



**Submit as Exhibit VIII.B.4. a study completed by an independent expert providing projections for all estimated State, county and local tax revenue (e.g., gaming, sales, income, real estate, hotel, entertainment and other taxes) for a period of at least the first five (5) years of operations on a high -, average- and low-case basis, identifying the source of each element of these tax revenues.**

AKRF, Inc. was engaged as an independent expert to prepare a study providing projections for all estimated State, county and local tax revenue (e.g., gaming, sales, income, real estate, hotel, entertainment and other taxes) for a period of at least the first five (5) years of operations on a high -, average- and low-case basis, and identifying the source of each element of those tax revenues. AKRF's Report, as well as the Report's findings in template format, is attached as Attachment VIII.B.4.-1 ("Report"). The study takes into account the no competition scenario as well as various scenarios where regional competition exists.

As detailed in the Report and accompanying templates, the Gaming Facility is projected to generate substantial State, County and local tax revenues. For example, under the high case for the no competition scenario, AKRF concludes as follows:

As shown in Table 2, under the high-revenue case, in 2017 the Gaming Facility will generate an estimated \$109.05 million in total direct tax revenues for New York State. Of this, \$99.04 million will be generated by gaming taxes and fees, \$1.56 million will be generated by corporate profit tax, \$4.55 million by sales and use taxes, and \$3.89 million by personal income taxes. Indirect tax revenues generated for New York State by the operation of the Gaming Facility are estimated at \$2.14 in 2017, including corporate profits tax, sales and use taxes, and personal income taxes.

Direct and indirect tax revenues will increase annually between 2017 and 2021. By 2021, total direct New York State tax revenues will increase by approximately 33 percent, from

\$109.05 million in 2017 to \$144.84 million in 2021 under the high-revenue case. Total indirect New York State tax revenues are estimated at \$2.61 million in 2021.

Total direct tax revenues to Sullivan County are projected to be \$7.54 million in 2017, increasing to \$9.36 million in 2021. Total indirect tax revenues to the County are projected at \$1.30 million in 2017 and \$1.59 million in 2021.

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**Based on the Upstate Gaming Act's allocation formula, the Town of Thompson would receive approximately \$4.95 million of the \$99.04 million from gaming tax revenues in 2017.** Sullivan County would receive the same amount in gaming tax revenues in addition to the Sullivan County revenues indicated . . . above.

Report, at pp. 8-9. (Emphasis in Report). While projected tax revenues are affected under the competition scenarios, the Gaming Facility will still generate significant State, county and local tax revenues for the benefit of New York State, Sullivan County and the Town of Thompson. Specifically, under the high case for the competition scenarios, AKRF concludes as follows:

As shown in Table 5, under the high-revenue case, in 2017 the Gaming Facility will generate an estimated \$74.61 million in total direct tax revenues for New York State. Of this, \$66.43 million will be generated by gaming taxes and fees, \$1.56 million will be generated by corporate profit tax, \$3.91 million by sales and use taxes, and \$2.72 million by personal income taxes. Indirect tax revenues generated for New York State by the operation of the Gaming Facility are estimated at \$1.26 million in 2017, including corporate profits tax, sales and use taxes, and personal income taxes.

Direct and indirect tax revenues will increase annually between 2017 and 2021. By 2021, total direct New York State tax revenues will increase by approximately 33 percent, from \$74.61 million in 2017 to \$99.60 million in 2021 under the high-revenue case. Total indirect New York State tax revenues are estimated at \$1.52 million in 2021.

Total direct tax revenues to Sullivan County are projected to be \$6.54 million in 2017, increasing to \$8.13 million in 2021. Total indirect tax revenues to the County are estimated at approximately \$760,000 in 2017 and \$910,000 in 2021.

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**Based on the Upstate Gaming Act's allocation formula, the Town of Thompson would receive approximately \$3.32 million of the \$66.43 million from gaming tax revenues in 2017.** Sullivan County would receive the same amount in gaming tax revenues in addition to the Sullivan County revenues indicated . . . above.

Report, at pp. 11-12. (Emphasis in Report).<sup>1</sup> In short, in addition to the significant overall economic benefits that the Gaming Facility will create, as detailed in Exhibits VIII.B.3.a. and VIII.B.3.b., the Gaming Facility will generate significant tax revenues for New York State, Sullivan County and the Town of Thompson that will indirectly provide additional economic and non-economic benefits to those areas, as well as to their residents.

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<sup>1</sup> The Report also details the average- and low-case projections for the no competition and competition scenarios. Under the low-case competition scenario addressing a casino in Southern Orange County, projected tax revenues are significantly diminished.