# **Town of Apex Development & Investment Grant**

Proposed Grant Extension to 5 Years

## **CURRENT POLICY – MAXIMUM 3 YEARS**

Scenario A					
<mark>\$25,000,000</mark> (investment)	= \$250,000 x 0.34	= \$85,000	x 90% = \$76,500	x 3	<mark>\$229,500</mark>
\$100 (valuation)	Apex Tax Rate	Annual Apex Taxes Paid	Percentage & Annual Amount	Years	TOTAL 3 YEARS

### Scenario B

\$100,000,000					
(investment)	= \$1,000,000 x 0.34	= \$340,000	x 90% = \$306,000	x 3	<mark>\$918,000</mark>
		<b>Annual Apex</b>	Percentage &		
\$100 (valuation)	Apex Tax Rate	Taxes Paid	Annual Amount	Years	TOTAL 3 YEARS

### **PROPOSED REVISIONS – EXTEND TO 5 YEARS**

#### Scenario A

<mark>\$25,000,000</mark>					
(investment)	= \$250,000 x 0.34	= \$85,000	x 90%	1	\$76,500
		Annual Apex			Grant
\$100 (valuation)	Apex Tax Rate	Taxes Paid	Percentage	Year	Amount

YEAR 2 – 80%	YEAR 3 – 70%	YEAR 4 – 60%	YEAR 5 – 50%	TOTAL 5 YEARS
\$68,000	\$59,500	\$51,000	\$42,500	<mark>\$297,500</mark>

#### Scenario B

\$100,000,000					
(investment)	= \$1,000,000 x 0.34	= \$340,000	x 90%	1	\$306,000
		<b>Annual Apex</b>	Percentage &		Grant
\$100 (valuation)	Apex Tax Rate	Taxes Paid	Annual Amount	Year	Amount

YEAR 2 – 80%	YEAR 3 – 70%	YEAR 4 – 60%	YEAR 5 – 50%	TOTAL 5 YEARS
\$272,000	\$238,000	\$204,000	\$170,000	<b>\$1,190,000</b>

## **SUMMARY**

Current Policy (3 years)

Proposed Revision (5 years)

\$25,000,000 investment = \$297,500 total grant \$100,000,000 investment = \$1,190,000 total grant

\$25,000,000 investment = \$229,500 total grant \$100,000,000 investment = \$918,000 total grant