

Tax Abatement Log 2009 Year

Comptroller of Public Accounts

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2009 Tax Abatement Log

Beginning September 1, 1997, Texas law requires the Comptroller to maintain a central registry of ad valorem tax abatement agreements executed and enterprise or reinvestment zones created under Chapter 312 of the Tax Code. In 2001, the law was amended to require the chief appraiser of each appraisal district that appraises property for a taxing unit to send the Comptroller a report providing any information required by the Comptroller and including a copy of each tax abatement agreement to which the taxing unit is a party. Previously, it was the taxing unit responsibility. The report must be filed before July 1 of the year following the year in which the agreement is executed.

This report shows tax abatement data reported to the Comptroller. Section One contains data on tax abatements executed in 2009. Section Two contains data on tax abatements that were reported to the Comptroller, but that were executed before 2009 and not previously reported. There were no tax abatements reported under statutes other than Chapter 312, Tax Code as in previous years. Tax abatement agreements are listed by the county in which the property subject to the abatement is located. The following describes the data for each tax abatement agreement listed.

The data elements of the attached report are:

- County Number - the 3 digit unique number for each county in the state.
- County - the county where the property to be abated is located.
- Taxing Unit Name - the name of all taxing units participating in the abatement agreement. If a city is listed first, it is the lead taxing unit. If the first taxing unit listed is not a city, the lead taxing unit is the county.
- Property Owner - the names of the parties participating in the abatement agreement.
- Agreement Effective Date - the first date that property subject to the abatement agreement is to be abated.
- Abatement Duration - the number of years that property subject to the abatement agreement will be abated.
- Percent Abated Each Year - the percentage of the value of the property that is subject to abatement.
- Property Type - whether the property is for a business (commercial/industrial) or a residence.
- Nature of Project - a business in an abatement agreement is:
 - expanding/modernizing a business current in the community
 - a new business
 - relocating from out of state
 - relocating from another city/county in Texas
- Business Type - a business in an abatement agreement is:
 - Hotel/Group Residence
 - Retail
 - Commercial/Real Estate
 - Manufacturing
 - Industrial
 - Wholesale
 - Research & Development
 - Medical
 - Energy
 - Banking

- Business Size Based on Number of Employees
 - Micro 0-19 employees
 - Small 20-99 employees
 - Medium 100- 499 employees
 - Large 500 + employees
- Type of Improvement - a business is:
 - New Construction
 - Current Facility Renovation/Remodeling
 - Current Facility Retooling /Upgrading
 - Furniture/Fixture Purchase
 - New Machinery/Equipment Purchase
- Type of Property Abated - property abated is either real, personal or both types.
- Appraised Value of Property Before Execution of Agreement - the appraised value of the property the year the abatement agreement is executed.
- Enterprise Zone - whether or not the tax abatement is located in a state designated enterprise zone.

Note: The information in this log reflects our best interpretation of abatement agreements and report forms provided us by the participating taxing units. The terms of the agreements are not standardized and as a result did not always fit the format of this log. Any questions about the information must be resolved by referring to the actual abatement agreement. This log contains information reported to us. Some taxing units may not have reported their tax abatement agreements.

SUMMARY of REPORTED DATA

There were 80 tax abatement agreements executed in 2009 and reported to the Comptroller. This number represents 65 tax units, of which 30 (46%) were cities, 21 (32%) were counties, 0 (0%) were ISDs and 14 (22%) were other taxing units such as MUDs, hospital districts and community colleges.

The average first year abated property percentage reported was 83% when both commercial/industrial and residential abatements were combined. Of the 80 agreements reported, the majority (48) abated 100 percent of value. The next most commonly reported percentage of value abated was 50 percent, followed by 85 percent, 60 percent and 25 percent equally. (These 5 figures represent 85% of the reported agreements.) The average duration of the reported tax abatements was 6.3 years. The top durations were 47 tax abatement agreements for five years, 20 agreements for ten years, and 8 agreements for seven and four years equally, representing 94% of the reported agreements.

For commercial/industrial abatements, the average first year abated property percentage reported was 79%. Of the 57 agreements reported, the majority (24) abated 100 percent of value. The next most commonly reported percentage of value abated was 50 percent, followed by 85 percent, 60 percent and 25 percent equally. (These 5 figures represent 82% of the reported agreements.) The average duration of the reported tax abatements was 6.7 years. Eighteen (18) out of the 57 reported agreements abated property for the maximum duration of 10 years, 26 tax abatement agreements lasted five years and 16 agreements for seven and four years equally, representing 91% of the reported agreements.

For residential abatements, the average first year abated property percentage reported was 94%. Of the 23 agreements reported, the majority (21) abated 100 percent of value and one each at 43 and 24 percent. The average duration of the reported tax abatements was 5 years. Twenty-one (21) of the 23 reported agreements abated property for a duration of five (5) years and two (2) agreements lasted 10 years, representing 100% of the reported agreements.

The following data is comprised of answers to questions included in the Comptroller's report forms. Some taxing units did not provide answers to each question. The number of responses to each question is listed.

Property type (80 reports)

71.25%	Business
28.75%	Residence

Nature of the project (56 reports)

32.14%	Expanding/modernizing a business in current location
46.43%	New business
7.14%	Relocating from out of state
14.29%	Relocating from another city/county in Texas

Business type (57 reports)

7.02%	Hotel/Group Residence
14.04%	Retail
10.53%	Commercial/Real Estate
28.07%	Manufacturing
19.30%	Industrial
0.00%	Wholesale
1.75%	Research & Development
5.26%	Medical
12.28%	Energy
1.75%	Banking & Finance

Business size, based on number of employees (53 reports)

37.74%	Micro (0-19)
39.62%	Small (20-99)
15.09%	Medium (100-499)
7.55%	Large (500+)

Type of improvement (56 reports, some had more than one type of improvement)

75.00%	New construction
21.43%	Current facility renovation/remodeling
5.36%	Current facility retooling/upgrading
16.07%	Furniture/fixture purchase
39.27%	New machinery/equipment purchase

Some data provided by reporting taxing units does not appear in this report because it was rarely reported. This information is available in electronic format; you may call 512-305-9999 to request it.