



# FACT SHEET



## Tax Abatements & Our Data Centers

### A DC BLOX Community Resource for Indianapolis

DC BLOX is planning a data center development in Indianapolis and is seeking tax abatements at a level consistent with other data center projects in the city and state. You might have questions about their purpose, their impact on the community, and their fairness and legality. This overview explains how abatements work and the specifics of why DC BLOX believes this project will deliver long-term value for Indianapolis while ensuring its residents benefit from the project.

### What is tax abatement?

Abatement is a temporary reduction in taxes. These programs are publicly approved, phased out over time, and ultimately transition to full tax payments. Abatements are implemented through legislative or administrative processes and are approved by local officials. Indianapolis has a long history of supporting economic development through the use of incentives like these. Exact abatements for this project will be determined after zoning approval.

### How will DC BLOX deliver long-term revenue even with tax abatements?

At full buildout, the DC BLOX data center is expected to generate 5-7 times the tax revenue of a similarly sized industrial or distribution center building at this site. This project represents an estimated \$2 billion to \$2.2 billion total investment, including approximately \$700 million to \$800 million in DC BLOX investment for site development and building construction, plus approximately \$1.3 billion to \$1.4 billion in tenant investment for servers, networking equipment, and other technology infrastructure.

### How do data centers compare to other uses of the site?

Data centers are generally classified as medium industrial. Because the site at Thunderbird Commerce Center is already zoned for medium industrial use, it could be developed into much higher impact uses. These are projects that could also receive abatements, but they typically generate much less tax revenue and place much greater demands on public infrastructure and local services.

### What happens after the abatement ends?

Once the abatement period expires, the project transitions to full property tax payments, contributing to a larger permanent tax base that will support public services such as schools, roads, and parks. Well-structured incentives generate long-term tax growth that far exceeds the value of the initial incentive.



### Have questions about data center tax abatements?

Visit [dcbloxindy.com](http://dcbloxindy.com) to review project commitments, see updated project information, and submit questions to the DC BLOX team.



# TAX ABATEMENTS ARE TEMPORARY



**1**

## **PUBLIC REVIEW & APPROVAL**

Abatements are approved through public legislative or administrative processes.



**2**

## **TEMPORARY TAX REDUCTION**

Certain taxes are reduced for a limited period.



**3**

## **ABATEMENT PHASES OUT**

The reduction decreases over time.

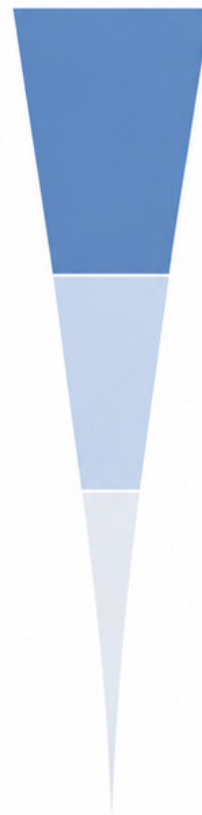


**4**

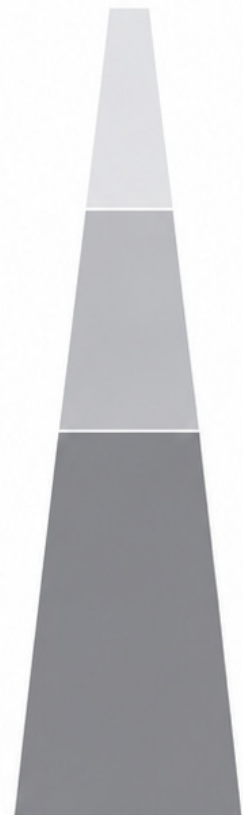
## **FULL PROPERTY TAX PAYMENTS**

The project transitions to full property tax payments.

**TEMPORARY ABATEMENT**



**LOCAL TAX CONTRIBUTION**



## **ABATEMENTS ROLL OFF. THE TAX BASE REMAINS.**

After the abatement period ends, the project contributes to a larger permanent tax base supporting public services such as schools, roads, and parks.



**SCHOOLS**



**ROADS**



**PARKS**