



Columbus, Georgia, Board of Tax Assessors

GEORGIA'S FIRST CONSOLIDATED GOVERNMENT

City Services Center
3111 Citizens Way
Columbus, GA 31906

Mailing Address:
PO Box 1340
Columbus, GA 31902

Telephone (706) 653-4398, 4402
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Board Members

Jayne Govar
Chairman

Lanitra Sandifer Hicks
Assessor

Kathy J. Jones
Assessor

Todd A. Hammonds
Assessor

Trey Carnack
Vice Chairman

Chief Appraiser
Suzanne Widenhouse

October 2, 2023

NOTICE TO COLUMBUS CITY COUNCIL

RE: Update to prior notice of August 1, 2023, Tax Abatement Agreement on 2023 Series Bonds

The tax abatement agreement with Raytheon Technologies, Pratt & Whitney Division is no longer in place.

The Board of Tax Assessors received a request thru the Development Authority to modify the agreement changing the number of years the agreement would be in place, how long they would have to complete the project, and changing the terms of verifying compliance and removing any reference to remedy in the event of non-compliance. After much discussion, the Board of Assessors decided not to amend the agreement.

The Board of Assessors remains open to approving the prior agreement should RTX (formerly Raytheon Technologies) wish to move forward with the terms as previously defined.

Respectfully,

Suzanne Widenhouse
Chief Appraiser
Secretary, Muscogee County Board of Assessors

ATT: Notice to Council – August 1, 2023



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August 1, 2023

Notice To Columbus City Council:

In accordance with Council Resolution 218-23, the Board of Tax Assessors hereby gives notice of the approval of tax abatements for Raytheon Technologies Corporation, Pratt & Whitney Division.

The abatement was approved July 17, 2023, for Georgia Taxable Revenue Bonds, Series 2023 bonds, not to exceed \$146,400,000. Exhibit A indicates the breakdown of investment for tax years 2023 and 2024, between real and personal property.

As indicated in Exhibit B, personal property will be abated at a rate of 100% for the first 3 years, 70% for years 4 and 5, and 50% for the remaining 5 years. At the end of the 10 years, the personal property will be valued in accordance with the Georgia Department of Revenue's Appraisal Procedures Manual and valued at 100% of the depreciated value.

The Board of Assessors reserves the right to review the project at the end of each of tax year, beginning the year following the completion of the project. The review shall determine if the project sustains the requirements to qualify for the abatement. Exhibit C outlines the calculations for average actual performance and repayment amount.

Respectfully,

Suzanne Widenhouse
Chief Appraiser
Secretary, Muscogee County Board of Assessors

Att: Exhibits A, B and C

EXHIBIT "A"

	2023	2024
Personal Property (M&E)	\$114,700,000	\$ 31,700,000
Real Property (Buildings)	\$ N/A	\$ N/A
Total	\$146,400,000	

EXHIBIT "B"

PRATT-WHITNEY TAX SAVINGS

Level I Project

Real Property Savings

100% - First 3 Years
50% - Years 4-20

Personal Property Savings

100% -- First 3 Years
70% - Years 4 & 5
50% - Years 6-10
Fully Taxable - Years 11+

EXHIBIT "C"

**Commitment and Calculation
of Repayment Amount**

Average Actual Performance

Commitment:

By the Commitment Date, the Company will have hired not less than 156 new permanent full-time employees, and shall have made private capital investment in the Project of not less than One Hundred Forty-Six Million Four Hundred Thousand Dollars (\$146,400,000).

The Average Actual Performance shall be determined by the following formula

STEP 1

$$\frac{\text{Actual Jobs Created } 124}{\text{Committed Number of Jobs } 156} = 79.5\% \text{ Percentage of Committed Jobs Created}$$

$$\frac{\text{Actual Capital Investment } \$128,10,000}{\text{Committed Capital Investment } \$146,400,000} = 87.5\% \text{ Percentage of Committed New Investment}$$

STEP 2

	79.5%	Percentage of Committed Jobs
+	87.5%	<u>Percentage of Committed New Investment</u>
=	167.0%	Percentage of Commitments Met

STEP 3

$$\frac{167.0\% \text{ Percentage of Commitment Met}}{2} = 83.5\% \text{ Average Actual Performance}$$

No Repayment Required if Average Actual Performance (jobs and capital investment) is more than 80%