

# BRING NEW LARGE-SCALE DATA CENTER INVESTMENT TO MINNESOTA

A modernized sales and use tax program on data center equipment would make Minnesota competitive for billions in investment and well-paying data center jobs.

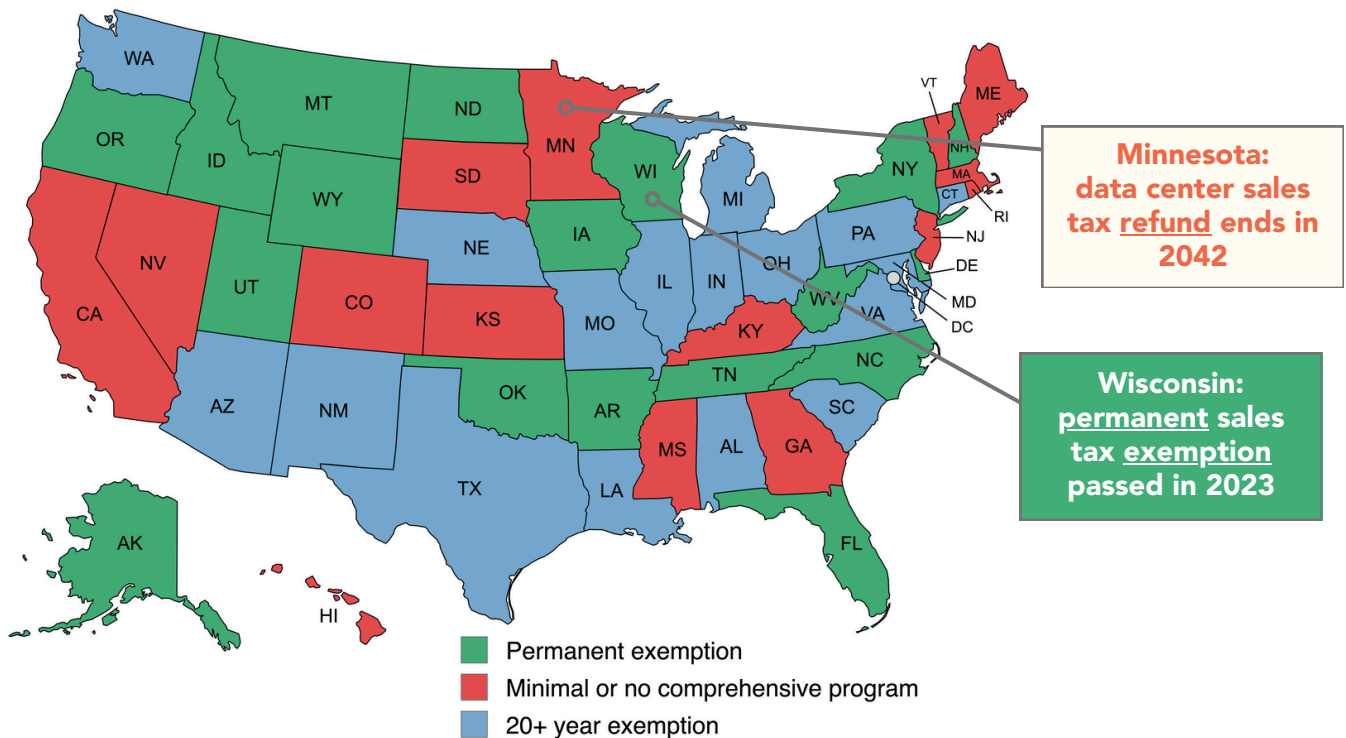
## Data centers are the infrastructure backbone of the 21st century economy

Everything that uses the internet - from the cars we drive to businesses that manufacture, create, and sell goods and services - requires data centers to work. Data centers bring powerful benefits to the states and local communities where they are located through new jobs, new tax revenue and new investment.

## Put Minnesota on the Map

Large-scale data centers average \$750 million in initial investment, drive millions more in local economic development, and create hundreds of local jobs.

There are no large-scale data centers in states that impose sales taxes on data center equipment. Minnesota should join 30 other states that treat data centers like manufacturing -- by providing a long-term sales tax exemption on initial investments and replacements of servers every 4-5 years.



## A New Large-Scale Data Center Can Generate

CONSTRUCTION PHASE

**\$100 MILLION**

IN PAY & BENEFITS FOR  
**1,800 CONSTRUCTION JOBS**

ECONOMIC IMPACTS

**\$271M**

NEW ECONOMIC ACTIVITY

**\$87M**

ONGOING ECONOMIC ACTIVITY

OPERATIONAL EMPLOYMENT

**300**

FULL-TIME OPERATIONS JOBS

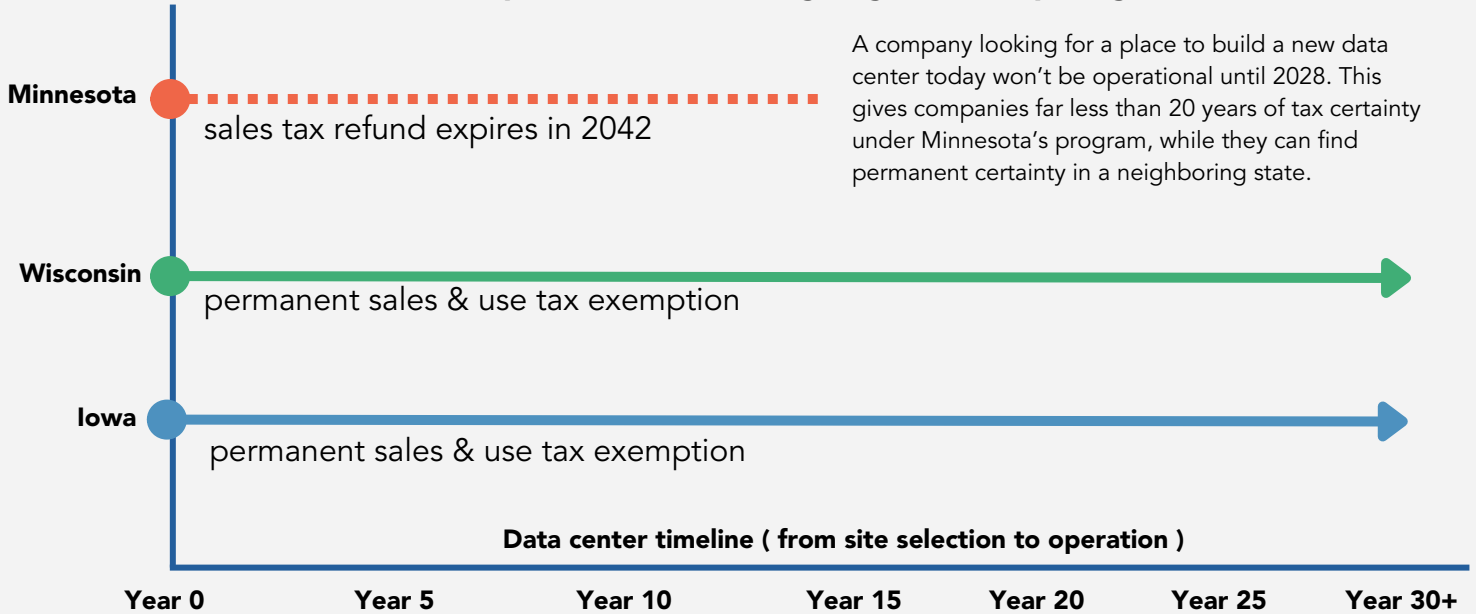
**\$23M**

AVERAGE PAY & BENEFITS

# Economic Development Competitiveness in Neighboring States

Companies are looking across the Midwest for places to grow their data center footprint. If a company started looking today, Minnesota's data center economic development program can't provide them with the same certainty and administrative ease as neighboring states.

## Sales Tax Exemption Periods Among Regional Competing States



A company looking for a place to build a new data center today won't be operational until 2028. This gives companies far less than 20 years of tax certainty under Minnesota's program, while they can find permanent certainty in a neighboring state.

- Scout sites
- Purchase site
- State & local agreements
- Begin to build
- Operation
- Start the 2nd building
- Server refresh for 1st building
- 2nd building operational
- Server refreshes every 3-5 years
- Continue expanding campus with new construction

## Data Centers Drive Local Impact



### Construction jobs

At least 500 construction jobs during 18-24 month construction, with up to 1,800 at peak.



### Local, high-paying jobs

At full-build, data centers support 300 jobs in networking, heating and cooling, and security.



### Significant local tax revenue

Data centers generate millions in local tax revenue through local property taxes and indirect taxes.



### Renewable energy investments

Many hyperscale data centers are supported with clean and renewable energy, bringing additional investment and jobs.



### Community partnerships

Hyperscale data centers provide philanthropic support for local schools and nonprofits, particularly in STEM education.

