



## CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

# Staff Report

**To:** Economic Development Commission Members  
**From:** Krista Linke, Director  
**Date:** March 8, 2017  
**Re:** Case EDC 2017-01 – Innovative 3D Manufacturing

**Case EDC 2017-01 – Innovative 3D Manufacturing:** A request for an abatement on \$1,200,000 of personal property investment.

**Location:** 600 International Drive

### Summary:

1. Characteristics of this location:  
Former location for NAPA Auto & Truck Parts.



2. Characteristics of this petitioner:  
Innovative 3D Manufacturing is a new start-up company. Their plan is to lease the space at 600 International Drive and purchase the following equipment: 3D Metal Printers – Quantity 2, Wire EDM, CNC Mill, and a CNC Surface Grinder. There will be two employees that will manage the operation and they plan to hire two additional employees in the first year of operation.
3. Characteristics of this project:  
This is a start-up of an advanced manufacturing company.
4. Economic Revitalization Area (ERA):  
This property was designated an ERA by Resolution 2013-20 and confirmed by Resolution 2013-21.
5. Previous Tax Abatement Received:  
None.

6. ERA & Tax Abatements Findings (Personal Property):

Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of tax abatement for personal property:

- a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
- b. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the instillation of new manufacturing equipment;
- c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

7. City of Franklin "Tax Abatement Policy" criteria:

The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and the proposed request follows:

- a. *Diversification of Local Occupations:* In 2014, 12.33% of all jobs in Johnson County were in the manufacturing sector. There were 5,420 manufacturing employees in Johnson County.
- b. *Diversification of Local Manufacturing Employment:* According to the U.S. Census Bureau, 2014 County Business Patterns, there were 128 manufacturing establishments in Johnson County in 2014.
- c. *Increase in Local Salaries:* The average wage for all industries in Johnson County for 2014 was \$17.02. The average hourly wage in Johnson County for manufacturing in 2014 was \$23.18 per hour. The average hourly wage (without benefits) for the 12 jobs being retained is \$16.50 (\$411,840 divided by 12 jobs, divided by 52 weeks, divided by 40 hours per week). The average hourly wage for the 2 new jobs being created is \$20-25.00 per hour.
- d. *Sustainable Land Use:* The petitioner proposes to make this investment at a vacant location.
- e. *Future Community Investment:* The Company has indicated on their applications that they are agreeable to a 5% Economic Development Fee on Personal Property.
- f. *Conformance with the Comprehensive Plan:* The Comprehensive Plan - Future Land Use Plan identifies this property as Manufacturing. Manufacturing areas are intended to accommodate large scale businesses that produce finished products from raw materials. Uses in these areas may include product manufacturers as well as any related warehousing and offices. Manufacturing areas may include facilities that involve emissions or the outdoor storage of

materials and finished products. These two factors are the primary distinction between manufacturing areas and light industrial areas.

The property is zoned IG, Industrial: General. The "IG," Industrial: General zoning district is intended to provide locations for general industrial manufacturing, production, assembly, warehousing, research and development facilities, and similar land uses. This district is intended to accommodate a variety of industrial uses in locations and under conditions that minimize land use conflicts. This district should be used to support industrial retention and expansion in Franklin.

8. Tax Abatement Duration:

The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

- a. Create a new plant or product line for an existing manufacturer;
- b. Creates substantial employment opportunities with higher than average wages;
- c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and
- d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

9. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement be effective for the tax year 2017, payable 2018.

**Staff Comments:**

Making use of an existing vacant facility and the start-up of a new company within the City of Franklin is critical to the diversification and growth of Franklin's economy. The low number of new jobs should be taken into consideration when determining the length of the abatement.



# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

## PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

### INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer		INNOVATIVE 3D MANUFACTURING	
Address of taxpayer (number and street, city, state, and ZIP code)		600 INDUSTRIAL INTERNATIONAL DR	
Name of contact person		Telephone number	317-697-7367
CHRIS BECK			
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT	
Name of designating body		Resolution number (s)	
Location of property		County	DLGF taxing district number
600 INTERNATIONAL DR		SCHWARTZ	
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary)		ESTIMATED	
3D METAL PRINTER (LOT 2)		START DATE	COMPLETION DATE
WIRE EDM		Manufacturing Equipment	
CNC MILL		R & D Equipment	MARCH 1ST MARCH 15TH
CNC SURFACE GRINDER		Logist Dist Equipment	
		IT Equipment	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT	
Current number	Salaries	Number retained	Salaries
		2	50K EACH
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT	
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT
	COST	ASSESSED VALUE	COST
Current values			
Plus estimated values of proposed project	1,200,000		
Less values of any property being replaced			
Net estimated values upon completion of project		1.2 mil / 1 mil	
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
Estimated solid waste converted (pounds)		Estimated hazardous waste converted (pounds)	
0		0	
Other benefits:			
SECTION 6		TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.			
Signature of authorized representative		Title	Date signed (month, day, year)
[Signature]		PRESIDENT	3-2-17

## FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years \* (see below). The date this designation expires is \_\_\_\_\_.

B. The type of deduction that is allowed in the designated area is limited to:

- |  |  |
|--|--|
| 1. Installation of new manufacturing equipment;            | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment.  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Installation of new information technology equipment;   | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

D. The amount of deduction applicable to new research and development equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

F. The amount of deduction applicable to new information technology equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

G. Other limitations or conditions (specify) \_\_\_\_\_

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year     | <input type="checkbox"/> 6 years     |
| <input type="checkbox"/> 2 years    | <input type="checkbox"/> 7 years     |
| <input type="checkbox"/> 3 years    | <input type="checkbox"/> 8 years     |
| <input type="checkbox"/> 4 years    | <input type="checkbox"/> 9 years     |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

\*\* For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

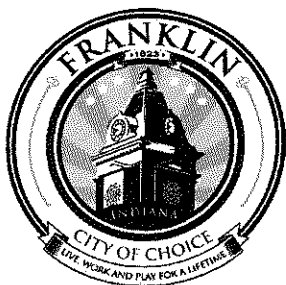
Telephone number

Date signed (month, day, year)

Attested by:

Designated body

\* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Tax Abatement Application

### Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: INNOVATIVE 3D MANUFACTURING  
Primary Contact Name: CHRIS BECK  
Contact Address: 600 INTERNATIONAL DR  
City: FRANKLIN State: IN Zip: 46131  
Phone Number: 317-697-7367  
Email: CHRIS.BECK74@YAHOO.COM  
Three possible dates before the EDC meeting to conduct a site visit: ANYTIME - IN PROCESS OF BUILD OUT  
Name of Owner: \_\_\_\_\_  
Parent Company (If Applicable): \_\_\_\_\_

### Primary Contact for Yearly Compliance Reports

Name: CHRIS BECK  
Title: PRESIDENT  
Address: 600 INTERNATIONAL DR  
City: FRANKLIN State: IN Zip: 46131  
Phone Number: 317-697-7367  
Email: CHRIS.BECK74@YAHOO.COM

### Description of Project

Project Location/Address: 600 INTERNATIONAL DR, FRANKLIN IN 46131  
Parcel Number: \_\_\_\_\_  
Brief Description of Project:  
INTERNAL BUILD OUT OF BUILDING TO TURN INTO ADVANCED MANUFACTURING COMPANY

Current Assessed Value (AV) of the Property:

1. Land \_\_\_\_\_
2. Building \_\_\_\_\_
3. Inventory \_\_\_\_\_
4. Equipment 1,200,000

Have building permits been applied for (if applicable): Yes ☐ No ☒

Has equipment been installed (if applicable): Yes ☐ No ☒

### Required Attachments:

- |   |  |
|---|--|
| <input type="checkbox"/> Completed SB-1 Form(s)                     | <input type="checkbox"/> Summary of Benefits (if applicable) |
| <input type="checkbox"/> Legal Description of the Property          | <input type="checkbox"/> Employment Phase-In Schedule        |
| <input type="checkbox"/> Company Financial Statement                | <input type="checkbox"/> Company Investment Timetable        |
| <input type="checkbox"/> Job and Wage Description Information Sheet | <input type="checkbox"/> Compliance Affidavit                |

### Type of Abatement Requested

Real Property ☐

Personal Property ☒

Length of Abatement Requested: \_\_\_\_\_ Years

Project Size (square feet): 6000

Size of Site (acres): \_\_\_\_\_

Type of Building:

Multiple Tenants (leased) ☐

Single Tenant (leased) ☒

Owner Occupied ☐

Corporate Headquarters ☒

Capital Investment

1. Real property capital investment only: \_\_\_\_\_

2. Personal property capital investment only: \_\_\_\_\_

3. Total capital investment for proposed project: 1,200,000

Jobs Created and/or Retained

1. Estimated number of full time jobs created by the proposed project: 2

2. Estimated number of full time jobs retained as a direct result of the proposed project: 0

3. Total number of full time jobs upon project completion: 2

Wages Created and Retained

1. Average hourly wage rate for new jobs (w/o benefits) \$20-\$25 1/2

2. Average hourly wage rate for jobs retained (w/o benefits) \$20-\$25 1/2

\*\*\*In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project: Attach additional sheets as necessary.

### Company Information

How long has the company been in existence? 1 WEEK

Current address of company headquarters and duration at that address: START UP

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: 100%

Have you ever received tax abatement at your current location? Yes ☒ No ☐

If yes, when and for what term?

What specifically has the company done to give back to the community:

NEW COMPANY SO NOTHING AT THIS TIME

THE COMPANY WILL BE INVOLVED IN THE COMMUNITY EDUCATION + CITY SPONSORED EVENTS

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. The fee is a percentage of the abatement received. For example, instead of receiving 100% abatement in the first year, the company receives a 95% abatement, with the 5% difference going to support local economic development. More information can be found on the City's website ([www.franklin.in.gov](http://www.franklin.in.gov)) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? ☒ Yes ☐ No

If yes, at what percent(s)? \_\_\_\_\_

**JOB AND WAGE DESCRIPTION  
FOR TAX ABATEMENT APPLICATION**

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition (*Please specify all wages in an hourly format without benefits*):

- (1) Company NAICS code: \_\_\_\_\_.
- (2) The total number of jobs current at the site: \_\_\_\_\_, the number of those jobs that will be retained as a direct result of the proposed investment \_\_\_\_\_, and the number of new jobs which will be created as a direct result of the proposed investment 2.
- (3) The total number of full-time employees at the site: 2.
- (4) The total number of temporary and/or contract employees currently at the site: 0.
- (5) The average hourly wages for the new jobs: \$20-25 H/R
- (6) Will the new jobs being created begin as temporary and/or contract employees? \_\_\_\_\_  
If yes, please provide an explanation of the typical transition process to full time:  
1ST STARTING APRIL 1st  
2ND STARTING JUNE 1st  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(7) Number of new and/or retained jobs in:

- (a) Managerial/Professional Specialty Occ.: \_\_\_\_\_ Average Hourly Wage: \_\_\_\_\_
- (b) Technical/Sales/Admin. Support Occ.: \_\_\_\_\_ Average Hourly Wage: \_\_\_\_\_
- (c) Service Occ.: \_\_\_\_\_ Average Hourly Wage: \_\_\_\_\_
- (d) Precision Production/Craft/Repair Occ.: 2 Average Hourly Wage: \$20-25 HR
- (e) Operators/Fabricators/Laborers: \_\_\_\_\_ Average Hourly Wage: \_\_\_\_\_

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

(8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.



# SAMPLE COMPANY INVESTMENT TIMETABLE

Equip. Type 4		Equip. Type 1	Equip. Type 2	Equip. Type 3	Total
Buildings					
Year of Abatement		900,000	145,000		
1st Quarter					
2nd Quarter	30,000			120,000	
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
Year of Abatement					
1st Quarter					
2nd Quarter					
3rd Quarter					
4th Quarter					
TOTAL					

3D Metal Printer  
2 x \$450,000 each

\$800,000

Wire EDM \$145,000

CNC Mill \$80 - 120,000

CNC Surface Grinder 25,000 - 30,000

~~1,095,000~~  
1,195,000

**3 YEAR*****Innovative 3D Manufacturing*****Sample Property Tax on Personal Property (3 Year)**

Personal Property Tax Investment: \$1,200,000

Tax Rate: 3.0%

	<b><i>2018 Payable 2019</i></b>	<b><i>2019 Payable 2020</i></b>	<b><i>2020 Payable 2021</i></b>	
<b><i>Cost of Equipment</i></b>	\$1,200,000	\$1,200,000	\$1,200,000	
<b><i>True Cash Percentage Rate</i></b>	65%	50%	35%	
<b><i>True Cash Value</i></b>	\$780,000	\$600,000	\$420,000	
<b><i>Net Tax Rate</i></b>	3.0%	3.0%	3.0%	<b><i>Total</i></b>
<b><i>Tax w/o Abatement</i></b>	\$23,400	\$18,000	\$12,600	<b><i>\$54,000</i></b>
<b><i>Abatement Rate</i></b>	100%	66%	33%	
<b><i>Amount Abated</i></b>	\$23,400	\$11,880	\$4,158	<b><i>Total</i></b>
<b><i>Taxes Paid w/Abatement</i></b>	\$0	\$6,120	\$8,442	<b><i>\$14,562</i></b>

***Total Fees Paid***

<b><i>5% Fee</i></b>	\$1,170	\$594	\$208	<b><i>\$1,972</i></b>
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***Total Tax Savings without Economic Development Fee******\$39,438******Total Tax Savings with 5% Economic Development Fee******\$37,466***

## 5 YEAR

### ***Innovative 3D Manufacturing***

#### **Sample Property Tax on Personal Property (5 Year Period)**

Personal Property Tax Investment: \$1,200,000

Tax Rate: 3.0%

	<b><i>2018 Payable 2019</i></b>	<b><i>2019 Payable 2020</i></b>	<b><i>2020 Payable 2021</i></b>	<b><i>2021 Payable 2022</i></b>	<b><i>2022 Payable 2023</i></b>	
<b><i>Cost of Equipment</i></b>	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	
<b><i>True Cash Percentage Rate</i></b>	40%	56%	42%	32%	24%	
<b><i>True Cash Value</i></b>	\$480,000	\$672,000	\$504,000	\$384,000	\$288,000	
<b><i>Net Tax Rate</i></b>	3.0%	3.0%	3.0%	3.0%	3.0%	<b><i>Total</i></b>
<b><i>Tax w/o Abatement</i></b>	\$14,400	\$20,160	\$15,120	\$11,520	\$8,640	<b><i>\$69,840</i></b>
<b><i>Abatement Rate</i></b>	100%	80%	60%	40%	20%	
<b><i>Amount Abated</i></b>	\$14,400	\$16,128	\$9,072	\$4,608	\$1,728	<b><i>Total</i></b>
<b><i>Taxes Paid w/Abatement</i></b>	\$0	\$4,032	\$6,048	\$6,912	\$6,912	<b><i>\$23,904</i></b>

						<b><i>Total Fees Paid</i></b>
<b><i>5% Fee</i></b>	\$720	\$806	\$454	\$230	\$86	<b><i>\$2,297</i></b>

***Total Tax Savings without Economic Development Fee***

***\$45,936***

***Total Tax Savings with 5% Economic Development Fee***

***\$43,639***

**7 YEAR*****Innovative 3D Manufacturing*****Sample Property Tax on Personal Property (7 Year Period)**

Personal Property Tax Investment: \$1,200,000

Tax Rate: 3.0%

	<b>2018 Payable 2019</b>	<b>2019 Payable 2020</b>	<b>2020 Payable 2021</b>	<b>2021 Payable 2022</b>	<b>2022 Payable 2023</b>	<b>2023 Payable 2024</b>	<b>2024 Payable 2025</b>	
<b>Cost of Equipment</b>	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	
<b>True Cash Percentage Rate</b>	40%	56%	42%	32%	24%	18%	15%	
<b>True Cash Value</b>	\$480,000	\$672,000	\$504,000	\$384,000	\$288,000	\$216,000	\$180,000	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$14,400	\$20,160	\$15,120	\$11,520	\$8,640	\$6,480	\$5,400	<b>\$81,720</b>
<b>Abatement Rate</b>	100%	85%	71%	57%	43%	29%	14%	
<b>Amount Abated</b>	\$14,400	\$17,136	\$10,735	\$6,566	\$3,715	\$1,879	\$756	<b>Total</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$3,024	\$4,385	\$4,954	\$4,925	\$4,601	\$4,644	<b>\$26,532</b>

								<b>Total Fees Paid</b>
<b>5% Fee</b>	\$720	\$857	\$537	\$328	\$186	\$94	\$38	<b>\$2,759</b>

**Total Tax Savings without Economic Development Fee**  
**\$55,188**

**Total Tax Savings with 5% Economic Development Fee**  
**\$52,429**

**10 YEAR**

***Innovative 3D Manufacturing***

**Sample Property Tax on Personal Property (10 Year Period)**

Personal Property Tax Investment: \$1,200,000

Tax Rate: 3.0%

	<b><i>2018 Payable 2019</i></b>	<b><i>2019 Payable 2020</i></b>	<b><i>2020 Payable 2021</i></b>	<b><i>2021 Payable 2022</i></b>	<b><i>2022 Payable 2023</i></b>	<b><i>2023 Payable 2024</i></b>	<b><i>2024 Payable 2025</i></b>	<b><i>2025 Payable 2026</i></b>	<b><i>2026 Payable 2027</i></b>	<b><i>2027 Payable 2028</i></b>	
<b><i>Cost of Equipment</i></b>	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	
<b><i>True Cash Percentage Rate</i></b>	40%	60%	55%	45%	37%	30%	25%	20%	16%	12%	
<b><i>True Cash Value</i></b>	\$480,000	\$720,000	\$660,000	\$540,000	\$444,000	\$360,000	\$300,000	\$240,000	\$192,000	\$144,000	
<b><i>Net Tax Rate</i></b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
<b><i>Tax w/o Abatement</i></b>	\$14,400	\$21,600	\$19,800	\$16,200	\$13,320	\$10,800	\$9,000	\$7,200	\$5,760	\$4,320	<b><i>Total \$122,400</i></b>
<b><i>Abatement Rate</i></b>	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	
<b><i>Amount Abated</i></b>	\$14,400	\$19,440	\$15,840	\$11,340	\$7,992	\$5,400	\$3,600	\$2,160	\$1,152	\$432	<b><i>Total \$40,644</i></b>
<b><i>Tax Paid w/Abatement</i></b>	\$0	\$2,160	\$3,960	\$4,860	\$5,328	\$5,400	\$5,400	\$5,040	\$4,608	\$3,888	
											<b><i>Total Fees Paid</i></b>
<b><i>5% Fee</i></b>	\$720	\$972	\$792	\$567	\$400	\$270	\$180	\$108	\$58	\$22	<b><i>\$4,088</i></b>

***Total Tax Savings without Economic Development Fee  
\$81,756***

***Total Tax Savings with 5% Economic Development Fee  
\$77,668***