

**Apple, Inc.**

21505 Reno Technology Parkway W, Sparks, NV 89434

Terry Ryan, Senior Tax Director

**Date:** July 25, 2024**Application Facts:**

Industry	<b>Information Technology</b>
NAICS	<b>518210</b>
Type of App	<b>Expansion</b>
Location	<b>Washoe County</b>
RDA	EDAWN, Heather Wessling Grosz

**Company Profile**

Apple, Inc. (Apple) plans to expand its existing Washoe County Data Center operations. Apple is an American multinational corporation and technology company headquartered in Cupertino, California. The company designs, develops, and sells consumer electronics, computer software, and online services. Apple opened its data center located just outside of Reno, in December 2012 and is the first company to have built a data center at the Reno Technology Park. All Apple facilities — including its data center in Reno — are powered entirely with renewable energy. Most recently, Apple utilized the NV GreenEnergy Rider program to create two additional solar projects: the 200-megawatt Techren II solar project, online in 2019, and the 50-megawatt Turquoise Project, online in 2020. Over the past year, Apple's Reno data center was supported by projects that generated 440 million kilowatt-hours (kWh) of renewable energy. Use of this renewable energy allowed Apple to avoid more than 130,600 million metric tons of CO<sub>2</sub>e (carbon dioxide equivalent) during the year. *Source: Apple, Inc.*

**Tax Abatement Requirements - 5 Years**

	<u>Statutory</u>	<u>Company Application</u>	<u>Meeting Requirements</u>
Job Creation	10	<b>10</b>	<b>Yes</b>
Average Wage	\$29.28	<b>\$32.51</b>	<b>Yes</b>
Equipment Capex (SUT)	\$25,000,000	<b>\$742,071,428</b>	<b>Yes</b>

**Additional Requirements:**

Health Insurance	65%	<b>82%</b>	<b>Yes</b>
Business License	<input checked="" type="checkbox"/> Current	<input type="checkbox"/> Pending	<input type="checkbox"/> Will comply

**Total Tax Liability** (without tax abatements)

	<u>Direct (company)</u>	<u>Total</u>
	<b>\$118,083,286</b>	<b>\$341,388,594</b>

**Tax Abatements**

	<u>Contract Terms</u>	<u>Estimated Tax Abatement</u>
Sales Tax Abmt.	2% for 10 years	\$62,153,275
<b>Total Estimated Tax Abatement over 10 yrs.</b>		<b>\$62,153,275</b>

\* Data Center Abatement, Total Tax Liability and Net New Revenues are estimated on company's overall 10 year projected Capital Equipment Investment - \$992,071,428

**Net New Tax Revenues**

	<u>Direct</u>	<u>Indirect</u>	<u>Taxes after Abatements</u>
<b>Local Taxes</b>			
Property	\$20,987,802	\$318,379	\$21,306,181
Sales	\$179,395,143	\$190,628	\$179,585,771
Lodging	\$0	\$17,158	\$17,158
<b>State Taxes</b>			
Property	\$1,022,328	\$18,913	\$1,041,241
Sales	\$77,110,429	\$74,213	\$77,184,642
Modified Business	\$24,376	\$70,231	\$94,607
Lodging	\$0	\$5,719	\$5,719
<b>Total Estimated New Tax Revenue over 10 yrs.</b>	<b>\$278,540,078</b>	<b>\$695,241</b>	<b>\$279,235,319</b>

**Economic Impact over 10 yrs.**

	<u>Economic</u>	<u>Construction</u>	<u>Total</u>
Total Jobs Supported	24	1,257	1,281
Total Payroll Supported	\$15,120,382	\$98,886,232	\$114,006,614
Total Economic Value	\$60,420,554	\$258,357,043	\$318,777,597

**Economic Impact Output per Abatement Dollar****\$3.58****New Total Tax per Abated Dollar****\$4.49****IMPORTANT TERMS & INFORMATION**

**Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.**

**Total Estimated Tax Abatement** is a tax reduction estimate. This estimated amount will be discounted from total tax liability.

**Estimated New Tax Revenue** is amount of tax revenues local and state government will collect after the abatement was given to applying company.

**Economic Impact** is economic effect or benefits that this company and it's operations will have on the community and state economy measured by total number of jobs, payroll and created output.

June 25, 2024

Tom Burns, Executive Director  
Governor's Office of Economic Development  
808 West Nye Lane  
Carson City, NV 89703

Re: Apple Inc.

Dear Mr. Burns:

EDAWN hereby supports the application of Apple Inc. for the Data Center Sales & Use Tax Abatement, for their highly impactful expansion.

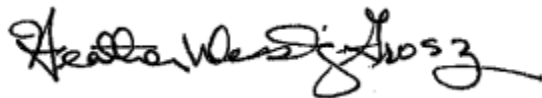
Apple Inc. is adding additional investment that will support the processing, storage and transport of data used to Support Apple's services including, iCloud, Maps, Siri, and Music. In conjunction, Apple Inc. is expanding its Data Center operations in Northern Nevada.

The company will be investing approximately \$742,071,428 in capital equipment expenditures within the first 5 years and plans to hire 10 new full-time employees within the first 5 years at an average wage of \$32.51 per hour.

The company's compensation package includes medical benefits, vision, dental, overtime, PTO/sick/vacation, bonus, retirement plan /401K will offer at a minimum of 82% of the employee health insurance offered by the company.

EDAWN supports this application as the company meets all three incentive requirements. Your consideration and support of the incentive application for Apple Inc. is a significant factor in their pending decision to expand in northern Nevada and speaks favorably to the State's business-friendly environment.

Sincerely,



Heather Wessling-Grosz  
EDAWN, Executive Vice-President  
Business Development



July 11, 2024

Thomas Burns  
Executive Director  
Nevada Governor's Office of Economic Development  
555 E. Washington Avenue  
Suite 5400  
Las Vegas, NV 89101

Apple is proud to be part of the community in Reno, Nevada, and is seeking to expand its current operations in the region with significant capital investment. Nevada's state economic programs and policies, combined with proximity to talent and renewable energy resources, make Nevada an attractive place to invest.

Since opening in 2012, Apple's operation has grown to include four data center buildings and a power substation at the campus across 1,700 acres, as well as a warehouse in downtown Reno that is essential for data center operations. More than 200 individuals support the daily operations at these sites.

Like all Apple facilities, the data center runs on 100 percent renewable energy, including from solar projects that Apple developed with local partners. In addition to providing the renewable energy for Apple's facilities, these projects have also helped support the local power demands for the growing Reno and Sparks regions. And as part of our work to enhance quality of life and opportunity for the greater community, we are proud to contribute to organizations like Envirolution, Children's Cabinet, the Food Bank of Northern Nevada, and more.

As we continue to invest in Reno and expand our operations here, we expect to invest \$1B over the next 10 years, and add at least another 10 full-time employees to our team here. These commitments build on Apple's significant investments in its Nevada data center, which far exceed the company's initial commitments made to the state.

We look forward to a continued partnership with Nevada Governor's Office of Economic Development and Economic Development Authority of Western Nevada, and appreciate the consideration of the state's incentive programs, as they will have a significant impact to the project. If you have any further questions or concerns, please do not hesitate to contact me.

Sincerely,

Terry Ryan  
Senior Director Tax  
Apple Inc.

A handwritten signature in black ink, appearing to be 'Terry Ryan', is written over the typed name and title.



June 12, 2024

Thomas Burns  
Executive Director  
Nevada Governor's Office of Economic Development  
555 E. Washington Avenue  
Suite 5400  
Las Vegas, NV 89101

RE: APPLICATION FOR INCENTIVES – REQUEST FOR CONFIDENTIALITY OF  
RECORDS AND DOCUMENTS – NRS 231.069

Dear Director Burns,

On June 14, 2024, Apple Inc. (“Apple”) submitted an application to you as the Executive Director of the State of Nevada Governor’s Office of Economic Development (“GOED”) requesting approval of economic incentives for a new operation in Washoe County, Nevada (“New Operation”). The purpose of this letter is to request that all records and other documents in GOED’s possession concerning GOED’s initial contact with Apple, research and planning for the New Operation, including but not limited to certain information in the application, as may be amended, all be kept confidential pursuant to Section 4 of Assembly Bill No. 17 (2015 Regular Session) as codified in NRS 231.069.

Please be advised that Apple specifically deems the following information proprietary and confidential:

- (i) The detailed schedule of Capital Equipment List, 6(B); and
- (ii) The detailed schedule of Employment List, 6(E).

Thank you for your consideration. If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terry Ryan", is positioned to the right of the word "Sincerely,".

Terry Ryan  
Senior Director Tax  
Apple Inc.

## REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant, Apple Inc., the Executive Director of the Office has determined the:

- (i) The detailed schedule of Capital Equipment List, 6(B)
- (ii) The detailed schedule of Employment List, 6(E)

are confidential proprietary information of the business, are not public records, and shall be redacted in its entirety from the copy of the application that is disclosed to the public.



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Thomas J. Burns  
Executive Director

6/27/2024  
Date



# Data Center Tax Abatement Incentive Application

Company Name: Apple Inc.  
Date of Application: July 25, 2024

Company is an / a: (check one)  
 New location in Nevada  
 Expansion of a Nevada company

## Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Data Center Sales & Use Tax Abatement: abated to 2% up to 10 or 20 years for Tangible Personal Property
- Data Center Personal Property Tax Abatement: 75% up to 10 or 20 years for Eligible Machinery or Equipment

## Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Apple Inc.</u>		FEDERAL TAX ID # <u>94-2404110</u>	
CORPORATE ADDRESS <u>Apple Park</u>	CITY / TOWN <u>Cupertino</u>	STATE / PROVINCE <u>CA</u>	ZIP <u>95014</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (if different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER <u>408-425-6218</u>	WEBSITE <u>Apple.com</u>		
COMPANY CONTACT NAME <u>Terry Ryan</u>	COMPANY CONTACT TITLE <u>Senior Tax Director</u>		
E-MAIL ADDRESS <u>terryan@apple.com</u>	PREFERRED PHONE NUMBER <u>408-425-6218</u>		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development?  Yes  No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

## Section 3 - Job Creation Requirement

Please check the applicable category the company intends to qualify under with this application:

- 10 Year Abatement: Data Center shall have or have added 10 or more full-time Nevada employees within 5 years from the effective date
- 20 Year Abatement: Data Center shall have or have added 50 or more full-time Nevada employees within 5 years from the effective date

## Section 4 - Capital Investment Requirement (check applicable duration consistent with the category above)

Please check the applicable category the company intends to qualify under with this application:

- 10 Year Abatement: Within 5 years from the effective date, the data center and one or more co-located businesses in each county shall make a cumulative capital investment of at least \$25,000,000 in capital assets that will be used or located at the date center.
- 20 Year Abatement: Within 5 years from the effective date, the data center and one or more co-located businesses in each county shall make a cumulative capital investment \$100,000,000 in capital assets that will be used or located at the date center.

## Section 5 - Nevada Facility

Type of Facility (Check all that apply):

- |   |  |
|---|--|
| <input type="checkbox"/> Headquarters                   | <input type="checkbox"/> Public Cloud Provider       |
| <input checked="" type="checkbox"/> Private Data Center | <input type="checkbox"/> Scientific Computing Center |
| <input type="checkbox"/> Co-Location Data Center        | <input type="checkbox"/> Other: _____                |

EXPECTED DATE OF NEW OPERATION (MONTH/YEAR) <u>N/A</u>	EXPECTED DATE OF EXPANDED OPERATION (MONTH / YEAR) <u>Mar-2025</u>		
NAICS CODE / SIC <u>518210</u>	INDUSTRY TYPE <u>Data Center to process, store and transport data</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>The data center will support the processing, storage and transport of data used to support Apple's internet services including iCloud, Maps, Siri, Music</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>21505 Reno Technology Parkway W</u>	CITY / TOWN <u>Sparks</u>	COUNTY <u>Washoe County</u>	ZIP <u>89434</u>

WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?  
Oregon and Arizona

**Section 6 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)**

Check the applicable box when form has been completed.

- 6 (A)  Real Estate and Construction
- 6 (B)  Capital Equipment List
- 6 (C)  Co-Located Tenants List
- 6 (D)  Data Center General Taxable Items List
- 6 (E)  Employment Schedule
- 6 (F)  Health Plan Evaluation

**Section 7 - Employment (Fill in either New Operations/Startup or Expansion, not both)**

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first fourth quarter of new operations?: _____	How many full-time equivalent (FTE*) employees will be created by the end of the first fourth quarter of expanded operations?: <u>10</u>
Average hourly wage of these <u>new</u> employees: _____	Average hourly wage of these <u>new</u> employees: <u>\$32.51</u>
	How many FTE employees prior to expansion?: <u>80</u>
	Average hourly wage of these <u>existing</u> employees: <u>\$48.47</u>
	Total number of employees after expansion: <u>90</u>

\* FTE means a person who is in a permanent position of employment, works and average of 30 hours per week, and is eligible for company-sponsored health benefits.

OTHER COMPENSATION (Check all that apply):

- Overtime
- Merit Increase
- Tuition assistance
- Bonus
- PTO / Sick / Vacation
- COLA adjustments
- Retirement Plan / Profit Sharing / 401(k)
- Other: \_\_\_\_\_

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

**Section 8 - Employee Health Insurance Benefit Program**

Is health insurance for employees and an option for dependents offered?  Yes (copy of benefit plan must be attached)  No

Package includes (check all that apply):

- Medical
- Vision
- Dental
- Other: \_\_\_\_\_

Qualified after (check one):

- Upon employment
- Three months after hire date
- Six months after hire date
- Other: \_\_\_\_\_

Health Insurance Costs:	Percentage of health insurance premium paid by company (min 65%):
Plan Type: <u>PPO Medical Plan</u>	
Employer Contribution (annual premium per employee): <u>\$ 14,561.00</u>	Company: <u>82%</u>
Employee Contribution (annual premium per employee): <u>\$ 3,283.00</u>	Employee: <u>18%</u>
<b>Total Annual Premium:</b> <u>\$ 17,844.00</u>	

**Section 9 - Certification**

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Terry Ryan  
Name of person authorized for signature

  
Signature

Senior Tax Director  
Title

6/13/2024  
Date

# Site Selection Factors

Company Name: Apple Inc.

County: Washoe

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## Section I - Site Selection Ratings

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Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

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Availability of qualified workforce: 5

Labor costs: 4

Real estate availability: 1

Real estate costs: 2

Utility infrastructure: 5

Utility costs: 5

Transportation infrastructure: 1

Transportation costs: 1

State and local tax structure: 5

State and local incentives: 5

Business permitting & regulatory structure: 3

Access to higher education resources: 3

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OTHER FACTORS & RATINGS:



## 6(A) Real Estate & Construction

Company Name: Apple Inc.

County: Washoe

### Section I - Real Estate & Constructions Projections

Directions: please provide a 10/20 year projection of the real estate costs for current year (year-1) and future land and building procurement, as well as, current and future annual lease amounts and possible construction costs due to building improvements. Complete [columns (a) and (f)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of real estate costs. Attach this form to the Incentives Application.

(a) Year	(b) Land Cost	(c) Construction Cost	(d) Building Purchase	(e) Annual Lease Amount	(f) Building SqFt
Year-1	-	\$75,000,000.00	-	-	-
Year-2	-	\$44,000,000.00	-	-	-
Year-3	-	\$44,000,000.00	-	-	-
Year-4	-	\$0.00	-	-	-
Year-5	-	\$0.00	-	-	-
Year-6	-	\$0.00	-	-	-
Year-7	-	\$0.00	-	-	-
Year-8	-	\$0.00	-	-	-
Year-9	-	\$0.00	-	-	-
Year-10	-	\$0.00	-	-	-

## **Equipment Schedule, Detailed**

**The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Apple Inc., and is not a public record.**

## 6(C) Co-located Businesses

Company Name: Apple Inc.

County: Washoe

### Section I - Tenant Information

Directions: Provide information on Co-located businesses, if applicable, in or proposed to be in the Data center. A Co-located business means a business that enters into a contract to use or occupy all or part of a Data center that is qualified to receive a tax abatement pursuant to S.B. 170 (78th (2015) Session). A Data center means one or more buildings located at one or more physical locations in Nevada which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(a) Year	(b) Projected Number of Tenants	(c) Estimated Annual Average of Capital	(d) Total Amount
Year-1	N/A	N/A	N/A
Year-2	N/A	N/A	N/A
Year-3	N/A	N/A	N/A
Year-4	N/A	N/A	N/A
Year-5	N/A	N/A	N/A
Year-6	N/A	N/A	N/A
Year-7	N/A	N/A	N/A
Year-8	N/A	N/A	N/A
Year-9	N/A	N/A	N/A
Year-10	N/A	N/A	N/A
<b>Total</b>			<b>\$0.00</b>

## 6(D) Data Center General Taxable Items List

Company Name: Apple Inc.

County: Washoe

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### Section I - Data Center General Purchase Projections

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Directions: please provide a 20 year projection of the general taxable items the company anticipates purchasing, complete [columns (a) and (b)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of general items purchased. Attach this form to the Incentives Application.

(a) Year	(b) Projected Dollar Amount of Purchases
Year-1	
Year-2	\$289,800,000.00
Year-3	
Year-4	\$579,600,000.00
Year-5	
Year-6	\$380,880,000.00
Year-7	\$380,880,000.00
Year-8	\$380,880,000.00
Year-9	\$380,880,000.00
Year-10	\$380,880,000.00

## **Employment Schedule, Detailed**

**The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Apple Inc., and is not a public record.**

## 6(F) Evaluation of Health Plans Offered by Companies

Company Name: Apple Inc. County: Washoe

Total Number of Full-Time Employees: 10

Average Hourly Wage per Employee \$32.51  
 Average Annual Wage per Employee (implied) \$67,620.80

### COST OF HELATH INSURANCE

Annual Health Insurance Premium Cost: \$17,844.00  
 Percentage of Premium Covered by:  
     Company 82%  
     Employee 18%

### HEALTH INSURANCE PLANS:

#### Base Health Insurance Plan\*:

Deductible - per employee \$ 300  
 Coinsurance 90% / 70%  
 Out-of-Pocket Maximum per employee \$ 2,000

#### Additional Health Insurance Plan\*:

Deductible - per employee \$ 1,500  
 Coinsurance 90% / 70%  
 Out-of-Pocket Maximum per employee \$ 2,000

#### Additional Health Insurance Plan\*:

Deductible - per employee \$ -  
 Coinsurance 0% / 0%  
 Out-of-Pocket Maximum per employee \$ -

\*Note: *Please list only "In Network" for deductible and out of the pocket amounts .*

### Generalized Criteria for Essential Health Benefits (EHB)

*[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]*

Covered employee's premium not to exceed 9.5% of annual wage 5.9% MEC

Annual Out-of-Pocket Maximum not to exceed \$9,200 (2025) \$2,000 MEC

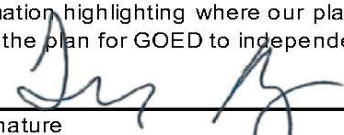
Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently

Terry Ryan  
 Name of person authorized for signature

  
 Signature

Senior Director Tax  
 Title

6/13/2024  
 Date

## 6(G) Company Information

Company Name: Apple Inc.

County: Washoe

### Section 1 - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Arthur D. Levison	Chair of the Board, People and Compensation Committee
Wanda Austin, Ph.D.	Audit and Finance Committee
Tim Cook	CEO
Alex Gorsky	People and Compensation Committee, Nominating and Corporate Governance Committee
Andrea Jung	People and Compensation Committee Chair, Nominating and Corporate Governance Committee
Monica Lozano	Audit and Finance Committee
Ronald D. Sugar, Ph.D.	Audit and Finance Committee Chair
Susan L. Wagner	Nominatin and Corporate Governance Committee Chair, Audit and Finance Committee

### Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with No  Yes

**If Yes, continue below:**

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship

Please include any additional details below:

## Entity Information

### Entity Information

**Entity Name:**

APPLE INC.

**Entity Number:**

C26621-2002

**Entity Type:**

Foreign Corporation (80)

**Entity Status:**

Active

**Formation Date:**

10/29/2002

**NV Business ID:**

NV20021459436

**Termination Date:**

**Annual Report Due Date:**

10/31/2024

**Compliance Hold:**

**Domicile Name:**

**Jurisdiction:**

California - United States