

# 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.

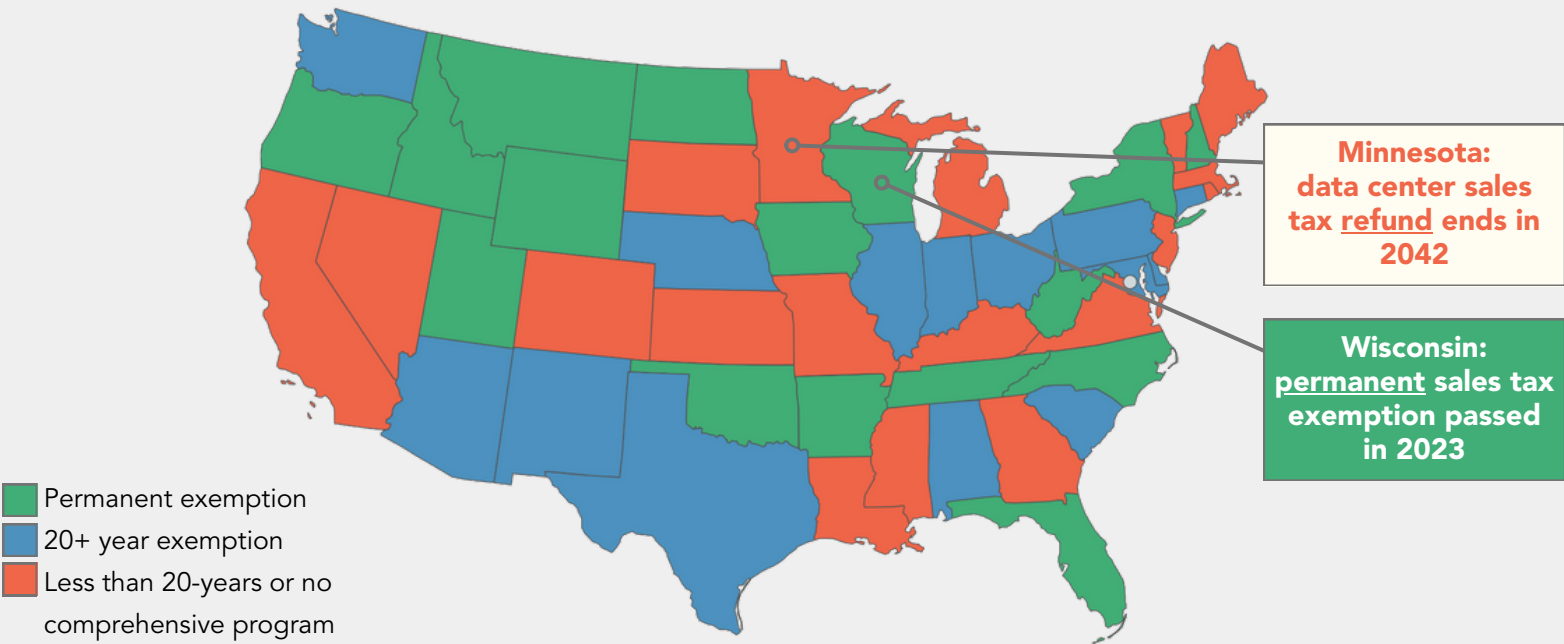
## Data centers are the infrastructure backbone of the 21st century economy

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.

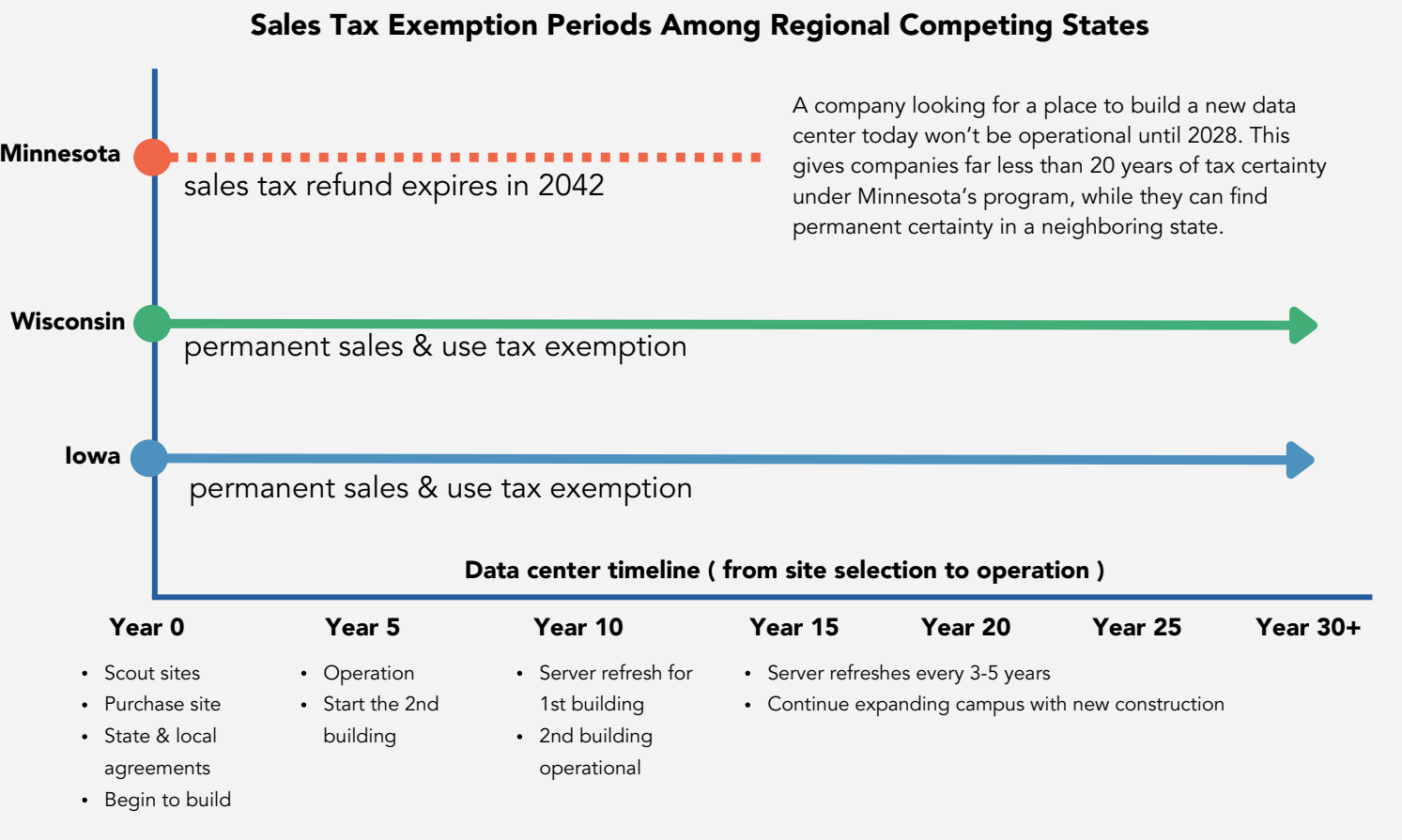


## A New Large-Scale Data Center Can Generate

CONSTRUCTION PHASE	ECONOMIC IMPACTS	OPERATIONAL EMPLOYMENT
<b>~\$100 MILLION</b>	<b>\$271M</b>	<b>300</b>
IN PAY & BENEFITS FOR <b>1,800 CONSTRUCTION JOBS</b>	NEW ECONOMIC ACTIVITY	FULL-TIME OPERATIONS JOBS
	<b>\$87M</b>	<b>\$23M</b>
	ONGOING ECONOMIC ACTIVITY	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.



**Other than a shorter exemption, how does Minnesota compare to other states?**  
Nearly all of the states with a data center program have a tax exemption - not a refund. Refund programs create additional administrative and compliance burdens. An exemption will significantly reduce unnecessary administrative burdens for DEED and DOR, and for the companies using it.

**How else does Minnesota’s program need to be modernized?**  
In addition to extending the sunset and changing it from a refund to an exemption, Minnesota can support sustainable economic development by including green building standard certification for new large-scale data center development, similar to Illinois and Iowa.

**How can Minnesota become competitive for more data center investment?**  
Just like manufacturing, agriculture and telecom industries, data centers must continually invest and upgrade their equipment. Minnesota offers these traditional industries a permanent exemption - providing them with long-term certainty. It’s time to provide long-term certainty for future industries like data centers.

