

Estimate Based on Construction Loan List of \$69.7 million & projected total project costs

1 - Sales Tax Generated by Construction Contracts*

Estimated PWAA Investment	System	Estimated Total Project Cost	State Sales Tax Rate (not including local)	Sales Tax Generated by Total Project Cost
\$22,991,000	Roads/Streets/Bridges/Storm Water	\$32,313,042	0 ***	\$0.00
\$46,742,000	Water/Sewer/Solid Waste	\$88,386,111	0.065	\$5,745,097.22
<u>\$69,733,000</u>	TOTALS	<u>\$120,699,153</u>		

2 - B&O Tax Generated by Construction Contracts **

Estimated PWAA Investment	System	Estimated Total Project Cost	State B&O Tax Rate	B&O Tax Generated by Total Project Cost
\$22,991,000	Roads/Streets/Bridges/Storm Water	\$32,313,042	0.00484	\$156,395.12
\$46,742,000	Water/Sewer/Solid Waste	\$88,386,111	0.00471	\$416,298.58
<u>\$69,733,000</u>	TOTALS	<u>\$120,699,153</u>		

Est. Sales + B&O Tax Generated
\$6,317,791

* One time sales tax on the entire bid construction contract.

***If public road construction then sales tax is due only on materials contractor puts into/uses in project. No sales tax collected on labor costs.

If not public road construction then sales tax due on entire bid amount (materials and labor).

** B&O tax on public road construction is .00484. All other construction normally falls under Wholesaling (.00484) or Retailing (.00471) B&O.

The subcontractors will pay wholesaling B&O on their gross income from the project and the prime contractor pays at the retail rate on their income (total contract price).