

THE ECONOMIC IMPACT OF JOBSONHIO PROJECTS STATE TAXES

FACT SHEET 2011-2022

INTRODUCTION

JobsOhio, the state's unique private economic development corporation, is independently funded by the spiritous liquor enterprise that it leased from the state and operates. JobsOhio deploys the profits to make impact investments, provide grants and pursue a variety of initiatives that give Ohio a competitive advantage in attracting, retaining, and expanding business capital investments, payrolls, and career opportunities for Ohioans across the state. Since its founding in 2011, JobsOhio has publicly reported its results and quantified its return on investment for the people of Ohio based on metrics limited to only the direct jobs, payrolls, new capital assets and state income taxes generated from the project wins that JobsOhio negotiated and incentivized.

To verify its own data and better understand the total impact of its programs, JobsOhio commissioned IMPLAN Group, the leading economic modeling application at the forefront of economic theory and practice, to perform a thorough analysis of all 3,274 projects JobsOhio served between 2011 and 2021. IMPLAN utilizes Input-Output (I-O) Analysis to show how the linkages of industries, households, and government in the economy are connected through buy-sell relationships. By modeling changes by these actors, the ripple effect throughout Ohio's economy can be demonstrated for each year of JobsOhio's operations.

The IMPLAN study report took 10 months to complete and includes 126 pages of analysis and data tables that are published in their entirety at JobsOhio.com/IMPLAN. This fact sheet provides a summary of IMPLAN's research methodology and findings.

IMPLAN'S TAX IMPACT ANALYSIS

Each year, IMPLAN collects and organizes data from a variety of sources. The data for taxes collected by level of government are collected from the Annual Survey of State and Local Government Finance, state government tax collections from the Census, and the Census of Government Finance. Federal taxes collected come from the National Income and Product Accounts. Beyond these sources, IMPLAN uses proprietary methods for estimating missing values.

Taxes reported from IMPLAN are based on the existing relationships of the data found in the dataset. They are the collected and reported taxes by various units of government in the Data Year analyzed. The values are net of subsidies from all levels of government. What is presented in IMPLAN is the effective tax rate.

TAX IMPACT RESULTS

The direct investments by companies to construct new or renovate old buildings and spaces creates construction jobs that resulted in a significant amount of tax revenue from 2011-2021. The total fiscal impact for Sub County General taxes (city/township) was \$312.03M, Sub County Special District taxes (police, fire, schools, etc.) was \$499.21M, County taxes was \$211.32M, State taxes was \$1.4B, and Federal taxes was \$5.36B. This totals \$7.80B in supported taxes over the eleven-year period.

The annual operation of JobsOhio project companies from 2012 through 2022 resulted in cumulative fiscal tax impacts across the state. The total fiscal impact for Sub County General taxes (city/township) was \$3.25B, Sub County Special District taxes (police, fire, schools, etc.) was \$6.70B, County taxes was \$2.70B, State taxes was \$15.22B, and Federal taxes was \$40.74B. This totals \$68.61B in supported taxes across the state over the eleven-year period.

ANALYSIS KEY TERMS

ECONOMIC INDICATORS

Employment

An industry-specific mix of full-time, part-time, and seasonal employment which is an annual average that accounts for seasonality; Employment is not equal to full-time equivalents.

Labor Income

All forms of employment income, including employee compensation (wages and benefits) and proprietor income.

Value Added

The difference between an industry's or establishment's total output and the cost of its intermediate inputs; it is a measure of the contribution to Gross Domestic Product (GDP).

Output

The value of industry production; in IMPLAN these are annual production estimates for the year of the dataset.

Job Years

If a worker is employed annually, the job is counted more than once. Therefore, IMPLAN reports "Job Years" indicating the number of Jobs multiplied by the number of years it exists.

TYPES OF EFFECTS

Direct

The initial effects to a local industry or industries due to the activity or policy being analyzed.

Indirect

Stemming from business-to-business purchases in the supply chain taking place in the state.

Induced

Stemming from household spending of labor income, after removal of taxes, savings, and commuters.

TAX IMPACT RESULTS

As these businesses continue to operate in the Ohio, they will contribute fiscal tax revenue annually. The annual fiscal impact for Sub County General taxes (city/township) was \$568.18M, Sub County Special District taxes (police, fire, schools, etc.) was \$1.19B, County taxes was \$479.47M, State taxes was \$2.64B, and Federal taxes was \$6.91B. This totals \$11.79B in supported taxes across the state each year.

Tax Impact of Construction, Total 2011-2021

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$135,937,367	\$77,919,586	\$29,969,347	\$466,773,483
Indirect	\$68,939,223	\$158,281,384	\$68,835,782	\$364,249,961
Induced	\$107,155,766	\$263,009,096	\$112,516,141	\$579,447,829
Total	\$312,032,355	\$499,210,065	\$211,321,270	\$1,410,471,273

Tax Impact of Operations, Cumulative 2012-2022

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$1,463,490,940	\$2,983,673,332	\$1,203,899,629	\$6,853,107,212
Indirect	\$955,547,472	\$1,790,974,423	\$723,884,378	\$4,268,349,800
Induced	\$829,069,462	\$1,924,845,209	\$772,189,158	\$4,101,642,232
Total	\$3,248,107,873	\$6,699,492,964	\$2,699,973,164	\$15,223,099,245

Tax Impact of Operations, Annual Contributions 2022 - Forward

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Direct	\$262,598,261	\$556,870,364	\$224,904,726	\$1,234,741,814
Indirect	\$163,074,038	\$301,169,369	\$121,763,498	\$712,206,143
Induced	\$142,503,937	\$329,967,029	\$132,800,615	\$696,222,408
Total	\$568,176,237	\$1,188,006,762	\$479,468,839	\$2,643,170,365

“We are pleased to measure JobsOhio’s economic impact beyond the direct commitments for jobs, capital investment and payroll that JobsOhio typically publishes in its annual report. This new flagship economic impact report clearly indicates that commitments to JobsOhio and its six regional partners support a much broader array of economic activity in workplaces, communities and households across Ohio than JobsOhio’s prior analyses. The best part for the Ohio economy is that this report represents the likely minimum level of impacts due to the fact that job retention and equipment purchases are excluded from the data inputs in the report.”

- Justin Helmig, President and CEO of IMPLAN

TAX IMPACT RESULTS

ANNUAL BREAKDOWN OF TAX RESULTS

Total Tax Impact of Construction by Year

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
2011	\$10,364,528	\$15,404,803	\$6,101,766	\$43,388,100
2012	\$31,968,623	\$57,751,432	\$28,100,304	\$185,134,453
2013	\$17,397,219	\$29,217,895	\$13,149,872	\$88,876,242
2014	\$21,717,383	\$32,954,122	\$12,832,801	\$87,715,405
2015	\$25,070,773	\$40,801,095	\$17,915,210	\$122,108,807
2016	\$49,513,059	\$83,566,688	\$34,530,959	\$229,004,060
2017	\$25,611,382	\$38,715,764	\$15,178,275	\$108,412,935
2018	\$35,223,576	\$54,819,794	\$20,850,139	\$142,306,157
2019	\$30,618,022	\$53,826,892	\$25,878,278	\$161,691,503
2020	\$37,785,777	\$53,636,424	\$21,318,584	\$140,646,838
2021	\$26,762,013	\$38,515,155	\$15,465,082	\$101,186,773
Total	\$312,032,355	\$499,210,065	\$211,321,270	\$1,410,471,273

Total Tax Impact of Operations by Year, Cumulative 2012-2022

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
2011	\$439,480,213	\$762,538,663	\$310,910,539	\$1,906,871,229
2012	\$617,755,154	\$1,156,659,517	\$460,999,567	\$2,712,552,778
2013	\$357,302,606	\$722,361,042	\$285,394,925	\$1,621,510,060
2014	\$343,672,383	\$748,524,757	\$314,260,719	\$1,710,188,852
2015	\$391,998,197	\$889,217,314	\$361,198,021	\$1,988,207,663
2016	\$307,020,662	\$767,594,978	\$307,325,425	\$1,706,329,306
2017	\$251,539,289	\$561,246,250	\$214,456,641	\$1,223,509,105
2018	\$209,763,609	\$415,806,371	\$169,971,528	\$903,381,551
2019	\$166,510,853	\$336,145,681	\$137,862,703	\$732,319,527
2020	\$89,396,999	\$186,840,310	\$75,282,026	\$393,358,017
2021	\$73,667,907	\$152,558,082	\$62,311,072	\$324,871,156
Total	\$3,248,107,873	\$6,699,492,964	\$2,699,973,164	\$15,223,099,245

Total Tax Impact of Operations by Year, Annual Contributions 2022 - Forward

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
2011	\$39,952,747	\$69,321,697	\$28,264,594	\$173,351,930
2012	\$61,775,515	\$115,665,952	\$46,099,957	\$271,255,278
2013	\$39,700,290	\$80,262,338	\$31,710,547	\$180,167,784
2014	\$42,959,048	\$93,565,595	\$39,282,590	\$213,773,606
2015	\$55,999,742	\$127,031,045	\$51,599,717	\$284,029,666
2016	\$51,170,110	\$127,932,496	\$51,220,904	\$284,388,218
2017	\$50,307,858	\$112,249,250	\$42,891,328	\$244,701,821
2018	\$52,440,902	\$103,951,593	\$42,492,882	\$225,845,388
2019	\$55,503,618	\$112,048,560	\$45,954,234	\$244,106,509
2020	\$44,698,500	\$93,420,155	\$37,641,013	\$196,679,009
2021	\$73,667,907	\$152,558,082	\$62,311,072	\$324,871,156
Total	\$568,176,237	\$1,188,006,762	\$479,468,839	\$2,643,170,365

TAX IMPACT RESULTS

TARGET INDUSTRY TAX RESULTS

JobsOhio focuses on 10 target industries which contribute significantly to the state's success. Between 2011 and 2021, the ten target industries accounted for 90% of all executed JobsOhio projects within the state. There are other industries which are also tracked within Ohio's economy that IMPLAN put together into one group, rounding out the 11 groups of industries listed below.

Total Tax Impact of Construction by Target Industry, 2011-2021

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Manufacturing	\$39,764,119	\$59,701,337	\$24,271,544	\$166,262,998
Aerospace	\$2,937,532	\$4,430,867	\$1,757,966	\$12,168,942
Automotive	\$26,395,904	\$38,643,430	\$15,053,675	\$104,405,967
Financial	\$10,758,145	\$15,328,395	\$6,018,636	\$41,528,120
Food	\$31,220,554	\$47,099,045	\$19,088,976	\$131,245,749
Healthcare	\$18,669,862	\$26,916,285	\$10,552,315	\$70,974,600
Information	\$19,232,224	\$27,362,904	\$10,895,385	\$71,841,733
Logistics	\$25,269,869	\$37,583,887	\$14,889,061	\$97,898,833
Military	\$2,521,724	\$4,131,251	\$1,611,386	\$10,208,887
Energy	\$118,585,072	\$213,051,128	\$97,421,451	\$635,981,181
Other	\$16,677,348	\$24,961,537	\$9,760,875	\$67,954,264
Total	\$312,032,355	\$499,210,065	\$211,321,270	\$1,410,471,273

Total Tax Impact of Operations by Target Industry, Cumulative 2012-2022

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Manufacturing	\$464,255,929	\$892,874,632	\$368,257,101	\$2,162,745,827
Aerospace	\$93,034,874	\$184,704,671	\$73,502,789	\$425,954,020
Automotive	\$315,594,000	\$623,449,256	\$255,837,285	\$1,492,267,337
Financial	\$307,413,528	\$493,191,695	\$189,047,096	\$1,198,579,296
Food	\$304,550,790	\$742,298,693	\$298,741,153	\$1,576,939,385
Healthcare	\$272,142,995	\$496,593,001	\$197,502,355	\$1,174,559,277
Information	\$472,145,535	\$912,156,647	\$354,081,359	\$2,066,221,265
Logistics	\$421,560,983	\$1,144,390,116	\$463,835,703	\$2,325,790,226
Military	\$1,118,349	\$1,064,829	\$397,903	\$3,279,634
Energy	\$345,331,151	\$704,373,568	\$296,871,635	\$1,645,989,562
Other	\$250,959,739	\$504,395,857	\$201,898,786	\$1,150,773,414
Total	\$3,248,107,873	\$6,699,492,964	\$2,699,973,164	\$15,223,099,245

TAX IMPACT RESULTS

REGIONAL TAX RESULTS

JobsOhio partners with a regional network of six economic development organizations. This approach leverages each region's unique strengths, perspective, and experience, adding a local touch to state-level resources that come together to strategically serve companies in Ohio.

Total Tax Impact of Construction by Region, 2011-2021

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Central	\$68,934,107	\$95,286,558	\$36,812,863	\$243,123,102
Northeast	\$115,442,800	\$166,242,417	\$60,356,167	\$423,199,574
Northwest	\$36,992,764	\$59,836,916	\$25,609,988	\$174,782,330
Southeast	\$33,501,799	\$87,181,039	\$51,862,885	\$321,143,521
Southwest	\$30,437,860	\$42,210,413	\$17,568,049	\$125,262,079
West	\$26,723,025	\$48,452,722	\$19,111,318	\$122,960,668
Total	\$312,032,355	\$499,210,065	\$211,321,270	\$1,410,471,273

Total Tax Impact of Operations by Region, Cumulative 2012-2022

	SUB COUNTY GENERAL	SUB COUNTY SPECIAL DISTRICT	COUNTY	STATE
Central	\$838,634,433	\$1,744,468,579	\$685,442,605	\$3,697,422,543
Northeast	\$1,125,585,298	\$2,130,580,905	\$775,052,451	\$4,651,698,434
Northwest	\$276,348,074	\$624,443,280	\$281,619,232	\$1,526,392,720
Southeast	\$76,117,707	\$269,483,624	\$160,037,533	\$770,779,812
Southwest	\$539,926,700	\$914,263,190	\$378,685,374	\$2,387,473,380
West	\$391,495,662	\$1,016,253,387	\$419,135,968	\$2,189,332,355
Total	\$3,248,107,873	\$6,699,492,964	\$2,699,973,164	\$15,223,099,245

Note: Complete details and case studies from each region are provided in the IMPLAN report



The Council for Community and Economic Research (C2ER) has recognized this study as 2022 Best Research Project for *Impact Study*.

JobsOhio collaborates with the State of Ohio, its statewide network of regional economic development organizations, universities and job-training centers, business sector organizations, military and federal installations, and community stakeholders to deliver comprehensive programs and investment opportunities that drive innovation, sustainable economic growth, and improve the quality of life for all Ohioans through the power of dignity and work.