

An Economic Summary of Davis County's Cultural Industry

Economic Contributions

Davis County's cultural industry, which includes the design, education, entertainment, fashion, film, humanities, and traditional arts sectors, generated \$691.0 million in output (direct spending) in 2022 (Figure 1). This \$691.0 million directly supported an estimated 5,060 jobs and indirectly supported an additional 2,391 jobs in Davis County (Figure 5).^{1,2}

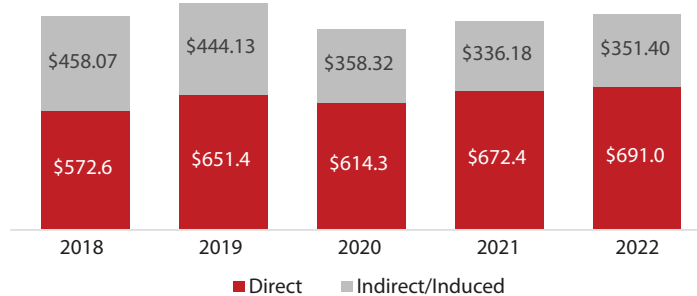
There was a 7.1% year-over increase in cultural industry spending from 2021 to 2022 after adjusting for inflation. The \$691.0 million in cultural industry spending represented 1.7% of Davis County's total output in 2022 (Figure 2). Davis County's cultural industry also generated \$322 million in gross domestic product (GDP), or a 1.7% share of total county GDP (Figure 3). Cultural industry activity generated an additional \$351 million of output and \$159 million of GDP through indirect and induced effects.

Jobs

Davis County's 5,060 cultural industry jobs increased by 5.9% from 2021, but were still down -1.3% from the 2019 baseline.³ These direct jobs generated \$202.0 million in labor income.⁴ Cultural industry jobs composed a 3.4% share of total county jobs. The year-over percent increase in cultural industry jobs (5.9%) was the third highest after public administration (23.4%) and trade, transportation, and utilities (9.9%) (Figure 6).

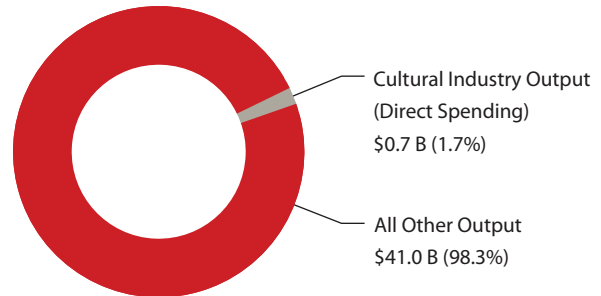
Figure 1: Davis County Cultural Industry Output (Total Spending), 2018-2022

(In Millions of 2022 Dollars)



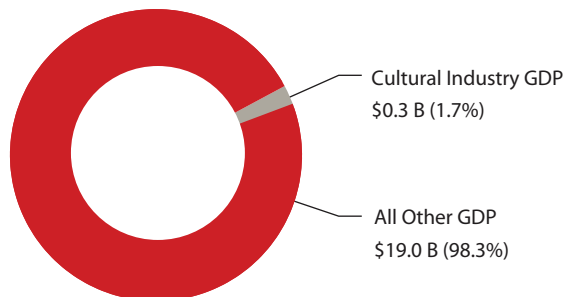
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 2: Davis County Industry Output (Direct Spending) As Share of Total County Spending, 2022



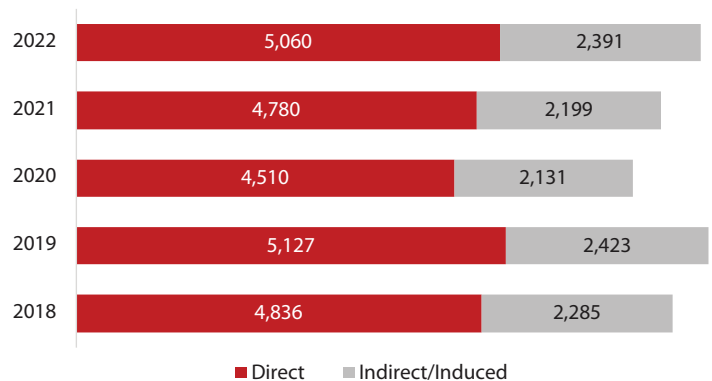
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 3: Davis County Cultural Industry GDP As Share of Total County GDP, 2022



Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 4: Total Davis County Cultural Industry Jobs, 2018-2022



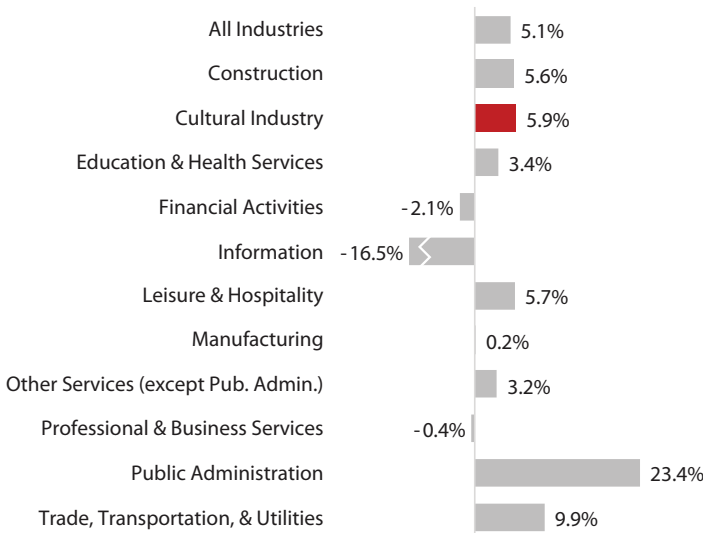
Note: Includes full- and part-time private and public employment; includes sole proprietors.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 5: Cultural Industry Jobs as Share of Total Davis County Jobs, 2022



Note: Includes full- and part-time private and public employment; includes sole proprietors.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 6: Year-Over Change in Davis County Jobs by Industry, 2021-2022



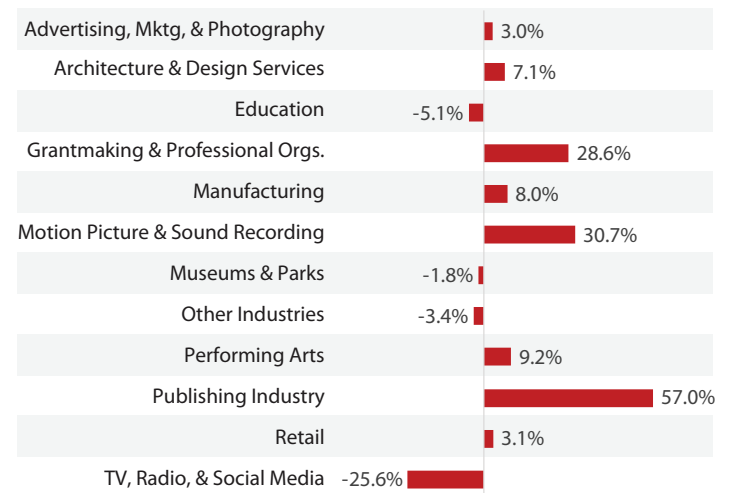
Note: Includes full- and part-time private and public employment; includes sole proprietors.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Davis County's cultural industry subsectors with the greatest year-over growth included the publishing industry (57.0%), motion picture & sound recording (30.7%), and grantmaking & professional organizations (28.6%).

Specifically, the film production and movie theater categories added over 100 jobs in Davis County in 2022. The TV, radio, & social media subsector, however, experienced a -25.6% decrease in jobs due to losses in media streaming distribution services, social and other media networks, and content providers (Figure 7).

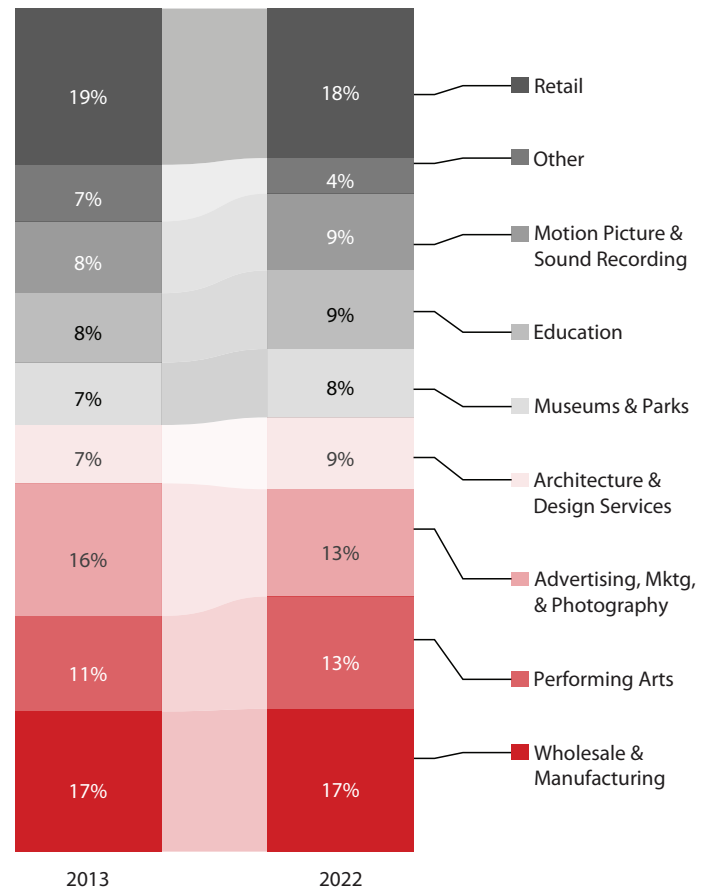
Davis County's cultural industry job profile has not significantly changed over time in terms of shares of jobs by job type with the exception of the advertising, marketing, & photography subsector, which experienced a slight decline in its share of 16% in 2013 to 13% in 2022. The performing arts, cultural industry-related wholesale & manufacturing, and architecture & design services subsectors added more than 500 jobs combined over the past ten years (Figure 8).

Figure 7: Year-over Percent Change in Davis County Cultural Industry Jobs by Sector, 2021-2022



Note: The Other Industry subsector includes jobs in Libraries & Archives, Rental & Leasing, Furniture Repair, and Photofinishing; the Wholesale subsector has been omitted from this figure.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Figure 8. Direct Cultural Industry Employment in Davis County by Industry Type, 2013 vs. 2022



Note: The Grantmaking & Professional Organizations, TV, Radio, & Social Media Industries, and Other Industries subsectors have been omitted due to low numbers; the Other subsector includes jobs in Libraries & Archives, Rental & Leasing, Furniture Repair, and Photofinishing.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Tax Revenue

Tax revenue generated by cultural industry activity supports health and human services, public safety, and other countywide services through General Fund contributions. Davis County's cultural industry spending generated an estimated \$24.0 million in direct tax revenue in 2022, a 16.2% year-over increase after adjusting for inflation (Figure 9). This \$24.0 million in tax revenue included \$14.2 million in state and \$9.8 million in local tax revenue. Of total direct tax revenue, state sales tax composed the largest share at \$7.8 million, followed by local property tax at \$7.1 million (Figure 10). When considering Davis County's state and local tax revenue contributions, the cultural industry represented 1.9% of total state sales tax revenue, 0.7% share of state income tax revenue, 0.4% of local sales tax revenue, and 1.7% of property tax revenue (Figure 12).

RAP Tax Revenue

Currently, 11 municipalities in Davis County levy a 0.1% Recreation, Arts, & Parks (RAP) tax, including Bountiful, Centerville, Clearfield, Farmington, Kaysville, Layton, North Salt Lake, South Weber, Syracuse, West Bountiful, and Woods Cross. Counties and municipalities generally use RAP taxes to support recreation, arts & culture, and parks in their communities. The RAP tax funds in Davis County are dedicated to the advancement of the county's local arts and culture organizations and recreation projects. State statute regulates the allowed uses of the funds. RAP receives one (1) penny of every \$10 spent on every taxable Davis County purchase. These funds are distributed each year in the form of grants to eligible nonprofit community arts, culture and zoological organizations.

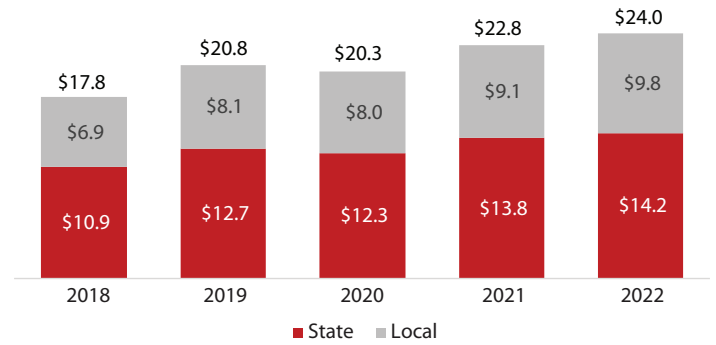
Figure 11 shows Davis County's RAP tax revenues from 2018-2022, including the county's estimated visitor-generated portion (8.2%). Because RAP tax revenue is derived from all taxable purchases, the county's RAP tax did not decline during the 2020 pandemic. Year-over county RAP tax collections were up 8.5% (inflation-adjusted) in 2022 and totaled \$6.57 million dollars.

Nonprofit Revenue

Cultural industry nonprofit revenue (\$7.8 million) composed 2.1% of all county nonprofit revenue (Figure 13).

Figure 9: Davis County Cultural Industry Direct Tax Revenue, 2018-2022

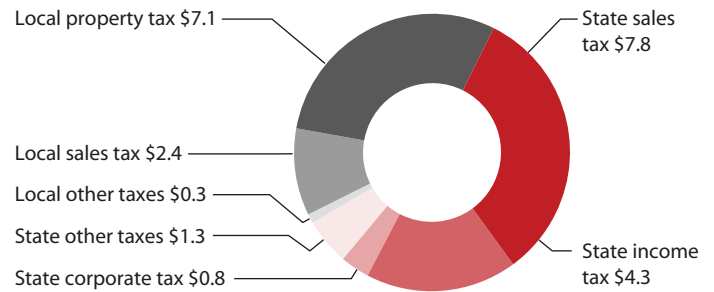
(In Millions of 2022 Dollars)



Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Figure 10: Davis County Cultural Industry Direct Tax Revenue by Tax Type, 2022

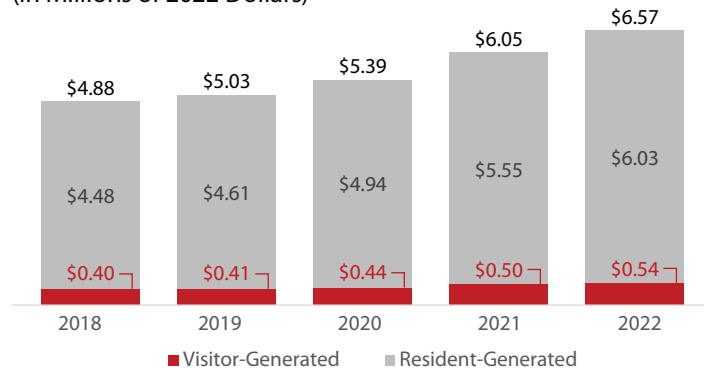
(In Millions of Dollars)



Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Figure 11: Davis County RAP Tax Revenue, 2018-2022

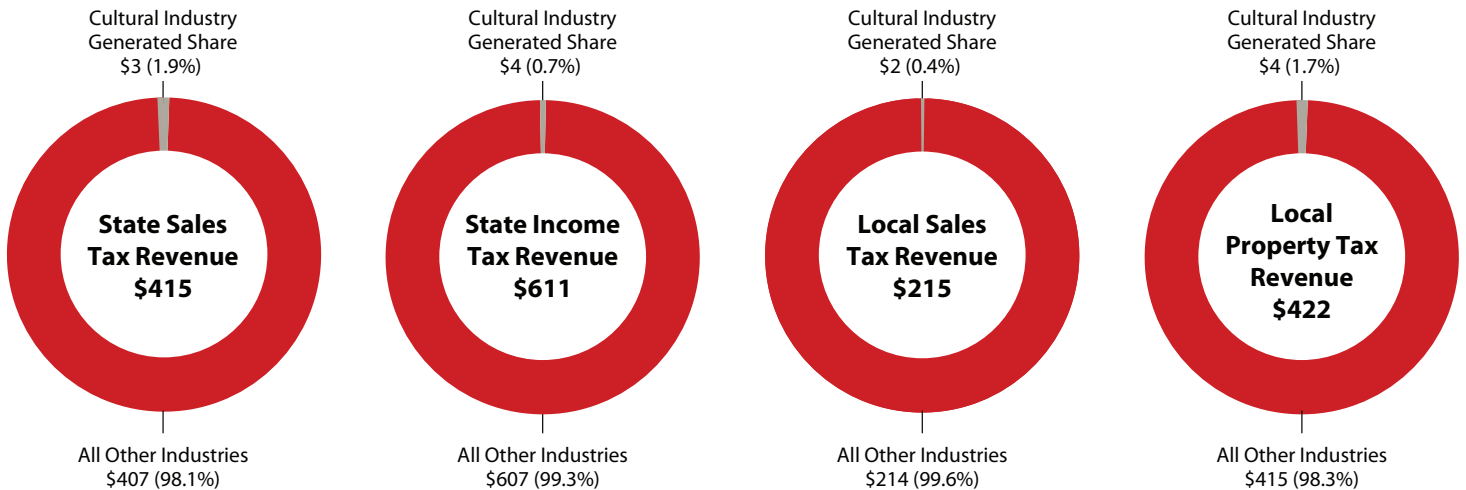
(In Millions of 2022 Dollars)



Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Figure 12: Davis County Tax Revenue Contributions, 2022

(In Millions of Dollars)

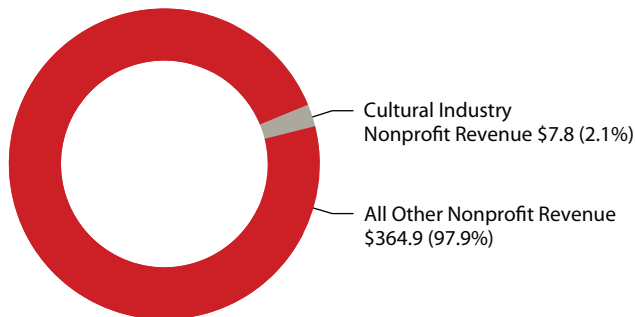


Note: 2022 income tax revenue is estimated; E-911, Liquor, Muni Telecom, and Muni Energy local sales taxes have been omitted from the total local sales tax revenue estimate.

Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics and Utah State Tax Commission data

Figure 13: Davis County Cultural Industry Nonprofit Revenue As Share of Total County Nonprofit Revenue, 2022

(In Millions of Dollars)



Source: Kem C. Gardner Policy Institute analysis of U.S. Internal Revenue Service data

Endnotes

1. This Davis County profile assesses the economic multiplier effects associated with the current or predicted level of sales generated by the cultural industry in the county. Economic contribution captures the economic expanse of all cultural industry county spending and shows the relative reach and magnitude of the industry in the Davis County economy. In contrast, economic impact studies measure the changes in the size and structure of a region’s economy that occur when vendors purchase goods and services within the region with money generated outside the region.
2. For this analysis, the Gardner Institute utilized 83 cultural arts industry NAICS codes provided by the Utah Cultural Alliance and their advisory

- board of economists and economic development professionals to define the industry. Researchers entered industry codes into Chmura’s JobsEQ software tool to generate industry jobs and then entered jobs into IMPLAN economic model to produce jobs, labor income, industry sales, and tax revenue.
3. Jobs include full- and part-time private and public employment, and self-employment.
4. Labor income is the sum of employee compensation (wages and benefits) and proprietor income.