



MARCH 2026

ECONOMIC IMPACT OF ZYN MANUFACTURING PLANT IN AURORA, COLORADO

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ABOUT THE AUTHOR



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ABOUT COMMON SENSE INSTITUTE

Common Sense Institute is a non-partisan research organization dedicated to the protection and promotion of Colorado's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Coloradans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the economy and individual opportunity.

TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Coloradans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

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KEY FINDINGS

The \$600 million Zyn manufacturing plant in Aurora is anticipated to employ 500 individuals directly.

The investment has broader impacts across the Colorado economy, including:

- **Construction and development phase**
 - › 5,027 jobs supported during construction and development.
- **Ongoing operations**
 - › Directly and indirectly support an average of **1,056 jobs annually** once the plant is operational.
- **Aggregate impact (2025–2030)**
 - › Nearly **\$4.1 billion** in cumulative economic output from 2025 through 2030.
 - › More than **\$1.2 billion** in personal income for Coloradans.
- **Tax Revenue**
 - › The revenue generated to the state’s General Fund of over **\$43 million** surpasses the estimated incentives received from state and local government of **\$16 million**.

ECONOMIC IMPACT FROM THE DIRECT JOBS AND INVESTMENT

On July 16, 2024, Philip Morris International (PMI) announced plans for a \$600 million manufacturing plant in Aurora, Colorado.ⁱ At full capacity, the plant is expected to directly employ 500 individuals.ⁱⁱ The investment represents one of the most significant advanced manufacturing investments in the state in recent years. Spearheaded by PMI through its U.S. operations, the project signals Colorado’s interest in staying competitive in value-added manufacturing and large-scale capital investment. Beyond its direct footprint in Aurora, the facility is poised to generate meaningful economic ripple effects across the state through job creation, supply chain activity, tax revenue generation, and induced household spending.

Manufacturing operations of this scale typically support substantial indirect and induced job creation through supplier networks, logistics providers, construction firms, professional services, and local vendors. During the construction phase, the project has generated or will have generated 5,027 jobs, injecting significant capital into Colorado’s construction and materials sectors.ⁱⁱⁱ Ongoing operations began in 2025 at partial capacity. When operating at full capacity, the plant is anticipated to support additional jobs statewide through procurement of inputs, transportation services, equipment maintenance, utilities, and business services, comprising an annual average of 1,056 jobs and generating almost \$4.1 billion in economic output from 2025 through 2030.

From a fiscal perspective, the project is expected to contribute to local and state tax bases through income taxes, sales taxes, and related economic activity, to the tune of \$43 million in revenue from 2025 through 2030.

Taken together, the Zyn manufacturing facility represents a major infusion of capital and employment into Colorado’s economy, expanding the economic footprint of the state.

FIGURE 1.

Economic Impact of Zyn Manufacturing Facility in Aurora, Colorado

Measure	Units	2025	2026	2027	2028	2029	2030	Cumulative Impact (Except for Jobs)
Total Employment	Individuals (Jobs)	3,962	2,529	1,424	1,161	937	793	
Gross Domestic Product	Current Dollars	\$560,087,782	\$450,177,231	\$287,352,771	\$240,850,943	\$207,933,175	\$185,389,785	\$1,931,791,686
Output (Business Sales)	Current Dollars	\$1,045,385,179	\$905,470,534	\$622,530,393	\$545,674,403	\$492,073,248	\$456,899,106	\$4,068,032,864
Personal Income	Current Dollars	\$377,649,906	\$271,537,256	\$175,638,744	\$150,651,962	\$127,399,542	\$110,747,308	\$1,213,624,718
Disposable Personal Income	Current Dollars	\$325,268,698	\$233,506,839	\$151,237,299	\$130,269,256	\$110,533,887	\$96,397,116	\$1,047,213,096

Source: CSI analysis using REMI Tax PI+



INCENTIVES AND TAX REVENUE GENERATED

The project received the following tax incentives:

- Colorado Office of Economic Development and International Trade – Job Growth Incentive Tax Credit: \$4.6 million over 8 years (performance based).^{iv}
- City of Aurora: \$7.1 million.^v
- Adams County: \$4.3 million.^{vi}

The sum of incentives—approximately \$16.0 million—is less than the anticipated \$43 million in tax revenue generated through 2030.

SOURCES

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- ii. Nicotine Insider, "PMI Opens Doors to \$600M ZYN Plant in Colorado," February 11, 2026, <https://nicotineinsider.com/2026/02/11/pmi-opens-doors-to-600m-zyn-plant-in-colorado/>
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- v. 2Firsts, "PMI Launches Mass Production of ZYN at \$600M Aurora Manufacturing Hub," February 2026, <https://www.2firsts.com/news/pmi-launches-mass-production-of-zyn-at-600m-aurora-manufacturing-hub>
- vi. 2Firsts, "PMI Launches Mass Production of ZYN at \$600M Aurora Manufacturing Hub," February 2026, <https://www.2firsts.com/news/pmi-launches-mass-production-of-zyn-at-600m-aurora-manufacturing-hub>