

Table A-7: The economic contribution of the data center industry in Arizona, 2023-2024

Metric	Type of contribution	2023	2024	Growth
Employment (jobs)	Direct contribution	21,530	20,640	-4%
	Indirect and induced without the spillover effect ^a	55,970	67,120	20%
	Operational	38,060	38,930	2%
	Capital spending	17,910	28,190	57%
	Total contribution without the spillover effect ^a	77,500	87,760	13%
	Cross-state spillover	23,700	27,210	15%
	Total contribution with the spillover effect ^a	101,200	114,970	14%
Labor income (\$millions)	Direct contribution	\$2,744	\$2,950	7%
	Indirect and induced without the spillover effect ^a	\$3,733	\$4,706	26%
	Operational	\$2,336	\$2,478	6%
	Capital spending	\$1,397	\$2,228	59%
	Total contribution without the spillover effect ^a	\$6,477	\$7,656	18%
	Cross-state spillover	\$1,650	\$1,998	21%
	Total contribution with the spillover effect ^a	\$8,127	\$9,653	19%
GDP (\$millions)	Direct contribution	\$4,914	\$5,229	6%
	Indirect and induced without the spillover effect ^a	\$6,636	\$8,228	24%
	Operational	\$4,413	\$4,672	6%
	Capital spending	\$2,224	\$3,555	60%
	Total contribution without the spillover effect ^a	\$11,551	\$13,457	17%
	Cross-state spillover	\$2,987	\$3,616	21%
	Total contribution with the spillover effect ^a	\$14,538	\$17,073	17%
Tax payments ^b (\$millions)	State, without cross-state spillover effect ^a	\$554	\$607	10%
	Local, without cross-state spillover effect ^a	\$362	\$397	10%
	State and local, without cross-state spillover effect ^a	\$916	\$1,004	10%
	State, with cross-state spillover effect ^a	\$669	\$780	17%
	Local, with cross-state spillover effect ^a	\$437	\$510	17%
	State and local, with cross-state spillover effect ^a	\$1,106	\$1,289	17%

Source: PwC calculations using the IMPLAN modeling system and public data. Details may not sum to totals due to rounding.

^a The spillover effect refers to the indirect and induced effects in a state attributable to the industry's direct activity in all other states.

^b Tax contribution includes all state and local taxes directly or indirectly resulting from the industry's U.S. construction and operations (including direct, indirect, and induced economic effects) benefiting the state.

1. The industry's total annual employment contribution in Arizona (without the cross-state spillover effect) increased by 13 percent from 77,500 jobs in 2023 to 87,760 jobs in 2024. Including the cross-state spillover effect, the industry's total annual employment contribution in Arizona was 101,200 jobs and 114,970 jobs in 2023 and 2024, respectively.
2. The industry's total annual labor income contribution in Arizona (without the cross-state spillover effect) increased by 18 percent from \$6.5 billion in 2023 to \$7.7 billion in 2024. Including the cross-state spillover effect, the industry's total annual labor income contribution in Arizona was \$8.1 billion and \$9.7 billion in 2023 and 2024, respectively.
3. The industry's total annual GDP contribution in Arizona (without the cross-state spillover effect) increased by 17 percent from \$11.6 billion in 2023 to \$13.5 billion in 2024. Including the cross-state spillover effect, the industry's total annual GDP contribution in Arizona was \$14.5 billion and \$17.1 billion in 2023 and 2024, respectively.
4. The industry's total state and local tax contribution in Arizona (without the cross-state spillover effects) of \$1.0 billion in 2024 would have been sufficient to fund all of the state's expenditures on financing, construction acquisition, maintenance or operation of hospital facilities and provision of hospital care, based on the latest available government spending data (2023).