

North Texas 2050 Action Package

Issue	Economic Development Incentives, Burns Development	
Action Tool Title	Freeport Tax Exemptions	
Description of the tool:	This is a tax exemption paid on inventory supplied by or brought into Texas and	
How Well Does It Work?		
How valuable is this tool? How important is its contribution to achieving North Texas' vision for the future?		
Helps attract distribution areas and warehouse facilities by providing special property tax		
How does it actually work?		
The state allows these goods to be store here for 175 days or less as long as they are used for: assembling, storing, manufacturing, repair, maintenance, processing, or fabricating purposes. The state than greats these cities tax exemptions because they will not be in the state after 175 days.		
What are the costs and who will they affect?	What are the benefits and who will they help?	
<ul style="list-style-type: none"> • There are no costs to the cities and states who are supporting Freeport Tax Exemptions, iust the reduction of taxes brought in <p>The State of Texas is affected by a reduction in taxes collected</p>	<ul style="list-style-type: none"> • The benefits are the increase of job creation and retention at many different skills levels • This is good for businesses who have inventory used on the good that are shipped out of Texas 	
What are the biggest stumbling blocks?	How can they be addressed?	
Who Would be Responsible?		
Primary (lead) responsibility	Texas Comptroller of Public Accounts	
Secondary responsibility	http://www.window.state.tx.us/taxinfo/taxforms/50-113.pdf	
Need for coordination		

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How Should it be Funded?			
Primary (lead) responsibility		This is funded by state in the form of being exempt from taxes	
Secondary responsibility			
How Does It Connect?			
What other VNT issues are helped by this tool?		Its allows distribution centers, infrastructure and jobs to be created	
What other VNT issues could be hurt by this tool?			
How Should It Be Implemented?			
What will be done?		When will it happen?	
<ul style="list-style-type: none"> • This ability to allow Freeport Tax Exemptions is a local decision and must be approved by the municipality 		April 30, yearly, is the deadline for business to submit the "Freeport tax abatement" forms to the county appraisal unit http://www.window.state.tx.us/taxinfo/proptax/infonack09/info09_4.html	
What Examples Can We Follow?			
North Texas Case Studies		North Texas Commission http://www.ntc-dfw.org/logistics.html Pearland Texas, http://www.pearlandedc.com/business_resources/incentives/freeport tax exemption.asp	
Other Texas Case Studies			
Other U.S. Case Studies			
Supporting Research			
Related Information			
Acknowledgements			
Recognize the people who have provided assistance to VNT for this tool		Burns Development Group	