



The Economic Value of Jackson College

TAXPAYER INVESTMENT



STUDENTS and society as a whole enjoy a range of benefits due to their educational investment in JC. A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.

JC increases tax revenue

- Approximately 90% of JC’s students remain in Michigan upon completing their educational goals. Their higher earnings and their employers’ increased output and spending result in increased tax revenue.
- Over the students’ working lives, state and local governments in Michigan will collect a present value of \$86.9 million in the form of higher tax revenues.



JC reduces government costs

- JC students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or need income assistance such as welfare or unemployment benefits.
- The improved lifestyles of students result in a reduced demand for government-supported services. Better health leads to reduced health care costs. Reduced crime leads to a reduced burden on the criminal justice system. Further, increased employability leads to fewer claims for welfare and unemployment benefits.
- As a result, taxpayers in the state of Michigan will see a present value of \$4.3 million in savings to government over the students’ working careers.



FOR EVERY \$1...



State & local taxpayers gain

\$4.30

in added tax revenue and public sector savings



Jackson County taxpayers gain

\$5.80

in added tax revenue and public sector savings



JC is a strong investment for state and local taxpayers

- In FY 2017-18, state and local taxpayers in Michigan paid \$21.1 million to support the operations of JC. \$5 million of this was from Jackson County taxpayers.
- For every dollar of public money spent on JC, state and local taxpayers receive a cumulative return of \$4.30 over the course of students' working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an average annual internal rate of return of 10.5% on their investment in JC. This return compares favorably with other long-term investments in the public and private sectors.
- Many of the benefits accruing to taxpayers occur in Jackson County. For Jackson County taxpayers, every dollar invested means a return of \$5.80 in added tax revenue and public sector savings.

