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From: Michael Meyers, Economist, Michael.Meyers@biz.state.or.us
 Date: August 27, 2012

Request/Subject: Solar manufacturing economic impact analysis summary.

2011 Economic Impacts (2012 Dollars)

Solar manufacturing related businesses directly employed over 1,900 people in Oregon in 2011. These direct jobs created an additional 3,600 jobs throughout Oregon, for a total of about 5,600 jobs created. For each new job in the solar manufacturing industry, an additional three jobs are created. The 1,900 direct jobs generated nearly \$134 million in labor income (includes payroll and benefits). Including the 3,600 additional jobs created, the 5,600 total jobs generated over \$310 million in labor income.

If this income was subject to Oregon's average effective personal income tax rates, then the state should have received an estimated \$5.2 million last year in income tax revenue from the direct jobs. Total jobs created should have generated about \$11.4 million in income tax revenue last year for the state.

Impact Type	Employment ¹	Output	Labor Income	State Personal Income Taxes ²
Direct effect	1,970	\$564,187,136	\$133,897,984	\$5,173,152
Indirect effect	1,683	\$259,627,520	\$100,894,976	\$3,743,636
Induced effect	1,928	\$219,951,616	\$75,561,216	\$2,494,548
Total effect	5,581	\$1,043,765,248	\$310,353,920	\$11,411,336

¹ For direct jobs, this is full-time equivalent (FTE) jobs based on 1,820 hours a year. For indirect and induced jobs, employment is based on industry averages of annual hours worked per employee.

² Based on 2010 average effective income tax rates of 4.8 percent (Direct), 4.7 percent (Indirect), and 4.2 percent (Induced). Calculations based on Oregon Department of Revenue personal income tax data.

Source: IMPLAN (2010), Oregon.

2007-2011 Economic Impact Summary (2012 Dollars)

From 2007 to 2011, solar manufacturing related businesses grew employment to over 1,900 in Oregon. These direct jobs led to the creation of an additional 3,600 jobs throughout Oregon, for a total of about 5,600 jobs created. For each new job in the solar manufacturing industry, an additional three jobs were created. Over these five years, the direct jobs generated about \$311 million in labor income. Including the 3,600 additional jobs created, the 5,600 total jobs have generated nearly \$704 million in labor income.

If this income was subject to Oregon's average effective personal income tax rates over that time, then the state should have received an estimated \$12 million in income tax revenue from the direct jobs. Total jobs created should have generated almost \$26 million in income tax revenue over the five year period.

Impact Type	Employment ¹	Output	Labor Income	State Personal Income Taxes ²
Direct effect	1,970	\$1,232,706,752	\$310,816,728	\$12,029,586
Indirect effect	1,683	\$569,222,928	\$221,720,908	\$8,198,754
Induced effect	1,928	\$498,850,224	\$171,373,276	\$5,681,459
Total effect	5,581	\$2,300,778,368	\$703,910,496	\$25,909,799

¹ For direct jobs, this is full-time equivalent (FTE) jobs based on 1,820 hours a year. For indirect and induced jobs, employment is based on industry averages of annual hours worked per employee.

² Based on 2010 average effective income tax rates of 4.8 percent (Direct), 4.7 percent (Indirect), and 4.2 percent (Induced). Calculations based on Oregon Department of Revenue personal income tax data.

Source: IMPLAN (2010), Oregon.

**Manufacturing BETC Program
Total Tax Credits Issued and Attrition Table
2/21/2013**

COMPANY	APP #	BETC CREDITS ISSUED	TOTAL PER COMPANY	1ST YR CLAIMED
Solitec	19186	\$ 9,035,721	\$ 9,035,721	2008
SolarWorld	18884	\$ 11,000,000		2008
	18887	\$ 10,962,343		2009
	26000	\$ 20,000,000		2012
Sanyo	24787	\$ 20,000,000	\$ 41,962,343	2010
	26091	\$ 20,000,000		2010
SoloPower	32786	\$ 20,000,000	\$ 40,000,000	2012
Wellons Inc.	22308	\$ 1,000,000	\$ 20,000,000	2012
		\$ 1,000,000	\$ 1,000,000	2012
Total Manufacturing Credits Issued		\$ 111,998,064	\$ 111,998,064	

ATTRITION SCHEDULE	2008 *	2009 *	2010 *	2011 *	2012	2013	2014	2015	2016	Total Issued
	\$4,007,144	\$ 6,199,613	\$ 14,199,613	\$14,199,613	\$ 22,399,613	\$ 18,392,468	\$ 16,200,000	\$ 8,200,000	\$ 8,200,001	\$ 111,998,064
	\$4,007,144	\$ 6,199,613	\$ 14,199,613	\$14,199,613						\$ 38,605,983
										\$ 73,392,081
										Net Remaining

* Credit amounts claimed 2008 to 2011 confirmed by Department of Revenue

