

An Economic Summary of Washington County's Cultural Industry

Economic Contributions

Washington County's cultural industry, which includes the design, education, entertainment, fashion, film, humanities, and traditional arts sectors, generated \$570.5 million in output (direct spending) in 2022 (Figure 1). This \$570.5 million directly supported an estimated 3,505 jobs and indirectly supported an additional 2,499 jobs in Washington County (Figure 5).^{1,2}

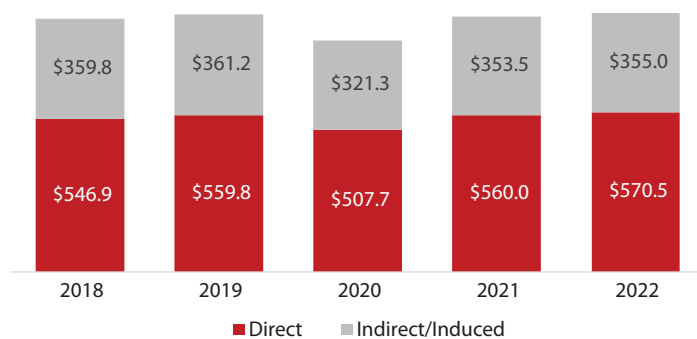
There was an 8.3% year-over increase in cultural industry spending from 2021 to 2022 after adjusting for inflation. The \$570.5 million in cultural industry spending represented 3.4% of Washington County's total output in 2022 (Figure 2). Washington County's cultural industry also generated \$275.7 million in gross domestic product (GDP), or a 3.4% share of total county GDP (Figure 3). Cultural industry activity generated an additional \$355 million of output and \$168 million of GDP through indirect and induced effects.

Jobs

Washington County's 3,505 cultural industry jobs increased by 8.3% from 2021 and surpassed baseline 2019 jobs by 12.1%.³ These direct jobs generated \$136.4 million in labor income.⁴ Cultural industry jobs composed a 3.9% share of total county jobs and experienced the third fastest year-over growth after the natural resources & mining sector and information sector

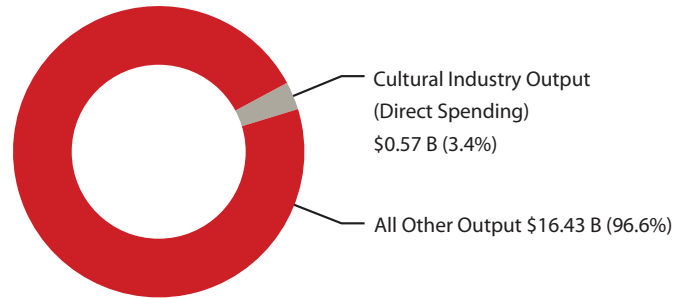
Figure 1: Washington County Cultural Industry Output (Total Spending), 2018-2022

(In Millions of 2022 Dollars)



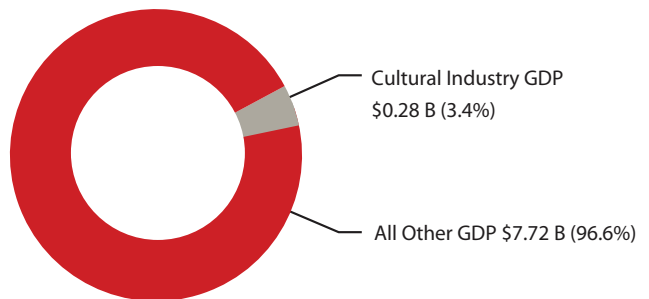
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

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



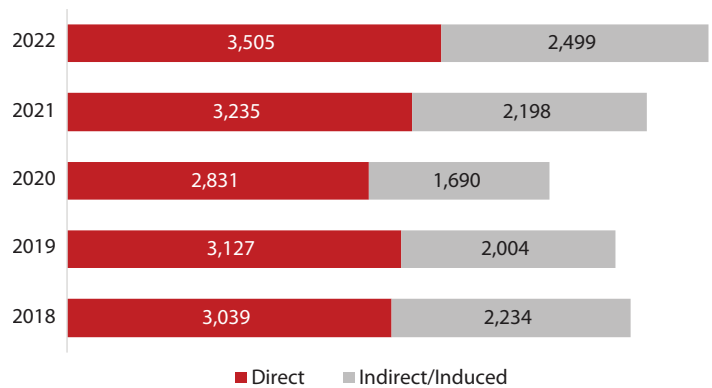
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 3: Washington 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 Washington County Cultural Industry Jobs, 2018-2022



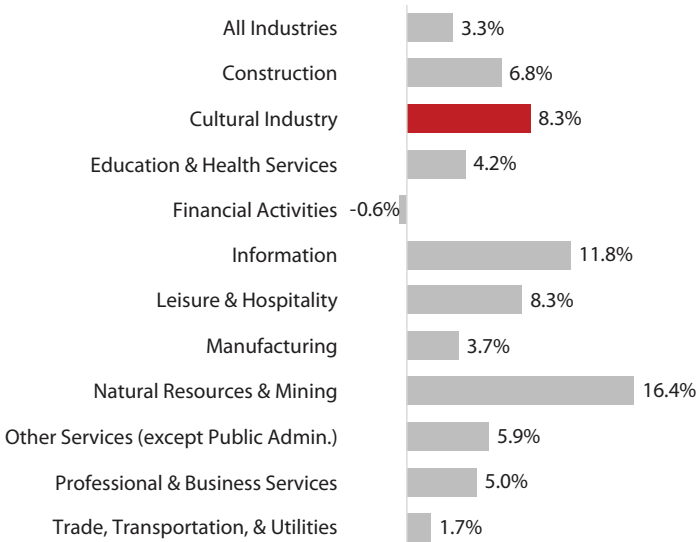
Note: Includes full- and part-time private and public employment; includes sole proprietors.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

Figure 5: Cultural Industry Jobs as Share of Total Washington 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 Washington County Jobs by Industry, 2021-2022



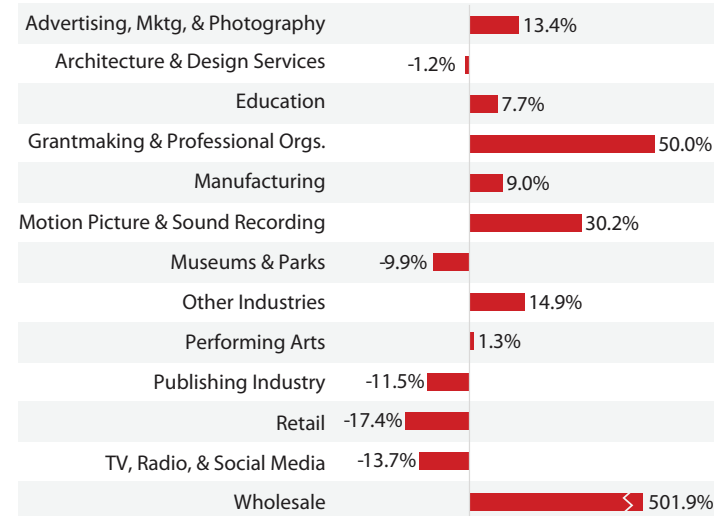
Note: Includes full- and part-time private and public employment; includes sole proprietors.
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Economic Analysis data

and increased at a greater year-over rate than all Washington County jobs (3.3%) (Figure 6).

Washington County's cultural industry-related wholesale subsector experienced a 501.9% year-over increase, adding 266 jobs in the jewelry merchant wholesale category. This significant employment increase was due to the expansion of jewelry wholesaler, Paparazzi Accessories, into the St. George area. Grantmaking & professional organizations and the motion picture & sound recording subsectors experienced 50.0% and 30.2% year-over increases, respectively (Figure 7).

Washington County's cultural industry job profile has shifted over time. Publishing industry jobs, which in 2013 made up one-quarter of all cultural industry jobs, now account for fewer than one-in-five jobs (17%). Conversely, wholesale & manufacturing jobs, which composed 12% of cultural industry jobs in 2013, made up 22% in 2022 (Figure 8).

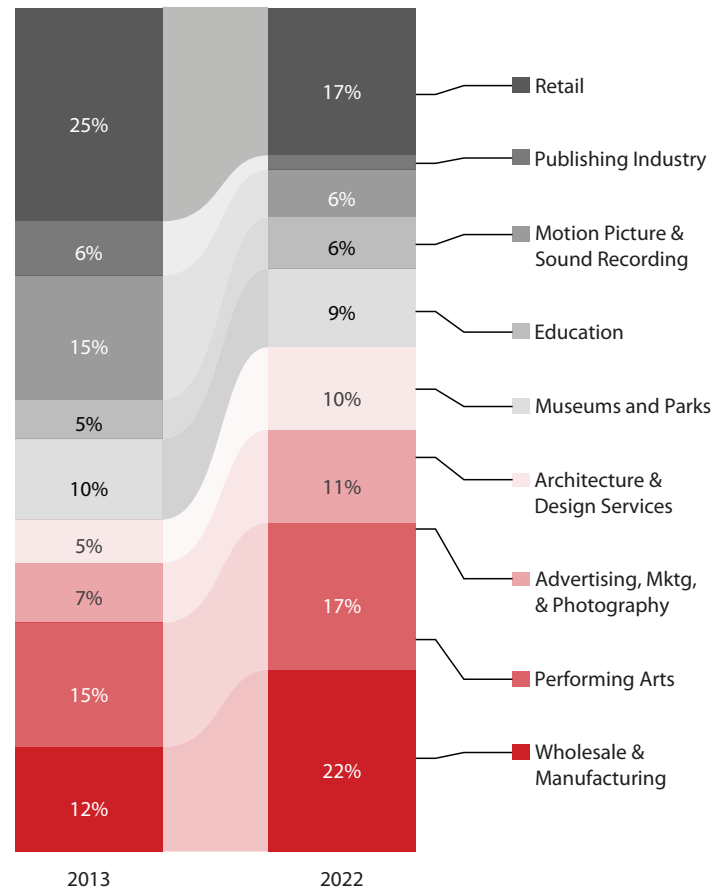
Figure 7: Year-Over Change in Washington County Cultural Industry Jobs by Sector, 2021-2022



Note: The Other Industries subsector includes jobs in Libraries & Archives, Rental & Leasing, Furniture Repair, and Photofinishing; the Wholesale & Manufacturing 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 Washington 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 county services through General Fund contributions. Washington County’s cultural industry spending generated an estimated \$15.8 million in direct tax revenue in 2022, a 16.8% year-over increase after adjusting for inflation (Figure 9). This \$15.8 million in tax revenue included \$10.0 million in state and \$5.8 million in local tax revenue. Of total direct tax revenue, state sales tax composed the largest share at \$4.4 million, followed by state income tax at \$4.1 million (Figure 10). When considering Washington County’s state and local tax revenue contributions, the cultural industry represented 1.3% of total state sales tax revenue, 1.5% of state income tax revenue, 1.2% of local sales tax revenue, and 1.5% of property tax revenue (Figure 12).

RAP Tax Revenue

Washington County levies a 0.1% Recreation, Arts, & Parks (RAP) tax. Counties and municipalities generally use RAP taxes to support recreation, arts & culture, and parks in their communities. Washington County’s RAP tax funds are dedicated to the advancement of Washington 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 Washington County purchase. These funds are distributed each year in the form of grants to eligible nonprofit community arts, culture and zoological organizations. RAP tax funds assisted 28 Washington County organizations.

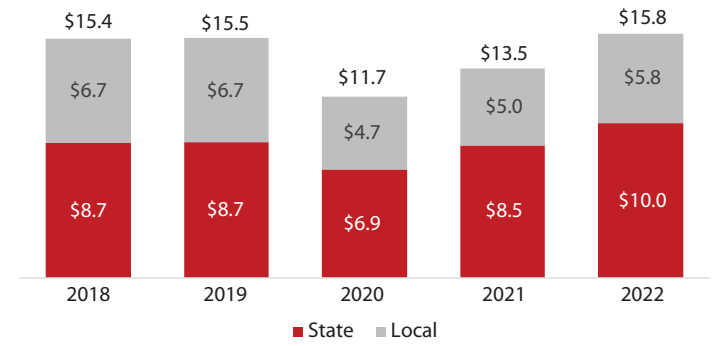
Figure 11 shows Washington County’s RAP tax revenues from 2018-2022, including the county’s estimated visitor-generated portion (16.7%). Because RAP tax revenue is derived from all taxable county purchases, the county’s RAP tax did not decline during the 2020 pandemic. Year-over county RAP tax collections were up 3.4% (inflation-adjusted) in 2022 and totaled \$5.93 million dollars.

Nonprofit Revenue

Cultural industry nonprofit revenue (\$32.3 million) composed 13.8% of all county nonprofit revenue (Figure 13).

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

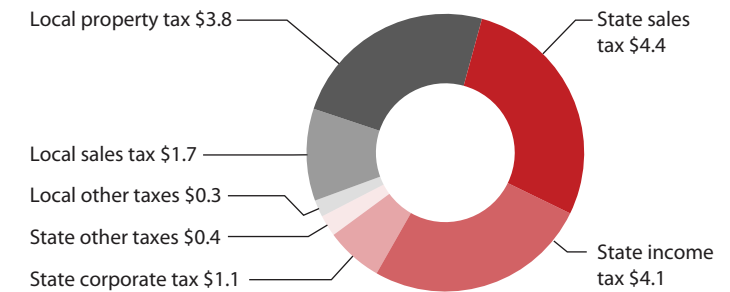
(In Millions of 2022 Dollars)



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

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

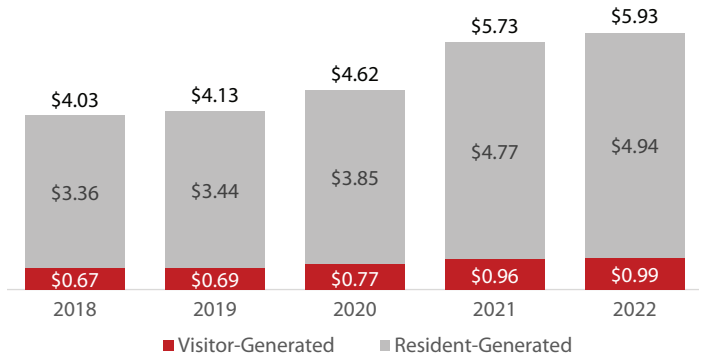
(In Millions of Dollars)



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

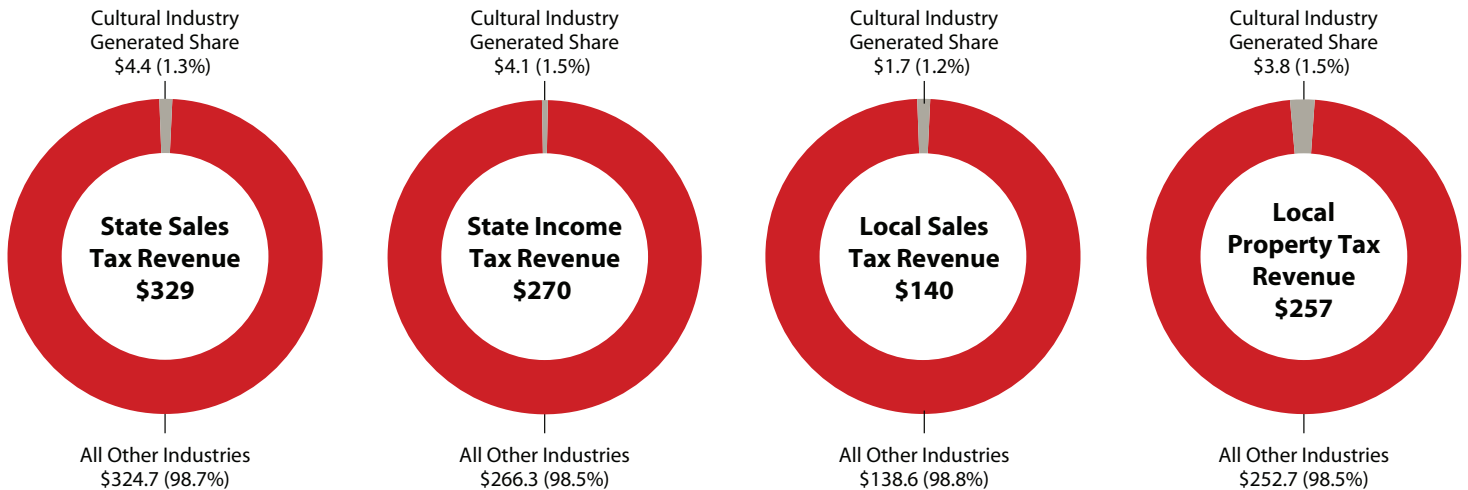
Figure 11: Washington County RAP Tax Revenue, 2018-2022

(In Millions of 2022 Dollars)



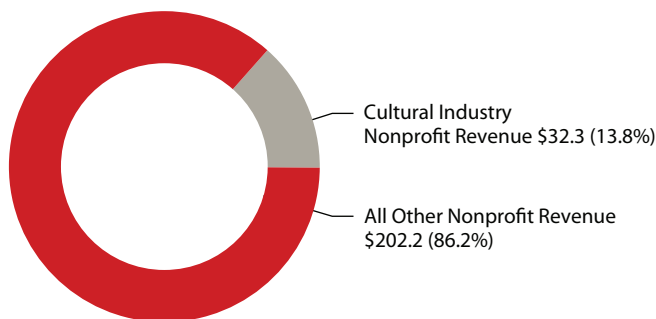
Source: Kem C. Gardner Policy Institute analysis of U.S. Bureau of Labor Statistics data

Figure 12: Washington 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: Washington County 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 Washington 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 Washington 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 the 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.