

Table A-47: The economic contribution of the data center industry in Tennessee, 2023-2024

Metric	Type of contribution	2023	2024	Growth
Employment (jobs)	Direct contribution	15,830	15,690	-1%
	Indirect and induced without the spillover effect ^a	42,130	52,410	24%
	Operational	25,560	25,990	2%
	Capital spending	16,570	26,420	59%
	Total contribution without the spillover effect ^a	57,960	68,100	17%
	Cross-state spillover	26,090	29,970	15%
	Total contribution with the spillover effect ^a	84,050	98,070	17%
Labor income (\$millions)	Direct contribution	\$1,952	\$2,063	6%
	Indirect and induced without the spillover effect ^a	\$3,083	\$4,018	30%
	Operational	\$1,707	\$1,784	5%
	Capital spending	\$1,376	\$2,234	62%
	Total contribution without the spillover effect ^a	\$5,035	\$6,081	21%
	Cross-state spillover	\$1,588	\$1,834	15%
	Total contribution with the spillover effect ^a	\$6,623	\$7,915	20%
GDP (\$millions)	Direct contribution	\$3,776	\$3,920	4%
	Indirect and induced without the spillover effect ^a	\$4,924	\$6,249	27%
	Operational	\$2,966	\$3,110	5%
	Capital spending	\$1,958	\$3,139	60%
	Total contribution without the spillover effect ^a	\$8,699	\$10,168	17%
	Cross-state spillover	\$3,219	\$3,889	21%
	Total contribution with the spillover effect ^a	\$11,918	\$14,057	18%
Tax payments ^b (\$millions)	State, without cross-state spillover effect ^a	\$398	\$417	5%
	Local, without cross-state spillover effect ^a	\$199	\$209	5%
	State and local, without cross-state spillover effect ^a	\$597	\$625	5%
	State, with cross-state spillover effect ^a	\$565	\$655	16%
	Local, with cross-state spillover effect ^a	\$283	\$328	16%
	State and local, with cross-state spillover effect ^a	\$848	\$983	16%

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 Tennessee (without the cross-state spillover effect) increased by 17 percent from 57,960 jobs in 2023 to 68,100 jobs in 2024. Including the cross-state spillover effect, the industry's total annual employment contribution in Tennessee was 84,050 jobs and 98,070 jobs in 2023 and 2024, respectively.
2. The industry's total annual labor income contribution in Tennessee (without the cross-state spillover effect) increased by 21 percent from \$5.0 billion in 2023 to \$6.1 billion in 2024. Including the cross-state spillover effect, the industry's total annual labor income contribution in Tennessee was \$6.6 billion and \$7.9 billion in 2023 and 2024, respectively.
3. The industry's total annual GDP contribution in Tennessee (without the cross-state spillover effect) increased by 17 percent from \$8.7 billion in 2023 to \$10.2 billion in 2024. Including the cross-state spillover effect, the industry's total annual GDP contribution in Tennessee was \$11.9 billion and \$14.1 billion in 2023 and 2024, respectively.
4. The industry's total state and local tax contribution in Tennessee (without the cross-state spillover effect) of \$625 million in 2024 would have been sufficient to fund over one-fourth of the state's outpatient health services, other than hospital care, based on the latest available government spending data (2023).