
TX Enterprise Zone

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Texas Enterprise Zone Program The Texas Enterprise Zone Program (EZP) is a tax incentive program created to help companies expand their business in Texas. It is an economic development tool for local communities to partner with the State of Texas to promote job creation and capital investment in economically distressed areas of the state. Over the past six years, The Texas EZP has helped create and retain more than 100,000 jobs and generate \$15.8 billion in capital investment.

How does it work?

The EZP is performance based and allows qualified businesses to receive a refund of state sales and use taxes, ranging from \$2,5000 - \$7,500 per job created and/or obtained during a five year designation period, up to a maximum of \$1.25 - \$3.75 million. The level and amount of refund is related to the capital investment and jobs at the qualified business site.

How does a company qualify?

Communities may nominate a company as an Enterprise Project to be eligible to participate in the EZP, for a designation period up to five years, non-inclusive of a 90-day window prior to the application deadline. Employment and capital investment commitments must be incurred and met within this timeframe. Per state biennium, communities with a population of less than 250,000 may nominate up to six projects.

What are the requirements?

Projects may be physically located inside or outside of an enterprise zone. In a zone, a company commits that 25% of their new employees will meet economically disadvantaged or enterprise zone residency requisites. Outside a zone, a company commits that 35% of their new employees will meet economically disadvantaged or enterprise zone residency requisites.

Who should I contact?

Companies interested in the EZP should contact Kilgore Economic Development Corporation at 903.983.3522 or

anobles@kilgore-edc.com. For more information visit:

<http://texaswideopenforbusiness.com/financial-resources/tax-incentives.html>

Level of Capital Investment

Maximum number of jobs allocated

Maximum potential refund

Maximum refund per job allocation

\$40,000 to \$399,999

10

\$25,000

\$2,500

\$400,000 to \$999,999

25

\$62,000

\$2,500

\$1,000,000 to \$4,999,999

125

\$312,500

\$2,500

\$5,000,000 to \$149,999,999

500

\$1,250,000

\$2,500

Double Jumbo Project \$150,000,000 to \$249,999,999

500

\$2,500,000

\$5,000

Triple Jumbo Project \$250,000,000 or more

500

\$3,750,000

\$7,500