

# TEXAS BUSINESS INCORPORATIONS

Texas Economic Development & Tourism Office | Office of the Governor

**Already the official Headquarters of Headquarters, Texas is also becoming an increasingly popular place for businesses to incorporate.** The Lone Star State has fostered a superior business environment for incorporating firms of all kinds to thrive.

When deciding where to form a Corporation or Limited Liability Company (LLC), business owners choose Texas thanks to a number of competitive factors including our best-in-class business climate, low tax burden—with no corporate or personal income tax—and predictable regulatory environment, among many other advantages. In fact, Texas has been named the Best State for Business in the U.S. for 20 years in a row by the nation's top executives.

Here in Texas, we have harnessed a pro-growth mindset by focusing on business success. Governor Greg Abbott is dedicated to ensuring our state moves at the speed of business by cutting red tape that hinders business formation and growth. That's why the number of business entities in the state has almost doubled in the last 10 years. It comes down to a key winning formula: we want businesses to succeed in Texas. Because when businesses succeed, all Texans succeed.

## **FRIENDLY BUSINESS CLIMATE:**

Texas has consistently been recognized for our superior business climate and pro-growth, pro-business attitude. Entrepreneurs have the foundation to thrive and freedom to aspire here in the Lone Star State. In fact, Texas was named the Best Business Climate in the nation in 2024 by Business Facilities and Site Selection magazines.

## **PREDICTABLE REGULATORY ENVIRONMENT:**

Our state's fair, transparent and stable regulatory structure is designed for business success.

## **LOW TAX BURDEN:**

With no corporate or personal income tax, companies doing business in Texas enjoy one of the lowest overall tax burdens in the country.



*"Texas is still the big, new frontier, a place where opportunity is abundant, where free enterprise flourishes, and where dreams, and families, and jobs grow."*

**-Governor Greg Abbott**

## **MOVING AT THE SPEED OF BUSINESS:**

Texas is America's most dynamic economy because we move at the speed of business. In fact, our state continues to cut regulatory red tape that hinders business growth. Last year, Governor Abbott launched the Governor's Small Business Freedom Council to review government efficiency for Texas businesses. In March 2025, the Freedom Council released a comprehensive report with their recommendations to cut unnecessary government bureaucracy that create barriers to small business success in Texas. The report includes feedback from 46 Texas state agencies and nearly 700 Texas small businesses owners.

## **TEXAS SPECIALTY BUSINESS COURTS:**

Governor Abbott signed a law in 2023 creating the Texas Business Courts, a statewide, specialized trial court system created to resolve complex business disputes, presided over by judges with judicial or litigation experience in commercial matters. The Courts are composed of 11 geographical divisions consistent with the existing Administrative Judicial Regions. Five of those divisions are now operational in Dallas, Austin, San Antonio, Fort Worth and Houston.



*In 2024, Tesla shifted its incorporation to Texas from Delaware following the company's headquarters relocation to Austin from California in 2021. (Photo: Tesla)*

### DIVERSE ECONOMY:

The Texas economy is more diverse today than ever before. Some of the world's biggest brands are choosing Texas to relocate or reincorporate their businesses, particularly those specializing in tech and innovation. Our state offers companies of all sizes and industries the foundation to flourish, including advanced manufacturing, energy, biotech, information technology, artificial intelligence, petrochemical, professional services, transportation, hospitality, food and livestock products, rare earth mining and more.

### LOCATION ADVANTAGES:

Texas offers unmatched competitive advantages. That's why we are already home to 52 Fortune 500 company headquarters and more than 310 businesses have relocated here since 2015.

- ★ Texas does not require a general business license to operate in the state, making it even easier for business owners to get up and running and increasing their bottom line.
- ★ Entrepreneurs in Texas have access to a large and collaborative startup network and burgeoning tech ecosystem. Thanks to a growing presence of accelerators and startup support infrastructure across the state, founders, innovators and venture capitalists have flocked to the Lone Star State.
- ★ Due to the state's immense size, Texas offers abundant and available space for businesses to grow, with relatively lower operating costs compared to other states.

- ★ Texas' central, strategic geographic location in the middle of North America offers logistical advantages, including easy access to domestic and international markets via land, sea and air.
- ★ With a robust network of transportation infrastructure to support growing business needs, it's no surprise that Texas has led the nation in exports for the last 23 years in a row. In fact, Texas is home to more miles of public roadways, state highways, freight railways, airports and Foreign Trade Zones than any other state. Texas offers companies approximately 32 ports of entry, 23 seaports and 35 Foreign Trade Zones. The state's transportation network continues to get stronger as we continue to dedicate investment into our infrastructure, including a 10-year, \$148 billion commitment to new state transportation projects.
- ★ Our greatest natural resource is the people of this great state, and they are the number one reason businesses locate here. We are home to a highly skilled, diverse and growing talent pool with world-class schools that continue to cultivate the workforce of tomorrow. The Lone Star State is home to more than 15.5 million industrious Texans, the largest labor force in our state's history and among the youngest workforce in the nation. Texas has dominated the U.S. for population growth over the last two decades, attracting the best and brightest talent. In 2024, Texas ranked #1 for population growth, adding more than 560,000 residents. We are also the "stickiest" state, with more than 82% of Texans born here choosing to remain here. Plus, we continually invest in our workforce through innovative workforce development programs.

### BIGGER. BETTER. TEXAS.

Texas is the bigger, better choice when it comes to deciding where to incorporate your business. Actions taken by our state's leadership have proven that we are dedicated to upholding our state's advantages for incorporating and relocating businesses both large and small. We invite you to discover your corporation's home here in the Lone Star State!

## CONTACT US



### OFFICE OF THE GOVERNOR TEXAS ECONOMIC DEVELOPMENT & TOURISM OFFICE

The Texas Economic Development & Tourism Office (EDT) serves as the state's leading economic development organization marketing Texas as the world's premier business investment destination. The office pursues business expansion and relocation prospects, with the goal of developing job creation and export opportunities for the Texas business community.

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