

# RETURN ON INVESTMENT TO TAXPAYERS

*Demonstrating the Value of Tri-County Technical College*

SEPTEMBER 2013



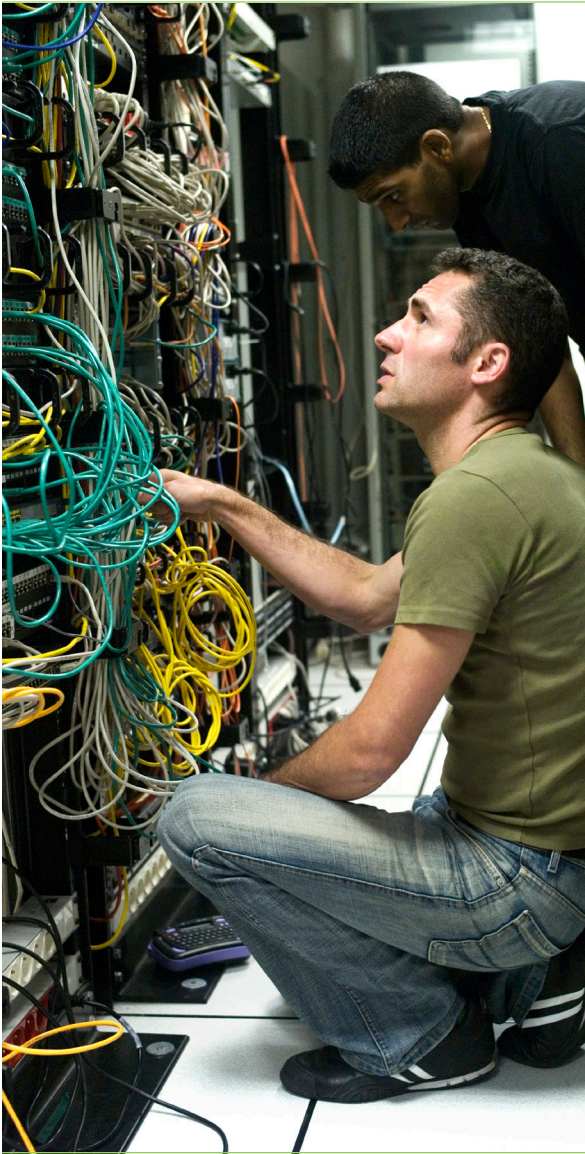
*Students and society as a whole enjoy a range of benefits due to their educational investment in TCTC. A portion of these benefits accrues to state and local taxpayers in the form of higher tax receipts and a reduced demand for government-supported social services.*

## TCTC INCREASES TAX REVENUE

- Approximately **74%** of TCTC's students remain in South Carolina upon completing their educational goals. As students earn more, they pay higher taxes. Employers also pay higher taxes through their increased output and spending.
- Over the students' working lives, state and local government in South Carolina will collect a present value of **\$55.9 MILLION** in the form of higher tax receipts.

## TCTC REDUCES GOVERNMENT COSTS

- TCTC students who achieve higher levels of education are statistically less likely to have poor health habits, commit crimes, or claim 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 South Carolina will see a present value of **\$7.6 MILLION** in savings to government over the students' working careers.

## TCTC IS A SOLID INVESTMENT FOR STATE TAXPAYERS

- In FY 2012-13, state and local taxpayers in South Carolina paid **\$20.6 MILLION** to support the operations of TCTC.
- For every \$1 of public money spent in TCTC, taxpayers receive a cumulative return of **\$3.10** over the course of students' working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an annual return of **7.4%** on their investment in TCTC. This return compares favorably with the 1.1% discount rate used by the federal government to appraise long-term investments.

### COMPARING TAXPAYER RATE OF RETURN TO DISCOUNT RATE

