



TEXAS ENTERPRISE ZONE

The Texas 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. As of July 2015, the Enterprise Zone Program has accounted for 979 projects with 405,473 jobs (new and retained) and \$74.1 billion in capital investment.

Approved projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The level and amount of refund is related to the capital investment and jobs created at the qualified business site. A program overview is included below. For more details visit <https://businessintexas.com/services/tax-incentives>.

Benefit

Level of Capital Investment	Maximum Number of Jobs Allocated	Maximum Potential Refund	Maximum Refund Per Job Allocation
Half Designation			
1) \$40,000 – \$399,999	10	\$25,000	\$2,500
2) \$400,000 – \$999,999	25	\$62,000	\$2,500
3) \$1,000,000 – \$4,999,999	125	\$312,500	\$2,500
4) \$5,000,000 – more	250	\$625,000	\$2,500
Enterprise Project \$5,000,000 - more	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

+Must employ 500 or more to be eligible.

***Double and Triple Jumbo eligible for only new job projects.*

Eligibility

- ★ A local community must nominate a company as an Enterprise Project to be eligible for EZP.
- ★ Communities must have local incentives to offer the project for EZP qualification. Typical local incentives include 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 in or outside of an Enterprise Zone.
 - ★ If located within a zone, the company commits that at least 25 percent of their new employees will meet economically disadvantaged, enterprise zone residence requirements, or veterans.
 - ★ If located outside of a zone, the company commits that at least 35 percent of their new employees will meet economically disadvantaged, enterprise zone residency requirements, or veterans.
- ★ Projects must meet or exceed county weekly wage averages to be eligible.