</u>	<u>\$28,406,901</u>	<u>\$391,502</u>	<u>\$28,798,403</u>

Table 67
Tax Revenues for Local Taxing Units During Operations by Taxing Unit

	Sales Tax Collections	Hotel Occupancy Taxes	Property Taxes JETI Investment	Property Taxes Land & Inventories	Total Local Revenues
Nearby Cities	\$195,330	\$216,129	\$0	\$0	\$411,459
Martin County	\$0	\$0	\$6,399,614	\$0	\$6,399,614
Stanton ISD	\$0	\$0	\$17,278,493	\$0	\$17,278,493
Martin County Road & Bridge	\$0	\$0	\$480,841	\$0	\$480,841
Martin Hospital District	\$0	\$0	\$4,172,624	\$0	\$4,172,624
Permian Basin Water District	\$0	\$0	\$55,373	\$0	\$55,373
<u>Total</u>	<u>\$195,330</u>	<u>\$216,129</u>	<u>\$28,386,944</u>	<u>\$0</u>	<u>\$28,798,403</u>

Discussion of Indirect and Induced Impacts

This analysis calculated the direct economic impact of the facility from its construction project and during its operations. In addition, the indirect and induced impacts were also calculated.

Indirect revenues, jobs and salaries are created in new or existing firms in the state, such as parts suppliers, that may supply goods and services to the facility. In addition, induced revenues, jobs and salaries are created and supported in new or existing businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility on the state, regional economic multipliers were used. Regional economic multipliers for the state and counties are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Three types of regional economic multipliers were used in this analysis: an output multiplier, an employment multiplier and an earnings multiplier.

The output multipliers show the estimated total output - inclusive of direct, indirect, and induced revenues - of other companies in the state for every dollar of revenue at the facility or for every dollar spent during construction. The employment multipliers show the total number of jobs created for each direct job of the associated activity. The earnings multipliers show the total amount of salaries paid to these workers. The following multipliers were used in this analysis to estimate the statewide impacts:

Table 68		
State of Texas RIMS II Multipliers Used in this Analysis		
Type II (Direct + Indirect + Induced) Multipliers		
	During Construction	During Operations
Output multiplier	2.4340	2.1609
Employment multiplier	2.2589	4.9947
Earnings multiplier	1.9949	2.2229

The local economic impact is estimated for Martin County with the multipliers shown below.

Table 69		
Martin County RIMS II Multipliers Used in this Analysis		
Type II (Direct + Indirect + Induced) Multipliers		
	During Construction	During Operations
Output multiplier	1.1378	1.2378
Employment multiplier	1.3594	1.5830
Earnings multiplier	1.3010	1.2635

About Impact DataSource

Impact DataSource is a 30-year old Austin, Texas economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 39 other states. In addition, the firm has developed economic impact analysis computer programs for several clients including the Tennessee Department of Economic & Community Development.

The firm's principal, Paul Scheuren, performed this economic impact analysis. Paul has a Master of Arts in economics from Clemson University as well as a Bachelor of Business Administration in actuarial science from Temple University.

Some Rates and Assumptions Used in this Analysis

State tax rates for tax revenues that go into the state's general revenue fund:

Texas business franchise tax:

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6.00%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25.00%
Motor vehicle sales and use tax	6.25%
Percent of total salaries that a typical worker spends on taxable goods and services	26.00%

Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

	Total Collections in 2023	Number of Households in the State (2022 ACS)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$1.218 B	11,087,708	\$110
Alcoholic beverage taxes	\$2.052 B	11,087,708	\$185
Net lottery proceeds	\$3.350 B	11,087,708	\$302
Total			\$597.00

Some assumptions used in this analysis:

Annual state gasoline tax collections per worker:

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750
Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25%
Gasoline taxes paid each year by a typical worker going to the general fund	\$37.50

Annual motor vehicle sales and use tax collections per worker:

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$35,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$437.50

Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

Summary of annual state taxes, other than sales taxes, collected from each worker:

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$437.50
Cigarette and tobacco taxes	\$110.00
Alcoholic beverage taxes	\$185.00
Net lottery proceeds	\$302.00
Total	\$1,072.00

Estimated annual increase in the above taxes per worker over each of the next 36 years 3.00%

Local tax rates used in this analysis:

Local Sales Tax Rates

Nearby Cities	2.00%
Martin County	0.00%
<u>Total Local Sales Tax Rate</u>	<u>2.00%</u>

Local Hotel Occupancy Tax Rates

Nearby Cities	7.00%
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Local Property Tax Rates

City: N/A		0.000000
County: Martin County		0.202300
School: Stanton ISD		0.718294
	M&O Rate:	0.696900
	I&S Rate:	0.021394
Spec Dist #1: Martin County Road & Bridge		0.015200
Spec Dist #2: Martin Hospital District		0.131902
Spec Dist #3: Permian Basin Water District		0.001750
Total Rate		1.069446