**Estimated Statewide Tax Revenues Supported by South Carolina Airports**

Airport-related employment and spending 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 by visitors on hotels, meals, rental cars, entertainment, and retail spending.
- 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.

**Significant Economic Benefits from South Carolina’s Airports**

General aviation and commercial service airports in South Carolina are responsible for supporting an estimated $16.3 billion in annual economic activity. This estimate includes total statewide direct and indirect/induced impacts in the payroll and spending categories. SCAC measured this statewide annual economic impact by considering benefits associated with airport management, airport tenants, capital investment, and commercial service and general aviation visitor spending. Statewide annual economic impacts for each of the categories measured in the SCAC study are shown in the following table.

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**Total Annual Statewide Economic Impacts**

<table>
<thead>
<tr>
<th>Category</th>
<th>Employment</th>
<th>Payroll</th>
<th>Spending</th>
<th>Economic Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Management</td>
<td>1,374</td>
<td>$64.7 M</td>
<td>$651.1 M</td>
<td>$128.8 M</td>
</tr>
<tr>
<td>Airport Tenants</td>
<td>10,987</td>
<td>$405.2 M</td>
<td>$11.9 M</td>
<td>$16.0 M</td>
</tr>
<tr>
<td>Boening</td>
<td>21,773</td>
<td>$152.0 M</td>
<td>$2.7 M</td>
<td>$4.2 M</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>1,567</td>
<td>$72.4 M</td>
<td>$218.9 M</td>
<td>$292.3 M</td>
</tr>
<tr>
<td>General Aviation Visitors</td>
<td>4,590</td>
<td>$137.8 M</td>
<td>$390.1 M</td>
<td>$527.9 M</td>
</tr>
<tr>
<td>Commercial Visitors</td>
<td>82,409</td>
<td>$136.5 M</td>
<td>$7.9 M</td>
<td>$16.3 M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>122,750</strong></td>
<td><strong>$48.8 M</strong></td>
<td><strong>$115.8 M</strong></td>
<td><strong>$16.3 M</strong></td>
</tr>
</tbody>
</table>

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

SCAC's Statewide Aviation System Plan and Economic Impact Study produced the following findings:

- Airports and airport-supported activities are supporting an estimated $657 million in state and local tax revenues.
- Airports and the activities they support are responsible for an estimated $16.3 billion in total annual economic impact. Of this total annual impact, about $4.2 billion is associated with Boeing in Charleston.
- The average annual maintenance and development needs for all airports over the next five years are estimated at $156 million.
- Based on the most recent year for state and FAA funding, about 50% of the annual financial needs of the airports could be met. However, if state and FAA funding is more in line with 5-year averages, only 25% of the annual financial needs will be met. A large funding gap is anticipated.

The SCAC reports show that individual public airports in South Carolina, such as the Conway-Horry County Airport, make important economic and tax contributions to the state. The economic impacts, both statewide and specifically for the Conway-Horry County Airport summarized in this report, reflect a “snapshot” of conditions and activity that characterized South Carolina airports at the time data collection to support this study was completed. The economic impacts presented in this summary are annual in nature. As long as the Conway-Horry County Airport continues to be maintained and improved as warranted and activity at the airport stays healthy, the economic impacts associated with the Conway-Horry County Airport will continue to be realized year-after-year.

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**For More Information:**

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ph. 803.896.6260
www.scaeronautics.com
Prepared by: AVIATION

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**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 Conway-Horry 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 IMPLAN model was used to estimate indirect/induced impacts.

In this study, total annual economic activity is the sum of annual payroll and spending.

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>122,759</td>
</tr>
<tr>
<td>Annual Payroll</td>
<td>$4.8 Billion</td>
</tr>
<tr>
<td>Annual Spending</td>
<td>$11.5 Billion</td>
</tr>
<tr>
<td>Annual Economic Activity</td>
<td>$16.3 Billion</td>
</tr>
</tbody>
</table>

**SUMMARY OF STUDY FINDINGS FOR CONWAY-HORRY COUNTY AIRPORT**

Conway, South Carolina

Airports are essential to South Carolina’s transportation infrastructure and economy. To guide the South Carolina airport system and measure how airports contribute to the economy, the South Carolina Aeronautics Commission (SCAC) completed updates to its Statewide Aviation System Plan and Statewide Economic Impact Study. Details on both reports are available at: www.scaeronautics.com. This report provides a summary of important findings and also highlights the contribution that the Conway-Horry County Airport makes to the estimated statewide economic impact. The role the airport plays in the state airport system is documented and a summary of the investment required for the airport to fulfill its needs and objectives is provided.
CONWAY-HORRY COUNTY AIRPORT
Total Annual Economic Impact on South Carolina's Economy

Estimating the Annual Economic Impact for the Conway-Horry County Airport

The following table reports direct, indirect/induced, and total economic impacts for the airport as estimated in SCAC's study.

<table>
<thead>
<tr>
<th>Category</th>
<th>Direct</th>
<th>Indirect/Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>$10,090</td>
<td>$2,332,430</td>
<td>$2,034,760</td>
</tr>
<tr>
<td>Payroll</td>
<td>($1,345,320)</td>
<td>($3,500,030)</td>
<td>($3,645,350)</td>
</tr>
<tr>
<td>Spending</td>
<td>$791,480</td>
<td>$130,420</td>
<td>$847,380</td>
</tr>
<tr>
<td>Economic Activity</td>
<td>$247,380</td>
<td>$517,710</td>
<td>$765,490</td>
</tr>
</tbody>
</table>

CONWAY-HORRY COUNTY AIRPORT = 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 Conway-Horry County Airport connects the community to destinations across the United States.

The flight data for the Conway-Horry 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 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 SCAC's Statewide pavement Management Plan and the airport's own locally generated capital improvement plan (CIP). These three sources indicate an estimated $16,133,341 will be needed to maintain and improve the airport over the next five years; this equates to an average annual investment of $3,226,667.

As SCAC's Statewide Economic Impact Study has shown, on an annual basis the Conway-Horry County Airport supports an estimated $83.1 million in economic benefit. The airport’s annual economic impact far exceeds its annual financial need for maintenance and improvement.

SCAC's statewide studies show the airport is well worth the investment.