SAMPLE VEGI INCENTIVE CALCULATION

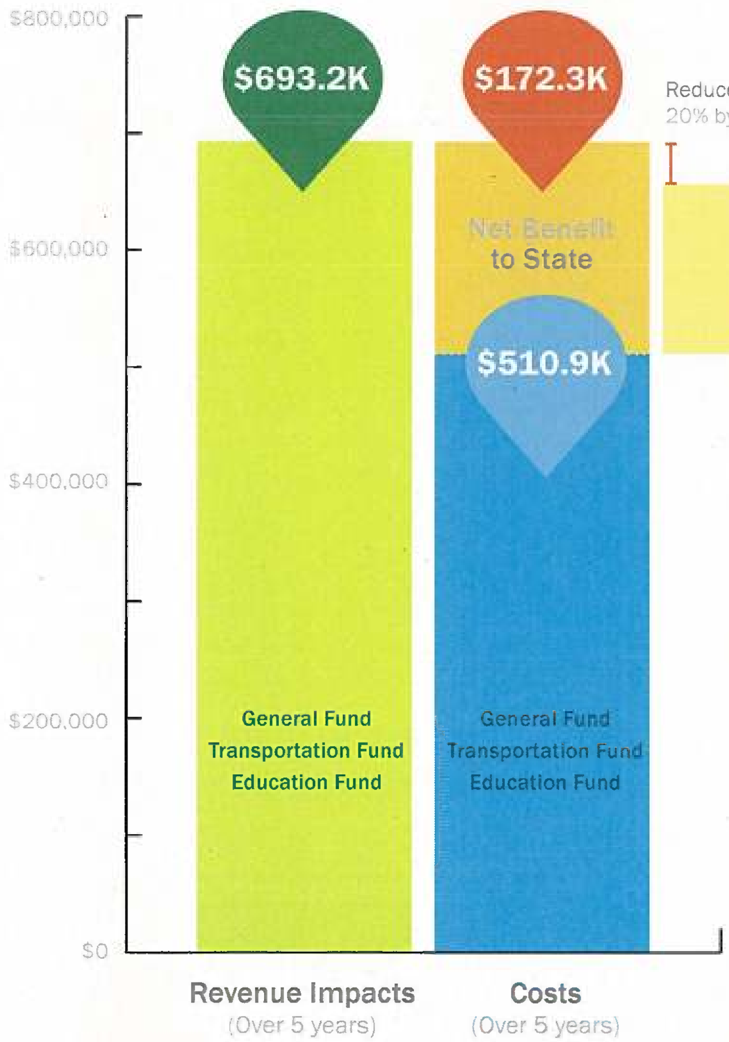
think!VT

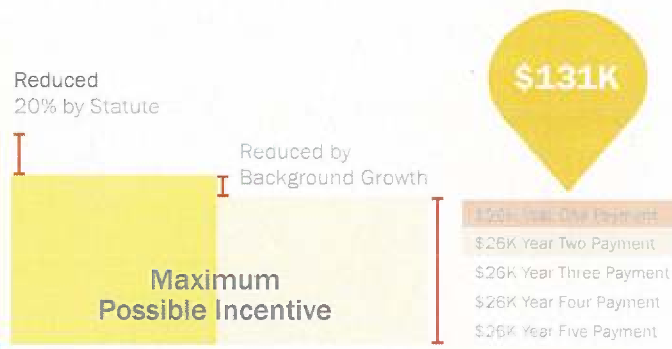
Tech Inc.

Sample company considers a move to Vermont. The company will hire 15 Vermont employees in year one (no proposed additions in years two through five). Compensation totals $1 million, inflated for years 2-5. They do not project any additional capital investment.

15
New Jobs

$1 M
Wages and Fringe Benefits





Company Activity

Projection of adding 15 new qualifying jobs in year one. No additional capital investment projected.

Revenue Impact ($693,200)

Total compensation has a multiplying effect on personal income, taxable sales, property values an population, all of which increase revenue to the General Fund, Transportation Fund and Education Fund.

Costs to the State ($510,900)

Net new jobs increases the cost to deliver services, impacting the General Fund, Transportation Fund and Education Fund.

Net Benefit ($172,300)

Revenue Less Costs.

Incentive Adjustments ($41,300)

Maximum possible incentive is adjusted to retain a portion of net benefits to the State (20%) and is further reduced to compensate for industry-specific background growth.

Distribution of Payments ($131,000)

If the company maintains base payroll, achieves and maintains additional payroll and job targets, the incentive payments are allocated over five years. Targets must be met and maintained every year to receive incentive payments.

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