

Lessons from Virginia: *Attracting Data Centers* to *Benefit Idaho*

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Data Centers deliver for Virginia

43,000 jobs

\$ 3.2 Billion in labor income

\$10 Billion in economic output



Data centers pay wages more than twice the statewide private sector average.

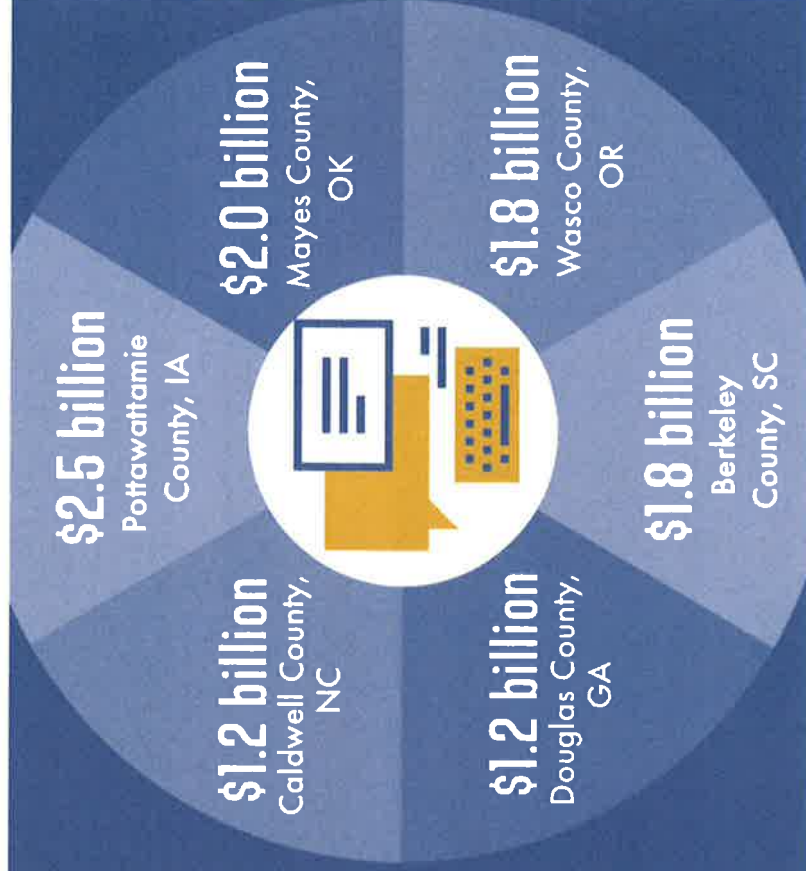
Over the last five years, data centers have experienced employment and wage growth four times the statewide average.”

Actual experience for Six Google Data Centers

Google has invested

\$10.5 billion

equipping data centers to deliver its state-of-the-art search engine, cloud computing, and Web-based services...



Economic opportunity and Jobs

These Google data centers generate significant income and economic activity for the communities around them...

\$750 million
in labor income

\$1.3 billion
in economic activity



...and have created
11,000 jobs
throughout
the United States.

1,900
people directly
employed on
the six data
center campuses



1,100
construction
workers employed
for maintenance
work each year,
on average



Data Centers bring Incremental Economic Benefits

	Here	Not here
Income & spending by construction workers & contractors	+	0
Income & spending by data center employees	+	0
Revenue for local suppliers and contractors	+	0
High-tech training and experience for workforce	+	0
Lodging & meals taxes by contractors and visitors	+	0
Make the state more attractive for tech industries	+	0
Diversify local economies	+	0

Data Centers bring Incremental Tax Benefits

	Here	Not here
Income taxes paid by employees and workers	+	0
Corporate income taxes from data center operators	+	0
Local property taxes	+	0
Sales taxes on non-exempt equipment and supplies	+	0
Lodging taxes for visits by contractors and workers	+	0
Corporate income taxes from contractors & suppliers	+	0

Data Centers may locate Here, or Not here

at least 17 other states offer the sales tax exemption for server equipment, and if Idaho does not offer an equivalent exemption, these businesses will very likely locate in states other than Idaho that do provide the exemption.

Accordingly, there is no loss of tax revenue from businesses that would not locate in Idaho without the exemption, and there is likely an increase in revenue from taxes related to the growth these businesses would promote.

Fiscal Note for HB 279, Idaho Legislative Services

The Last Word

Mick Berry
Manager,
Catawba County, NC



"I highly recommend it — take 'em if you can get 'em. Otherwise, send them to us."

"It's our single biggest taxpayer, generating revenue to the county of almost \$1.5 million and employing 400 or 500 people. It was as close to a no-brainer as you get in this business."