

Texas takes the initiative to invest in its future by offering competitive incentives to companies who are creating jobs and driving innovation in Texas. The following incentives are the most commonly utilized state offerings, for more details on any of the following programs/funds, visit www.texaswideopenforbusiness.com/services/incentives-financing.



Texas Enterprise Fund

The Texas Enterprise Fund (TEF) is the largest “deal-closing” fund of its kind in the nation. The fund is used as a final incentive tool for projects that offer significant projected job creation and capital investment and where a single Texas site is competing with another viable out-of-state option.



Workforce Development

Workforce training programs provided through the Texas Workforce Commission.

Skills Development Fund: Financing for customized job training.

Self-Sufficiency Fund: Financing to provide training for employment opportunities primarily for individuals dependent on public assistance.



Grants

From public infrastructure projects in non-entitlement communities to cancer research and laboratory facility construction, several types of grants are available to Texas communities and businesses.

Texas Capital Fund Infrastructure Program: Provides financial resources to non-entitlement communities for public infrastructure projects needed to assist businesses.

Texas Capital Fund Real Estate Development Program: Loans provide capital to Texas communities at favorable market rates.

Cancer Prevention and Research General Obligation Bonds: Funding opportunities for promising cancer research and prevention programs

Defense Economic Adjustment Assistance Grant Program: A job creation grant program designed to assist defense communities impacted by Base Realignment and Closure (BRAC) activity, or reduction or termination of defense contracts.

Moving Image Industry Incentive Program: Cash production grants between 5 and 22.5 percent of qualified in-state spending for film, television, commercial, and video game projects.



Tax Incentives

Texas and local communities offer a variety of tax incentives and innovative solutions for businesses expanding in or relocating to Texas.

Texas Enterprise Zone Program: State sales and use tax refunds to promote job creation and investment that will assist economically distressed areas of the state.

Manufacturing Exemptions: State sales and use tax exemptions for tangible property, natural gas, and electricity.

Value Limitation and Tax Credits (Texas Economic Development Act): An appraised ten-year limitation to the local school district maintenance and operations tax portion of the property tax.

Freeport Exemptions: Tax exemption for certain goods that enter and leave Texas within 175 days.

Pollution Control Equipment Incentive: Tax exemption for property that is for pollution control purposes.

Renewable Energy Incentives: Tax exemptions and deductions for solar, wind, ethanol, and biodiesel.

Defense Economic Readjustment Zone Program: A tax refund program for business recruitment and job creation in adversely impacted defense-dependent communities.

Research & Development Tax Credit: Gives companies a choice between a franchise tax credit and a sales tax exemption for materials, software, and equipment used for R&D purposes.

Data Center Tax Incentives: Allows qualifying data centers to receive a sales and use tax exemption on tangible personal property.

Business Relocation Tax Deduction: Allows a company relocating its headquarters from out of state to Texas to deduct relocation and moving expenses from their margin when calculating franchise tax liability.



Financing

Texas is committed to providing and facilitating funding for companies and communities with expansion and relocation projects in the state. Asset-based loans for companies, leveraged loans to communities, and tax-exempt bonds are just a few means of obtaining the capital necessary for a successful project.

Texas Product/Business Fund: Asset-backed financing for companies in Texas to promote job retention and creation.

Texas Leverage Fund: Allows communities to leverage future sales tax revenues to support job retention or creation.

Industrial Revenue Bond Program: Provides tax-exempt or taxable financing for eligible industrial or manufacturing projects.

Texas Military Value Revolving Loan Fund: Financing for defense communities for job creation and infrastructure projects.

CAPCO: Providing alternative sources of venture capital to Texas entrepreneurs.