

DEO Legacy Model Calculations

Operations

Estimated Output = (Company jobs * Average Annual Wage)/(Direct Effect Earnings Multiplier/Final Demand Multiplier)

Earnings per Output Ratio = (Company jobs * Average Annual Wage)/ Estimated Output

Direct Earnings = Cumulative jobs per year * Average Annual Wage

Direct Sales = Direct Earnings * Earnings per Output Ratio

Indirect Sales = Direct Sales * (Final Demand Output Multiplier-1)

Sales Tax on Indirect Sales = Indirect Sales * Effective Sales Tax Rate on Total Output

Direct Corporate Income Tax = Direct Sales * Florida Corporate Income Tax Rate * Depr. % Of Gross Income

Indirect Corporate Income Tax = Indirect Sales * Portion of Indirect Output subject to Corporate Income Tax * Florida Corporate Income Tax Rate

Construction

Sales Tax on Construction Materials = Construction Costs*Percentage of Construction Cost that is Materials* Florida Sales Tax Rate

Sales Tax on Indirect Output = Construction Costs* (Construction Final Demand Output Multiplier-1) * Effective Sales Tax Rate on Total Output

Machinery and Equipment

Sales Tax on Non-structure Purchases = Cost of Nonmanufacturing Equipment * Florida Sales Tax Rate

Sales Tax on Indirect Manufacturing Equipment = Cost of Manufacturing Equipment * (Machinery Final Demand Output Multiplier-1) * Effective Sales Tax Rate on Total Output

Sales Tax on Indirect Output Other Equipment = Cost of Nonmanufacturing Equipment * (Non Manufacturing Equipment Final Demand Output Multiplier-1) * Effective Sales Tax Rate on Total Output

Employment

Indirect and Induced Jobs = Cumulative Direct Jobs * Average Annual Wage / Estimated Output * Final Demand Employment Multiplier/1,000,000

Construction Jobs = Construction Costs_(deflated) * Construction Final Demand Employment Multiplier

Construction Earnings = Construction Costs * Construction Final Demand Earnings Multiplier

Machinery and Equipment Jobs = Machinery and Equipment Costs_(deflated) * Machinery and Equipment Final Demand Employment Multipliers

Machinery and Equipment Earnings = Machinery and Equipment Costs * Machinery and Equipment Final Demand Earnings Multiplier

Total Earnings = Direct Earnings + Construction Earnings + Machinery and Equipment Earnings

Total Fiscal Impact = Sum of all taxes

(Sales Tax on Indirect Sales+ Direct Corporate Income Tax+ Indirect Corporate Income Tax+ Sales Tax on Construction Materials+ Sales Tax on Indirect Output+ Sales Tax on Non-structure Purchases+ Sales Tax on Indirect Manufacturing Equipment+ Sales Tax on Indirect Output Other Equipment)

Total Incentives = Sum of all incentive dollars proposed for the project (QTI, Brownfield, QACF, HIPI, QDSC)