Airports and airport-supported activities are responsible for a variety of annual tax revenues. A conservative approach was taken to estimate airport-related tax revenues; this study considered only direct employment, payroll, and spending when estimating the statewide tax revenues. Tax revenues associated with indirect/induced impacts were not estimated in the SCAC study. Tax revenues estimated in the state study considered the following taxable events:

- Sales tax paid on goods and materials purchased to support capital projects.
- Sales tax paid on applicable supplies needed to operate airports or tenant businesses.
- Sales and income taxes paid by employees whose direct jobs are airport-supported.

It is important to note that South Carolina recently removed a 5% tax on rental cars, and that parts and supplies purchased to repair aircraft in the state are tax exempt.

SCAC’s economic impact study indicates that annually airports and airport-supported activities contribute an estimated $657 million in state and local tax revenues.

### Estimation of airport-supported activities

### Summary of Study Findings for Newberry County Airport

#### Newberry, South Carolina

**Annual Costs versus Annual Benefits from South Carolina Airports**

<table>
<thead>
<tr>
<th>Category</th>
<th>South Carolina Aeronautics Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Annual Statewide Economic Impacts</strong></td>
<td></td>
</tr>
<tr>
<td>AIRPORT MANAGEMENT</td>
<td>$464.7 million</td>
</tr>
<tr>
<td>AIRPORT TENANTS</td>
<td>$661.1 million</td>
</tr>
<tr>
<td>BOEING</td>
<td>$132.6 million</td>
</tr>
<tr>
<td>GENERAL AVIATION VISITORS</td>
<td>$4.3 billion</td>
</tr>
<tr>
<td>COMMERICAL VISITORS</td>
<td>$21.8 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$729.8 million</td>
</tr>
</tbody>
</table>

**Annual Employment and Spending**

- **Boeing**
  - Estimated $16.3 billion in annual economic impact.
  - About $4.2 billion is associated with Boeing in Charleston.

**General Aviation Aircraft**

- **Newberry Airport**
  - Estimated $64.7 million in annual economic impact.
  - About $21.8 million is associated with general aviation aircraft in Newberry County.

**Summary of Study Findings**

- **Newberry County Airport**
  - Estimated $64.7 million in annual economic impact.
  - About $21.8 million is associated with general aviation aircraft in Newberry County.

**For More Information:**

South Carolina Aeronautics Commission
2553 Airport Blvd, West Columbia, SC 29170
ph. 803.896.6260
www.scaeronautics.com

Prepared by: **AVIATION**

**South Carolina Statewide Aviation System Plan Economic Impact Study Report 2018**

**STATEWIDE IMPACTS**

### Economic Impacts from South Carolina Airports

As part of SCAC’s research, steps were undertaken to estimate the annual economic impact for the Newberry County Airport and 56 other study airports. Economic impacts summarized in this report reflect conditions that characterized all airports in 2017. This report provides both statewide and airport-specific information on annual economic impacts. Each airport was investigated to identify potential economic impacts related to the five categories shown below:

- Airport Management
- Airport Tenants
- Investment in Capital Projects
- Spending from Visitors Arriving on General Aviation Aircraft
- Spending from Visitors Arriving on Commercial Airlines

The SCAC study used four primary measures to express both statewide and airport specific annual economic impacts: employment, payroll, spending, and economic activity. Economic impacts reflect not only direct impacts, but also indirect/induced impacts associated with multiplier effects. Direct and indirect/induced impacts equal total statewide and airport specific annual economic impacts. Using South Carolina specific inputs, the IMP-PLAN model was used to estimate indirect/induced impacts.

In this study, total annual economic activity is the sum of annual payroll and spending.
The following table reports direct, indirect/induced, and total economic impacts for the airport as estimated in SCAC’s study.

<table>
<thead>
<tr>
<th>Source</th>
<th>Employment</th>
<th>Total Payroll</th>
<th>Annual Spending</th>
<th>ANNUAL ECONOMIC ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Direct</td>
<td>Indirect/Induced</td>
<td>Total</td>
<td>Direct</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airport Management &amp; Tenants</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td>$31,250</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>14</td>
<td>9</td>
<td>23</td>
<td>$649,570</td>
</tr>
<tr>
<td>General Aviation Visitor Spending</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>$132,780</td>
</tr>
<tr>
<td>Total Impacts</td>
<td>22</td>
<td>14</td>
<td>36</td>
<td>$923,600</td>
</tr>
</tbody>
</table>

**ANNUAL ECONOMIC ACTIVITY = PAYROLL + SPENDING**

The Airport Helps Connect the Community

When businesses decide to relocate or expand, there are many factors they consider. Access to an airport is a highly-rated decision-making factor. FAA provides an account of some but not all non-stop general aviation flights that arrive and depart from the airport. The map below demonstrates how the Newberry County Airport connects the community to destinations across the United States.

The flight data for the Newberry County Airport shown on this map was obtained from FAA’s National Offload Program. Flights shown reflect both instrument and visual flight rule activity for arrivals and departures. The map helps to depict non-stop flight destinations to and from the airport. The map reflects a significant portion, but not all of the airport’s annual landings and take-offs.

**THE AIRPORT AND AIRPORT ACTIVITIES SUPPORT ANNUAL TAX REVENUES ESTIMATED AT $241,620.**

Airport benefits also come in the form of annual tax revenues. Activities at the airport and off-airport activities that the airport helps to support (primarily visitor spending) are linked to many transactions that are subject to sales tax. South Carolina residents whose jobs are directly supported by airports also pay state income tax. Airport-supported tax revenues benefit state and local taxes.

The report findings estimated that, when only direct economic impacts are considered, the airport contributes approximately $241,620 in annual state and local tax revenues.

The system plan summarized the airport’s development needs over the next five years. Costs to improve and maintain the airport over that time-frame consider not only projects identified by the system plan, but also projects from SC’s Statewide Airport Management Plan and the airport’s own locally generated capital improvement plan (CIP). These three sources indicate an estimated $3,482,554 will be needed to maintain and improve the airport over the next five years; this equates to an average annual investment of $696,511.

As SCAC’s Statewide Economic Impact Study has shown, on an annual basis the Newberry County Airport supports an estimated 5.6 M in economic benefit. The airport’s annual economic impact far exceeds its annual financial need for maintenance and improvement.