

### Greater Greenspoint Tax Increment Reinvestment Zone

Greenspoint's Tax Increment Reinvestment Zone (TIRZ) offers incentives for developers to build or redevelop in Greenspoint and upon project agreement, can reimburse them for the public amenities they include in their projects.

### Freeport Exemption

The Freeport Amendment to the Texas Constitution allows local taxing authorities the option to exempt from ad valorem property taxes certain tangible personal property transported out of the state of Texas within 175 days.

### Malcolm Baldrige Foreign Trade Zones

A foreign trade zone is an area located in or adjacent to a U.S. Customs port of entry. Greenspoint businesses that import products through the Port of Houston can benefit from this zone. Merchandise placed in the zone is considered to still be in international commerce and outside U.S. Customs territory. No customs entry is necessary to admit such merchandise, and it is exempt from customs duties, excise taxes and most import restrictions until it is moved from the zone into U.S. commerce. Houston's foreign trade zone consists of 13 general-purpose sites and 11 sub-zone sites in Harris County.

### Tax Abatements

The Houston area offers a variety of incentives to support economic development. Companies with new, expanding, and relocating operations may be eligible for property tax abatements. In order to be eligible, 25 jobs must be retained or created, the investment must be \$1 million or higher and the project must be competitively sited.

### Texas Enterprise Fund

As the largest "deal-closing" fund of its kind in the nation, the Texas Enterprise Fund (TEF) continues to attract businesses to Texas. The fund is used only as a final incentive tool where a single Texas site is competing with another viable out-of-state option. Greenspoint District staff can assist your company with the Texas Enterprise Fund.

### Texas Enterprise Zone Program

The Texas Enterprise Zone Program 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.

### Natural Gas & Electricity

Texas companies are exempt from paying state sales and use tax on electricity and natural gas used in manufacturing, processing, or fabricating tangible personal property. The company must complete a "predominant use study" that shows that at least 50% of the electricity or natural gas consumed by the business directly causes a physical change to a product.

### Texas Franchise Tax Exemption and Deductions – Wind and Solar Energy

Tax Code Section 171.056 extends a franchise tax exemption to manufacturers, sellers, or installers of solar energy devices. The state also permits a corporate deduction from the state's franchise tax for renewable energy sources. Business owners may deduct the cost of the system from the company's taxable capital or deduct 10% from the company's income.