

TEXAS ENTERPRISE ZONE PROGRAM

The Enterprise Zone Program (EZP) is an economic development tool for local communities to partner with the State of Texas to promote job creation and significant private investment that will assist economically distressed areas of the state. Approved projects are eligible to apply for state sales and use tax refunds on qualified expenditures.

PERFORMANCE-BASED INCENTIVE

The EZP is performance-based and allows qualified businesses to receive a refund of state sales and use taxes. The level and amount of the refund is related to the capital investment and jobs at the qualified business site.

Level of Capital Investment	Maximum Number of Jobs Allocated	Maximum Potential Refund	Maximum Refund Per Job Allocation
\$40,000 – \$399,999	10	\$25,000	\$2,500
\$400,000 – \$999,999	25	\$62,000	\$2,500
\$1,000,000 – \$4,999,999	125	\$312,500	\$2,500
\$5,000,000 – \$149,999,999	500	\$1,250,000	\$2,500
Double Jumbo Project \$150,000,000 – 249,999,999	500	\$2,500,000	\$5,000
Triple Jumbo Project \$250,000,000 or more	500	\$3,750,000	\$7,500

TWO STRONG ECONOMIC DEVELOPMENT INCENTIVES

While the Texas Enterprise Fund (TEF) is an economic development tool used to assist in the state's recruitment endeavors, the EZP can also assist with job retention efforts.

Program Name	Jobs	Capital Investment	Funded Projects
<i>Texas Enterprise Zone</i>	178,941 (new & retained)	\$35.0 Billion	320
<i>Texas Enterprise Fund</i>	60,504 (new)	\$15.1 Billion	93

Totals as of Dec. 31, 2011, Capital Investment numbers are rounded.

PROGRAM REQUIREMENTS

- ★ A local community must nominate a company as an Enterprise Project to be eligible to participate in the EZP.
- ★ In order to qualify a project for the EZP, local communities must offer incentives to the project such as tax abatement, tax increment financing, and one stop permitting.
- ★ Communities may nominate projects for a designation period up to five years. Employment and capital investment commitments must be made and implemented within this timeframe.
- ★ Projects may be physically located inside or outside an Enterprise Zone.
 - ★ If located within a zone, the company commits that at least 25 percent of their new employees will meet economically disadvantaged or enterprise zone residence requirements.
 - ★ If located outside of a zone, the company commits that at least 35 percent of their new employees will meet economically disadvantaged or enterprise zone residency requirements.

For more information visit TexasWideOpenForBusiness.com

