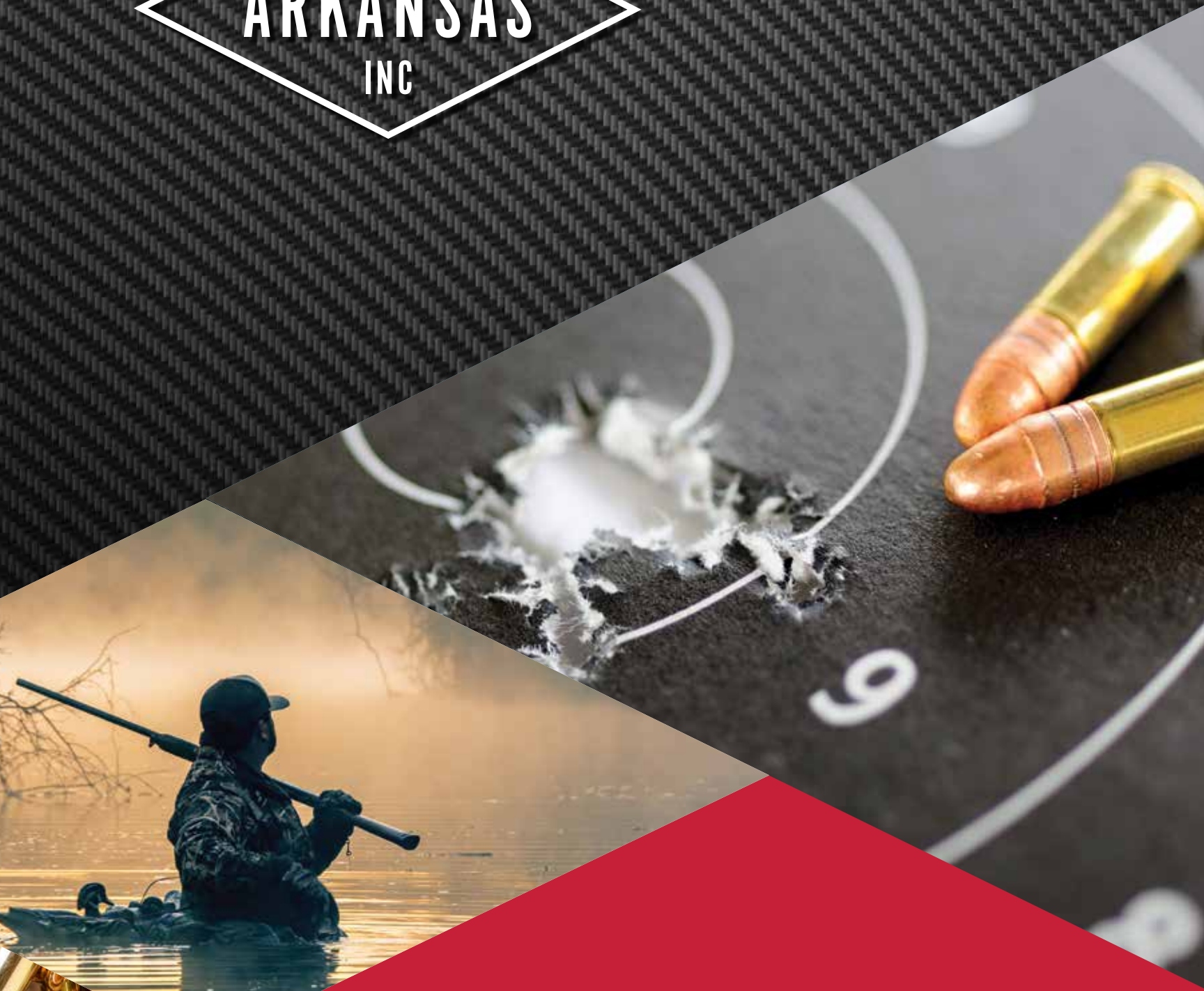


**EXECUTIVE OVERVIEW**  
**FIREARMS AND**  
**AMMUNITION INDUSTRY**

**ARKANSAS**  
**INC**







## RECENT MOVES

- 2020, Fiocchi: Fiocchi to establish manufacturing operation in Little Rock, creating 85 jobs and \$15 million capital investment
- 2018, Sig Sauer, Inc. : Manufacturing facility relocation to Jacksonville resulting in the creation of 77 jobs and \$22 million capital investment
- 2017, GAMO Outdoor USA, Inc. : 88 Jobs and \$8.1 million capital investment at new manufacturing facility in Rogers.



## THE INDUSTRY AT A GLANCE

### UNIQUE ATTRIBUTES

**#4**

Economic output per capita in the arms and ammunition industry  
- National Shooting Sports Foundation

**Top 10**

guns per capita  
- World Population Review

**#7**

Ducks Unlimited ranked eastern Arkansas Seventh Greatest Place to Hunt Waterfowl

**27**

for every 1,000 residents, there are 27 registered firearms in the state

**35**

pro-gun bills passed into law during the last six legislative sessions

### WORKFORCE

**7th**

highest percentage of manufacturing employment  
-BLS – Annual 2019 Data

**1.36M**

skilled and trained workforce

**6,650**

of Arkansas' workforce is employed in Arms and Ammo Industry with an annual payroll of \$310M.

### EDUCATION

**45**

colleges, universities & 2-year colleges throughout Arkansas

**1,000+**

Engineering degrees awarded each year

**2,100+**

students enrolled at an Arkansas institution of higher learning



Company	City
1. Choate Machine & Tool Co., Inc.	Bald Knob
2. Federal Armament LLC	Fort Smith
3. Gamo Outdoor USA, Inc.	Rogers
4. Nighthawk Custom, LLC	Berryville
5. Parker TruTec	Paragould
6. Remington Ammunition & Components Plant	Lonoke
7. Sig Sauer	Jacksonville
8. Thermold Magazines	Fort Smith

Company	City
9. Walther Arms	Fort Smith
10. Wilson Combat Scatter Gun Technologies	Berryville
11. Umarex USA, Inc.	Fort Smith
12. American Marksman	Searcy
13. Fiocchi	Little Rock
14. Ballistics Specialties	Batesville
15. Omega Guns	Russellville



# At Home in Arkansas



"SIG Sauer has a strong partnership with the state of Arkansas, and we have chosen to make a major capital investment here. Our commitment is long-term. In the years since we've been in Jacksonville, we have seen significant growth in our business and are confident that will continue for many years to come."



Ron Cohen  
CEO  
SIG Sauer





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

1<sup>ST</sup>

**TOP STATE FOR SMALL BUSINESS FRIENDLINESS**

Source: Thumbtack, 2019

4<sup>TH</sup>

**LOWEST IN UNION MEMBERSHIP RATES IN THE U.S**

Source: Bureau of Labor Statistics

4<sup>TH</sup>

**LOWEST INDUSTRIAL ELECTRICITY RATES**

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

5<sup>TH</sup>

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

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

7<sup>TH</sup>

**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 PROGRAM

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

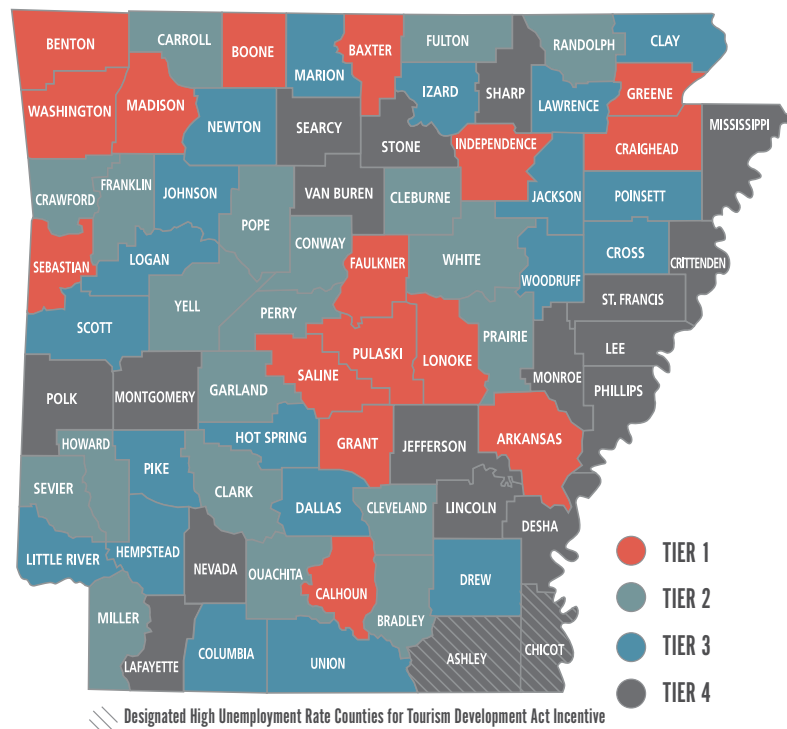
## ARKPLUS PROGRAM

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

## CREATE REBATE PROGRAM

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

## ARKANSAS INCENTIVE TIER MAP - EFFECTIVE JULY 1, 2021



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

Minimum average hourly wage to qualify for an incentive program is \$14.11.

\*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 PROGRAM

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

## CUSTOMIZED TRAINING PROGRAM

- 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

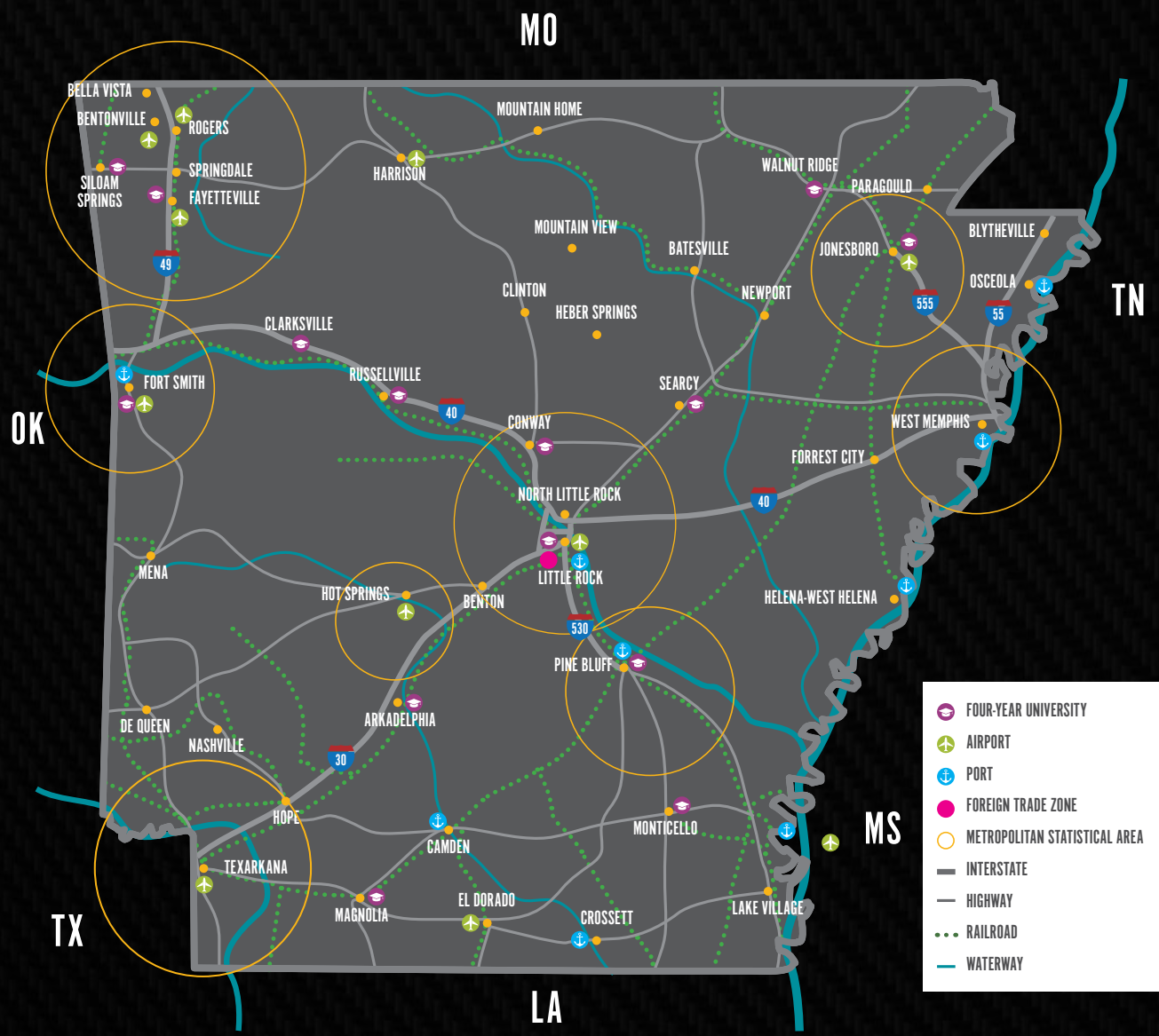
- Authorized and offered by city or county
- Up to 65% abatement
- Length of abatement = length of bond issuance

## OTHER INCENTIVES:

- Recycling Tax Credit
- Tourism
- 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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