

## North Texas 2050 Action Package

<b>Issue</b>	<b>Economic Development Incentives, Burns Development</b>	
<b>Action Tool Title</b>	Freeport Tax Exemptions	
<b>Description of the tool:</b>	This is a tax exemption paid on inventory supplied by or brought into Texas and	
How Well Does It Work?		
<b>How valuable is this tool? How important is its contribution to achieving North Texas' vision for the future?</b>		
Helps attract distribution areas and warehouse facilities by providing special property tax		
<b>How does it actually work?</b>		
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.		
<b>What are the costs and who will they affect?</b>	<b>What are the benefits and who will they help?</b>	
<ul style="list-style-type: none"> <li>• There are no costs to the cities and states who are supporting Freeport Tax Exemptions, iust the reduction of taxes brought in</li> </ul> <p>The State of Texas is affected by a reduction in taxes collected</p>	<ul style="list-style-type: none"> <li>• The benefits are the increase of job creation and retention at many different skills levels</li> <li>• This is good for businesses who have inventory used on the good that are shipped out of Texas</li> </ul>	
<b>What are the biggest stumbling blocks?</b>	<b>How can they be addressed?</b>	
Who Would be Responsible?		
<b>Primary (lead) responsibility</b>	Texas Comptroller of Public Accounts	
<b>Secondary responsibility</b>	<a href="http://www.window.state.tx.us/taxinfo/taxforms/50-113.pdf">http://www.window.state.tx.us/taxinfo/taxforms/50-113.pdf</a>	
<b>Need for coordination</b>		

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