

RETURN ON INVESTMENT TO TAXPAYERS



Demonstrating the Economic Value of Collin College

2015



Students and the community as a whole enjoy a range of benefits due to their educational investment in Collin College. 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.

COLLIN COLLEGE INCREASES TAX REVENUE

- Approximately **76%** of Collin College's students remain in Texas 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 Texas will collect a present value of **\$400.1 MILLION** in the form of higher tax receipts.

COLLIN COLLEGE REDUCES GOVERNMENT COSTS

- Collin College 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 Texas will see a present value of **\$26.2 MILLION** in savings to government over the students' working careers.

COLLIN COLLEGE IS A SOLID INVESTMENT FOR STATE AND LOCAL TAXPAYERS

- In FY 2012-13, state and local taxpayers in Texas paid **\$101.3 MILLION** to support the operations of Collin College.
- For every \$1 of public money spent on Collin College, taxpayers receive a cumulative return of **\$4.20** over the course of students' working lives in the form of higher tax receipts and public sector savings.
- Taxpayers see an annual return of **12.7%** on their investment in Collin College. 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

