

EXECUTIVE OVERVIEW
FOOD AND
AGRIBUSINESS INDUSTRY





ARKANSAS' RANKINGS

Rice Production	#1
Broilers	#2
Catfish (food size)	#4
Cotton	#4
Cottonseed	#4
Turkeys	#5
Chicken Eggs	#10
Grain Sorghum	#11
Soybeans	#11



FOOD INDUSTRY AT A GLANCE

UNIQUE ATTRIBUTES

**\$2.01
BILLION**

of proposed investments and 4,720 new jobs created in the food and agribusiness industry in Arkansas between 2015 and August 2020

13.1%

growth rate of the food and agribusiness industry from 2015 to 2019.

**\$3.2
BILLION**

domestic agricultural exports abroad (2017)

**14.5
MILLION**

acres of workable Arkansas farmland

WORKFORCE

1st

in the country in percentage of people employed in the food manufacturing industry

49,087

people are employed in the food manufacturing industry in Arkansas (2019)

3rd

highest percentage of manufacturing employment in the south. -BLS

INSTITUTIONS

45

colleges, universities, and 2-year colleges throughout Arkansas.

R&D

Arkansas Agricultural Experiment Station, Arkansas Food Innovation Center, Brightwater: A Center for the Study of Food, Institute of Food Science and Engineering

Largest Food & Beverage Companies

(Companies with more than 200 employees in Arkansas)



"Schulze & Burch needed additional manufacturing capacity to support our growing private label wholesome snack business. We looked at a number of South Central states before choosing Searcy, AR. The educated work force, quick, close assistance and support from the state and local chamber exceeded our expectations."

- Kevin Boyle, President of Schulze & Burch Biscuit Co.





IN THE U.S.
FOR RELATIVE
VALUE OF \$100



BALANCED
BUDGET SINCE
1945



INCOME TAX CUTS
SIGNED IN 2015,
2017, 2019



LOWEST
COST OF DOING
BUSINESS



ARKANSAS' HOME-GROWN FORTUNE 500s



Dillard's

1ST

TOP STATE FOR SMALL BUSINESS FRIENDLINESS

Source: Thumbtack, 2019

4TH

LOWEST IN UNION MEMBERSHIP RATES IN THE U.S

Source: Bureau of Labor Statistics

4TH

LOWEST INDUSTRIAL ELECTRICITY RATES

Source: Business Facilities Magazine 2020, 16th Annual State Ranking Report

5TH

ON THE COST OF LIVING INDEX (FIRST QTR 2020, SOURCE: C2ER)

Source: U.S. News and World Report, Best States Rankings Report 2019

7TH

TOP MANUFACTURING STATE BY PERCENTAGE OF WORKFORCE, THIRD IN THE SOUTH

Source: BLS Employment & Earnings, Annual 2019



FOREIGN OWNED OPERATIONS IN THE STATE

ADVANTAGE ARKANSAS

- Income tax credit
- 1-4% of new payroll
- 5 year accrual; 9 year carry forward

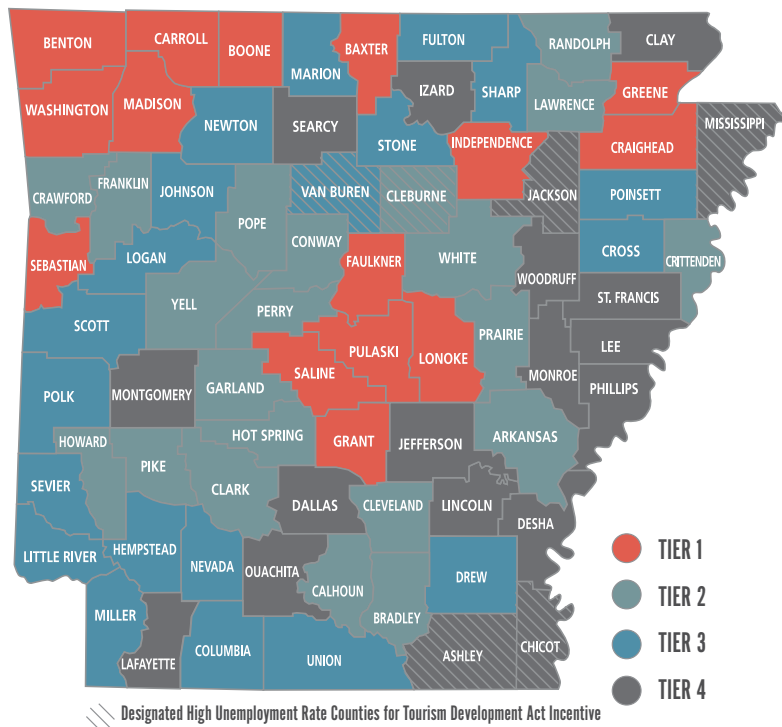
ARKPLUS

- Income tax credit
- 10% of initial investment
- 9 year carry forward

CREATE REBATE

- Cash payment
- 3.9-5% of new payroll
- 1-10 year accrual

ARKANSAS INCENTIVE TIER MAP - EFFECTIVE JULY 1, 2020



	TAX BACK		CREATE REBATE		ARKPLUS		ADVANTAGE ARKANSAS	
	INVESTMENT THRESHOLD	PAYROLL THRESHOLD	BENEFIT (% OF PAYROLL)	INVESTMENT THRESHOLD (BENEFIT = 10% OF INVESTMENT)	PAYROLL THRESHOLD	PAYROLL THRESHOLD	BENEFIT* (% OF PAYROLL)	
TIER 1	\$500,000	\$2,000,000	3.9%	\$ 5,000,000	\$ 2,000,000	\$125,000	1%	
TIER 2	\$400,000	\$1,750,000	4.25%	\$ 3,750,000	\$ 1,500,000	\$100,000	2%	
TIER 3	\$300,000	\$1,500,000	4.5%	\$ 3,000,000	\$ 1,200,000	\$75,000	3%	
TIER 4	\$200,000	\$1,250,000	5%	\$2,000,000	\$800,000	\$50,000	4%	

Minimum average hourly wage to qualify for incentive program is \$12.50

*Qualified businesses shall receive an additional tax credit of 1% of payroll if the new employees average hourly wage exceeds 125% of the lesser of the state or county average wage

INFRASTRUCTURE ASSISTANCE

- Offset infrastructure costs
- State and Federal funds
- Based on need and due diligence

TAX BACK

- Sales and use tax refund
- Full refund less 1% on eligible expenditures
- 4 year accrual

CUSTOMIZED TRAINING

- Reimbursement of eligible costs
- On and Off-site training
- Customized based on need

EQUITY INVESTMENT TAX CREDIT

- Transferable income tax credit given to investor
- 33% of amount invested
- Used to attract investment in new, tech-based, high-wage businesses

RESEARCH & DEVELOPMENT TAX CREDITS

- In-house R&D = 20% of eligible costs
- University-based R&D = 33% of eligible costs
- Must qualify for federal R&D tax credit

PROPERTY TAX ABATEMENT

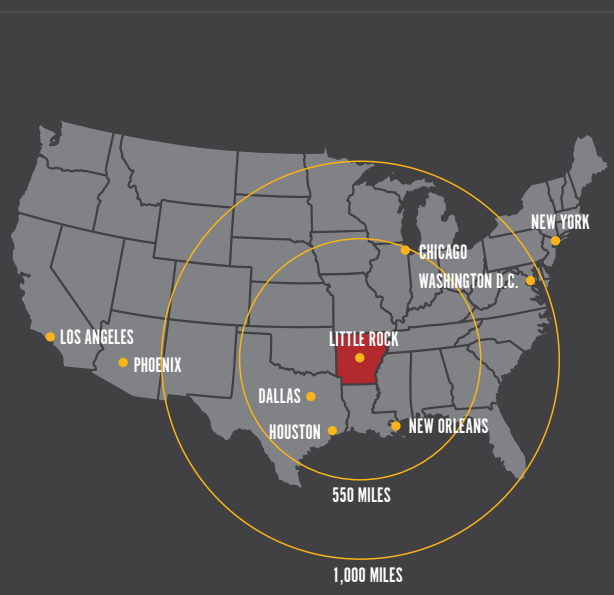
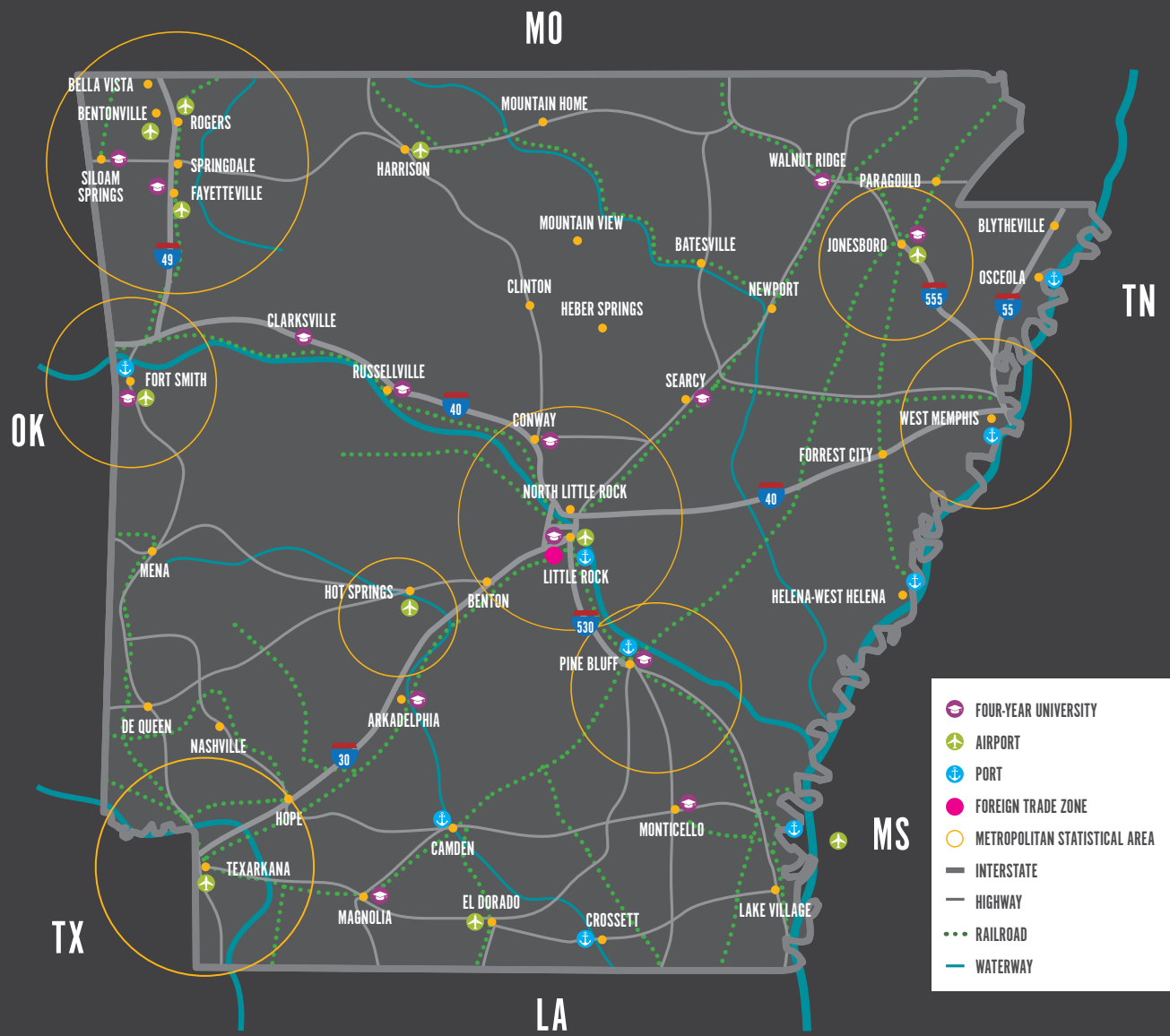
- Authorized and offered by city or county
- Up to 65% abatement
- Length of abatement = length of bond issuance

OTHER INCENTIVES:

- Recycling Tax Credit
- Tourism Tax Credit
- Early Stage-Knowledge Based Programs
- Tuition Reimbursement Tax Credits



6 | INFRASTRUCTURE AND TRANSPORTATION



-  **NAVIGABLE WATERWAYS**
1,000 miles
-  **CLASS I RAILROAD**
1,670 miles
-  **STATE AND U.S. HIGHWAYS**
16,418 miles
-  **PUBLIC AIRPORTS**
approximately 100



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