

Supplement to Economic and Fiscal Impact Analysis

IBM Quantum Facility — Dutchess County Industrial Development Agency

This supplement responds to questions raised by the Applicant and the Agency since the September 9, 2026 report was distributed to the Board. It does not replace the primary report or Table 11's fiscal benefit-to-cost ratio, which remains Camoin Associates' recommended methodology. Each section below addresses one item raised.

1. Expanded Benefit-Cost Ratio

For comparability with the format used in prior MRB Group reports to the Agency, the table below presents the Project's benefits and costs using MRB's categories: benefits to private individuals (payroll) and to the public (tax revenue), split between Local and State impacts.

This is a supplemental, alternative presentation.

Camoin Associates' primary fiscal ratio (Table 11 of the main report) counts only government revenue—the PILOT and sales tax exemption—against government cost. It excludes private wages, since those are an economic impact rather than a fiscal one, a distinction the main report deliberately draws. The table below follows MRB's convention of including private payroll as a benefit, for comparability only.

Grand Total Ratio

	Benefit	Cost	Ratio
Local	\$399,262,401	\$52,882,088	7.55x
State	\$22,199,955	\$51,279,600	0.43x
Grand Total	\$421,462,355	\$104,161,688	4.05x

At an MRB-equivalent 2% discount rate (see Section 6), the Grand Total ratio is 6.02x.

The ratio is driven primarily by the size of the sales tax exemption relative to the Project's local benefit base. The \$104.2 million exemption is a fixed, one-time cost tied to the full value of taxable construction and equipment purchases. The benefit side, even when including private payroll, is built from a much smaller base: the share of the Project's workforce spending and construction activity that occurs locally. Set against benefits drawn from a fraction of a \$2.5 billion project, a cost of this size produces a lower ratio than the exemption amount alone might suggest, regardless of which benefit categories are counted.

2. Total Project Cost Acknowledgment

The Applicant's cost estimate includes \$105.0 million in fixed equipment, \$54.0 million for a helium plant, and \$1.35 billion in bill of materials, together representing the majority of the Project's \$2.5 billion total cost. These amounts are not included in the local economic or fiscal benefit calculations in the main report.

Cost Category	Amount
Fixed Equipment	\$105,000,000
Helium Plant	\$54,000,000
Bill of Materials	\$1,350,700,000
Total, Not Included in Local Benefit Calculation	\$1,509,700,000

This equipment and material are specialized and are not manufactured or fabricated within Dutchess County. As a result, this spending does not generate the local jobs, earnings, or sales tax revenue captured elsewhere in this analysis.

The sales tax that would otherwise apply to these purchases is the same tax the Applicant is requesting the Agency to exempt. It cannot be counted as a fiscal benefit to the County or State, since the exemption, if granted, eliminates that revenue.

Purchases of this equipment and material from vendors elsewhere in New York State would generate indirect economic and fiscal activity at the state level. This is addressed narratively in Section 5.

3. Flat-Assessment Baseline Scenario

The main report's Table 6 assumes the "without project" property tax baseline grows 2% annually. The Applicant's position is that the Project Site's assessed value is already at or above full value, and that little to no growth in that baseline should be expected absent the PILOT. The table below presents the same comparison using a flat baseline, held at the current, unescalated tax amount for all 30 years.

	30-Year Total	Notes
Flat Baseline (no growth)	\$198,619,326	Held at Year 1 level for all 30 years
PILOT Payment	\$262,269,536	Same PILOT schedule as main report, Table 6
Benefit to Municipalities	\$63,650,216	PILOT payment minus flat baseline

Under this scenario, the PILOT is at or above the baseline for all 30 years of the term, resulting in a cumulative nominal benefit to the affected taxing jurisdictions of \$63.7 million, compared with a nominal shortfall of \$6.3 million under the main report's 2% growth assumption. Camoin Associates' primary analysis retains the 2% growth assumption as its main case; this scenario is presented as a supplemental, alternative comparison.

4. PILOT vs. No Project Comparison

At the Board's request, the table below, provided by the Applicant, compares the full 30-year schedule of PILOT payments (County, Town, School District, and Special Districts) against a no-project scenario in which all categories remain flat at current levels for the full term. This differs from the no-project baseline used in the main report's Table 6. The tables below reflect the Applicant's own assumptions, including special districts, as provided.

PILOT Payments

Year	County	Town	School District	PILOT Payment	Special Districts	Total Payments
2027	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2028	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2029	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2030	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2031	\$343,900	\$1,277,121	\$7,167,495	\$8,788,516	\$1,235,952	\$10,024,468
2032	\$344,759	\$1,280,314	\$7,185,414	\$8,810,487	\$1,235,952	\$10,046,439
2033	\$345,621	\$1,283,514	\$7,203,377	\$8,832,512	\$1,235,952	\$10,068,464
2034	\$346,485	\$1,286,723	\$7,221,386	\$8,854,594	\$1,235,952	\$10,090,546
2035	\$347,352	\$1,289,940	\$7,239,439	\$8,876,731	\$1,235,952	\$10,112,683
2036	\$348,220	\$1,293,165	\$7,257,538	\$8,898,923	\$1,235,952	\$10,134,875
2037	\$349,091	\$1,296,398	\$7,275,682	\$8,921,171	\$1,235,952	\$10,157,123
2038	\$349,963	\$1,299,639	\$7,293,871	\$8,943,473	\$1,235,952	\$10,179,425
2039	\$350,838	\$1,302,888	\$7,312,105	\$8,965,831	\$1,235,952	\$10,201,783
2040	\$351,715	\$1,306,145	\$7,330,386	\$8,988,246	\$1,235,952	\$10,224,198
2041	\$352,595	\$1,309,410	\$7,348,712	\$9,010,717	\$1,235,952	\$10,246,669
2042	\$353,476	\$1,312,684	\$7,367,083	\$9,033,243	\$1,235,952	\$10,269,195
2043	\$354,360	\$1,315,966	\$7,385,501	\$9,055,827	\$1,235,952	\$10,291,779
2044	\$355,246	\$1,319,255	\$7,403,965	\$9,078,466	\$1,235,952	\$10,314,418
2045	\$356,134	\$1,322,554	\$7,422,475	\$9,101,163	\$1,235,952	\$10,337,115
2046	\$357,024	\$1,325,860	\$7,441,031	\$9,123,915	\$1,235,952	\$10,359,867
2047	\$357,917	\$1,329,175	\$7,459,634	\$9,146,726	\$1,235,952	\$10,382,678
2048	\$358,811	\$1,332,498	\$7,478,283	\$9,169,592	\$1,235,952	\$10,405,544
2049	\$359,708	\$1,335,829	\$7,496,978	\$9,192,515	\$1,235,952	\$10,428,467
2050	\$360,608	\$1,339,168	\$7,515,721	\$9,215,497	\$1,235,952	\$10,451,449
2051	\$361,509	\$1,342,516	\$7,534,510	\$9,238,535	\$1,235,952	\$10,474,487
2052	\$362,413	\$1,345,873	\$7,553,346	\$9,261,632	\$1,235,952	\$10,497,584
2053	\$363,319	\$1,349,237	\$7,572,230	\$9,284,786	\$1,235,952	\$10,520,738
2054	\$364,227	\$1,352,610	\$7,591,160	\$9,307,997	\$1,235,952	\$10,543,949
2055	\$365,138	\$1,355,992	\$7,610,138	\$9,331,268	\$1,235,952	\$10,567,220

Year	County	Town	School District	PILOT Payment	Special Districts	Total Payments
2056	\$366,051	\$1,359,382	\$7,629,164	\$9,354,597	\$1,235,952	\$10,590,549
Total	\$10,262,758	\$38,112,222	\$213,894,550	\$262,269,531	\$35,859,079	\$298,128,609

Payments with No Project

Year	County	Town	School District	PILOT Payment	Special Districts	Total Payments
2027	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2028	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2029	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2030	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2031	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2032	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2033	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2034	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2035	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2036	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2037	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2038	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2039	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2040	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2041	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2042	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2043	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2044	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2045	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2046	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2047	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2048	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2049	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2050	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2051	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2052	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2053	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2054	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2055	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
2056	\$259,070	\$962,092	\$5,399,482	\$6,620,644	\$931,079	\$7,551,723
Total	\$7,772,100	\$28,862,760	\$161,984,460	\$198,619,320	\$27,932,370	\$226,551,690

Over the 30-year term, total payments under the PILOT (including special districts) are \$298,128,609, compared with \$226,551,690 under the no-project scenario shown above, a difference of \$71,576,919. This reflects the Applicant's assumption that, absent the Project, assessed value and all associated tax payments would remain flat with no growth, which differs from the 2% growth assumption used elsewhere in this report and the main report's Table 6.

5. Statewide Impacts

The Applicant's total project cost, including the equipment and materials described in Section 2, generates economic and fiscal activity beyond Dutchess County to the extent those purchases are sourced from vendors elsewhere in New York State. A full statewide economic and fiscal impact analysis, modeling indirect jobs, earnings, and tax revenue from statewide vendor purchases, is outside the scope of the primary report and has not been performed.

Qualitatively, purchases of fixed equipment, the helium plant, and bill of materials from New York State-based vendors would be expected to support jobs and earnings at those vendors and their suppliers, and to generate state income and sales tax revenue on that activity, in addition to the county-level impacts already quantified in this report. The magnitude of this activity depends on where these purchases are ultimately sourced.

6. Discount Rate Variation

The table below compares the Project's fiscal position at Camoin Associates' discount rate (6.25%, consistent with the main report) against an MRB-equivalent discount rate (2%, per MRB's stated convention). Note, the prior MRB analysis included the retained jobs and associated payroll, resulting in a higher CBA ratio.

	At 6.25% (Camoin)	At 2% (MRB-Equivalent)
MRB-Style Grand Total Ratio	4.05x	6.02x
MRB-Style Local Ratio	7.55x	11.22x
MRB-Style State Ratio	0.43x	0.65x

Benefit-Cost Ratio — Board Format Comparison

This is a supplemental, alternative presentation. Camoin's primary fiscal benefit-cost ratio (Table 11 of the main report) remains the firm's recommended methodology; see the note at the bottom of this sheet for the key differences between the two approaches.

KEY ASSUMPTIONS

Ongoing Benefit Period (Years)	26	Matches Camoin's on-site employment ramp-up convention: construction complete year 4; on-site operations run years 5–30 (26 years). See main report Table 10, Note.
Discount Rate — Camoin (per main report)	6.250%	Consistent with Table 6 / Table 11 of the primary report.
Discount Rate — MRB-Equivalent	2.000%	Per MRB's stated "public sector discount rate"
Assumed NYS Effective Personal Income Tax Rate	5.0%	Per MRB's stated assumption

ESTIMATED COSTS OF EXEMPTIONS

	Nominal	Discounted (Camoin)	Discounted (MRB 2%)
Property Tax Exemption	-	-	-
Sales Tax Exemption	\$104,161,688	\$104,161,688	\$104,161,688
Local Sales Tax Exemption (County + MCTD)	\$52,882,088	\$52,882,088	\$52,882,088
State Sales Tax Exemption	\$51,279,600	\$51,279,600	\$51,279,600
Mortgage Recording Tax Exemption	-	-	-
Total Costs	\$104,161,688	\$104,161,688	\$104,161,688

STATE AND LOCAL BENEFITS

	Nominal	Discounted (Camoin)	Discounted (MRB 2%)
Local Benefits			
To Private Individuals			
Temporary Payroll (construction)	\$58,037,263	\$58,037,263	\$58,037,263
Ongoing Payroll (annuity, on-site operations)	\$688,878,147	\$336,278,098	\$533,113,147
Other Payments to Private Individuals	-	-	-
Subtotal: To Private Individuals	\$746,915,410	\$394,315,361	\$591,150,410
To the Public			
Increase in Property Tax Revenue	(\$6,317,243)	\$2,385,222	(\$1,405,557)
Temporary Jobs - Sales Tax Revenue (Local)	\$377,061	\$377,061	\$377,061
Ongoing Jobs - Sales Tax Revenue (Local, annuity)	\$4,475,555	\$2,184,757	\$3,463,569
Other Local Municipal Revenue	-	-	-
Subtotal: To the Public	(\$1,464,627)	\$4,947,040	\$2,435,073
Local Benefits Total	\$745,450,783	\$399,262,401	\$593,585,483
State Benefits			
To the Public			
Temporary Income Tax Revenue	\$2,901,863	\$2,901,863	\$2,901,863
Ongoing Income Tax Revenue (annuity)	\$34,443,907	\$16,813,905	\$26,655,657
Temporary Jobs - Sales Tax Revenue (State)	\$365,635	\$365,635	\$365,635
Ongoing Jobs - Sales Tax Revenue (State, annuity)	\$4,339,932	\$2,118,552	\$3,358,613
State Benefits Total	\$42,051,338	\$22,199,955	\$33,281,768
Total Benefits to State & Region	\$787,502,120	\$421,462,355	\$626,867,251

BENEFIT TO COST RATIO

	Benefit	Cost	Ratio
Discounted at Camoin's Rate (6.25%)			
Local	\$399,262,401	\$52,882,088	7.55x
State	\$22,199,955	\$51,279,600	0.43x
Grand Total	\$421,462,355	\$104,161,688	4.05x
Discounted at MRB-Equivalent Rate (2%)			
Local	\$593,585,483	\$52,882,088	11.22x
State	\$33,281,768	\$51,279,600	0.65x
Grand Total	\$626,867,251	\$104,161,688	6.02x

METHODOLOGY NOTES

This sheet is a supplemental presentation built to mirror MRB Group's benefit-cost categories and ratio format for board comparability. It is not a replacement for Camoin's primary fiscal analysis (see Table 11 of the main report).

Key differences from Camoin's primary ratio (Table 11):

- 1. Private payroll (construction and ongoing wages) is counted as a benefit here, matching MRB's format. Camoin's primary ratio counts only fiscal benefits (revenue to government), since wages paid to workers are an economic impact, not government revenue — this is why Camoin presents economic impacts (jobs, earnings, sales) and fiscal impacts (Table 11) as two separate, non-comparable figures rather than one blended ratio.*
- 2. This sheet includes a State Benefits section (income tax and sales tax revenue to New York State), which Camoin's primary ratio excludes, since Table 11 evaluates the County's own fiscal position specifically.*
- 3. The 'Ongoing' benefit streams here are calculated as a 26-year flat annuity (matching the on-site employment ramp-up convention used elsewhere in this report) with no ramp adjustment. Other MRB calculations include the escalation factor for payroll.*
- 4. The Community Benefits Agreement is excluded from both this sheet and Table 11, consistent with the agreed treatment that the CBA is a private agreement between the Applicant and the Town, separate from IDA financial assistance.*

Two discount rates are shown side by side: Camoin's rate (6.25%, consistent with the main report) and an MRB-equivalent rate (2%, per MRB's stated convention) for direct, apples-to-apples numerical comparison against the prior MRB report for this IDA. Note however, that the prior MRB report for this project was based on 2,000 retained jobs plus the net new jobs whereas this analysis only considers the net new jobs.