



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Department
Date: April 15, 2025
Re: Case C 2025-30: NSK Corporation (16-19)

Summary:

1. On October 17th, 2016, the Franklin Common Council passed Resolution No. 2016-19, approving a 7-year tax abatement with a 5% economic development fee on personal property for NSK Corporation, located at 3400 Bearing Drive.
2. Actual and estimated benefits, as projected for 2024:

	Estimated on SB-1	Actual in 2024	Difference
Employees Retained	253	253	0
Salaries	\$11,878,189	\$15,663,946	+\$3,785,757
New Employees	1	0	-1
Salaries	\$57,200	\$0	-\$57,200
Total Employees	254	253	-1
Total Salaries	\$11,935,389	\$15,663,948.97	+\$3,728,559
Average Hourly Salaries	\$22.59	\$29.77	+\$7.18
Personal Property Improvements	\$6,625,200	\$8,764,646.00	\$2,140,446

3. The company indicated on their original application that \$6,625,200 in equipment would be purchased by May 31st, 2017. The investment was completed and is greater than estimated
4. In 2017, there were 8 fewer employees than estimated, but the total salaries were \$4,668,896 over the estimate. Average hourly salaries were \$9.86 higher than estimated. In 2018, the company was short only one employee, but the hourly salaries are \$11.94 higher than estimated. In 2019, they were ahead on both employees and wages. In 2020, they are above in employment and wages. In 2021, the company continued to be above wages and labor numbers. In 2022, the company is down in jobs but up in labor. In 2023, the company is above average in employees and wages. IN 2024, the company is down by 1 but up in wages.
5. The completion date approved on their SB-1 Form was May 31, 2017. The personal property tax abatement is scheduled to expire in tax year 2025, payable in 2026. Their last year for compliance review will be 2025.

Staff Recommendation: Approval

NSK Corporation
3400 Bearing Dr
Franklin, IN 46131

March 14, 2025

Mrs. Dana Monson, Community Development Specialist
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

Re: Tax Abatement Compliance for NSK Corporation

Dear Mrs. Monson:

Enclosed please find Forms CF-1 (Compliance with Statement of Benefits) regarding compliance with the real and personal property tax abatements which were granted to NSK Corporation in 2010, 2013, 2016 and 2022 under Franklin Common Council Resolution numbers 13-20, 16-19, 2022-07 and 2022-08.

Per our supporting documentation, previous conversations, and previous years' compliance packet letters regarding Resolution 13-20, we did not meet our original capital expenditures target of \$20m. We had a substantially smaller investment, some of which was due to business we did not win, and some of which was canceled due to changes in business plans at global headquarters due to lost business and significant currency fluctuations between the US dollar and the Japanese Yen. We do have additional capital expenditures not yet placed in service to be reflected in future periods.

Regarding Resolution 16-19, NSK has achieved the full amount of capital investments projected under Resolution 16-19.

Resolution 2022-07 and 2022-08 are in the early stages of making the capital investments and job creations but are still on track to meet the requirements.

Please review the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,



Kyle VanWambeke
Advantax
630-444-2777

Enclosures

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R4 / 11-16)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP**PRIVACY NOTICE**This form contains information
confidential pursuant to
IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between January 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between January 1 and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1		TAXPAYER INFORMATION	
Name of taxpayer	NSK Corporation	County	Johnson
Address of taxpayer (number and street, city, state, and ZIP code)	PO Box 134007, Ann Arbor, MI 48113-4007	DLGF taxing district number	
Name of contact person	Amy Miller	Telephone number	(734) 913-7597

SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body	The City of Franklin Common Council	Resolution number	16-19
Location of property	3400 Bearing Drive, Franklin, IN 46131	Estimated start date (month, day, year)	01/01/2017
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	Grinding, machining, assembly, and inspection equipment to produce hub bearings for the automotive passenger market	Actual start date (month, day, year)	05/01/2017
		Estimated completion date (month, day, year)	05/01/2019
		Actual completion date (month, day, year)	

SECTION 3			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		254	253
Salaries		11,935,389.00	15,663,948.97
Number of employees retained		12	
Salaries		411,840.00	
Number of additional employees		1	
Salaries		57,200.00	

SECTION 4									
		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project		118,418,041.00	35,525,412.00						
Plus: Values of proposed project		6,625,200.00	1,987,560.00						
Less: Values of any property being replaced		322,034.00	96,610.00						
Net values upon completion of project		124,721,207.00	37,416,362.00						
ACTUAL		COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project		118,418,041.00	35,525,412.00						
Plus: Values of proposed project		6,302,148.82	1,890,644.65						
Less: Values of any property being replaced		0.00	0.00						
Net values upon completion of project		124,720,189.82	37,416,056.65						

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

SECTION 5		
WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		
WASTE CONVERTED AND OTHER BENEFITS		AS ESTIMATED ON SB-1
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6		
TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative	Title	Date signed (month, day, year)
	Tax Agent	3/28/2025

Company Name	Site Code	Asset #	Asset Description	Acq Date	Cost	Asset Category
NSK Corporation	16-19	128275	HUB 3 Swaging machine APS-831H3	8/16/2017	515,449.62	Machinery & Equipment
NSK Corporation	16-19	142940	Execution Franklin/Liberty Investment - Ford CD6 H	7/16/2019	420,885.70	Machinery & Equipment
NSK Corporation	16-19	142942	Execution Franklin/Liberty Investment - Ford CD6 H	7/16/2019	292,748.00	Machinery & Equipment
NSK Corporation	16-19	134601	Franklin Hub Safety (2017) - H1712	8/16/2018	263,581.07	Machinery & Equipment
NSK Corporation	16-19	127311-1	Grinding Machine 1GA-731H	8/16/2017	219,171.76	Machinery & Equipment
NSK Corporation	16-19	130115-1	Outer Ring Grinding 1GA-131H FRH0851	8/16/2017	216,224.65	Machinery & Equipment
NSK Corporation	16-19	127313-2	A Ring Super Finish 1SA-130H FRH0852	8/16/2017	214,288.25	Molds, Dies, Jigs & Tools
NSK Corporation	16-19	142605	Air Compressor #1 Replacement (2018)	4/16/2019	201,835.97	Machinery & Equipment
NSK Corporation	16-19	127318	HUB 3 Assembly Machine AA-830H3	8/16/2017	199,262.35	Machinery & Equipment
NSK Corporation	16-19	142607	Air Compressor #3 Replacement (2018)	4/16/2019	187,410.31	Machinery & Equipment
NSK Corporation	16-19	127314-2	Spindle Raceway Grinding Machine 1GB-734H	8/16/2017	185,976.15	Molds, Dies, Jigs & Tools
NSK Corporation	16-19	134607	Coolant Chiller Replacement (2017) - H1718	9/16/2018	166,340.53	Machinery & Equipment
NSK Corporation	16-19	131925	HUB 3 Matching Machine AM-830H3	8/16/2017	157,399.17	Machinery & Equipment
NSK Corporation	16-19	127315-2	Broaching Machine NBV-5-10A	8/16/2017	152,211.77	Molds, Dies, Jigs & Tools
NSK Corporation	16-19	127315-1	Broaching Machine NBV-5-10A	8/16/2017	152,211.77	Machinery & Equipment
NSK Corporation	16-19	142941	Execution Franklin/Liberty Investment - Ford CD6 H	7/16/2019	152,090.65	Machinery & Equipment
NSK Corporation	16-19	127312-1	B2 Super Finish SBS-521 FRH0855	8/16/2017	152,053.31	Machinery & Equipment
NSK Corporation	16-19	129227	HUB 3 Encoder Seal Press AES-831BKH-E	8/16/2017	144,434.47	Machinery & Equipment
NSK Corporation	16-19	129226	HUB 3 Vibration Check MA-830H3	8/16/2017	141,241.38	Machinery & Equipment
NSK Corporation	16-19	134609	Tesla Model 3 - Non Driven 66G (2018) - H1802	5/16/2019	141,135.45	Machinery & Equipment
NSK Corporation	16-19	130119	HUB 3 Ball Filling Machine AB-830H3	8/16/2017	140,015.28	Machinery & Equipment
NSK Corporation	16-19	131011	HUB 3 Flange and OD Runout Check MF-834BKH-E	8/16/2017	137,403.55	Machinery & Equipment
NSK Corporation	16-19	143357	Air Compressor #2 Replacement (2018) H1808	7/16/2019	111,297.16	Machinery & Equipment
NSK Corporation	16-19	131929	HUB 3 Rigidity Check Machine MP-832H3	8/16/2017	109,225.21	Machinery & Equipment
NSK Corporation	16-19	134616	High Pressure Coolant (2018) - H1803	12/16/2018	102,601.86	Machinery & Equipment
NSK Corporation	16-19	142606	Air Compressor #2 Replacement (2018)	4/16/2019	101,419.52	Machinery & Equipment
NSK Corporation	16-19	127313-1	A Ring Super Finish 1SA-130H FRH0852	8/16/2017	91,837.82	Machinery & Equipment
NSK Corporation	16-19	134592	TRB G2 Line Loading(RG5A/6A) (2016) - H1671	12/16/2018	84,198.41	Machinery & Equipment
NSK Corporation	16-19	134602	Hub 3 Swage Rebuild (2017) - H1713	10/16/2018	84,064.95	Machinery & Equipment
NSK Corporation	16-19	131012	HUB 3 Rust Prevention and Visual Inspection AR-833	8/16/2017	83,202.92	Machinery & Equipment
NSK Corporation	16-19	129225	B1 Supply Wash & ECT Mach BF-832BWH-E	8/16/2017	81,593.26	Machinery & Equipment
NSK Corporation	16-19	131927-1	Outer Wing washing Equipment WWA-831H3	8/16/2017	80,294.60	Machinery & Equipment
NSK Corporation	16-19	135191	RTAC Replacement (2018)	12/16/2018	79,810.38	Machinery & Equipment
NSK Corporation	16-19	127314-1	Spindle Raceway Grinding Machine 1GB-734H	8/16/2017	79,704.07	Machinery & Equipment
NSK Corporation	16-19	128276	HUB 3 Spline Check Machine MM-831H3-E	8/16/2017	77,398.09	Machinery & Equipment
NSK Corporation	16-19	134991	Noise Reduction - 3C4 High (2018) - H1801	1/16/2019	62,875.90	Machinery & Equipment
NSK Corporation	16-19	134615	3C3 Swage Machine Overhaul (2018) - H1804	12/16/2018	61,721.22	Machinery & Equipment
NSK Corporation	16-19	142042	Trash Compactor (2018)	8/1/2019	54,734.00	Machinery & Equipment
NSK Corporation	16-19	134614	Hub 3/Green Aisle cameras (2018) - H1806	12/16/2018	53,147.78	Machinery & Equipment
NSK Corporation	16-19	142572	Franklin Warehouse Improvements - Rack Safety (201	9/16/2019	44,907.37	Machinery & Equipment
NSK Corporation	16-19	134593	Magnetic Loader H1672	10/16/2019	43,818.88	Machinery & Equipment
NSK Corporation	16-19	143306	Magnetic Loader H1672	10/16/2019	43,818.88	Machinery & Equipment
NSK Corporation	16-19	125487-1	Bolt Press Machine AZ-833B-E	8/16/2017	42,508.14	Machinery & Equipment
NSK Corporation	16-19	142604	Noise Reduction - 3C4 High H1801	7/16/2019	41,816.97	Machinery & Equipment
NSK Corporation	16-19	134588	Hub 3 Honda Lineside Labeling (2016) - H1611	4/16/2018	40,881.58	Machinery & Equipment
NSK Corporation	16-19	142569	Laser Marker Replacement (2019)	7/16/2019	40,375.40	Machinery & Equipment
NSK Corporation	16-19	142603	Quality Dojo (2018)	7/16/2019	16,321.42	Machinery & Equipment
NSK Corporation	16-19	140923	FY18 Safety Guarding (2018)	9/16/2019	14,281.32	Machinery & Equipment
NSK Corporation	16-19	142781	Franklin Plant Grease Pump for (2017) - H1707	4/16/2019	9,075.00	Machinery & Equipment
NSK Corporation	16-19	124683	Okuma LB250 Rebuild 120535 (Addl Cost)	4/16/2018	3,974.07	Machinery & Equipment
NSK Corporation	16-19	127310-2	Direct Conveyor	8/16/2017	3,167.96	Molds, Dies, Jigs & Tools
NSK Corporation	16-19	124724	HUB 3 Swaging machine APS-831H3 (Addl Cost)	4/16/2018	2,366.48	Machinery & Equipment
NSK Corporation	16-19	142597	RTAC Replacement (2018)	4/16/2019	1,285.64	Machinery & Equipment
NSK Corporation	16-19	142019	High Pressure Coolant (2018) - H1803	4/16/2019	1,051.40	Machinery & Equipment
					6,302,148.82	