

Tax Abatement Log 2010 Year

Comptroller of Public Accounts

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2010 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 2010. Section Two contains data on tax abatements that were reported to the Comptroller, but that were executed before 2010 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 87 tax abatement agreements executed in 2010 and reported to the Comptroller. This number represents 61 tax units, of which 28 (46%) were cities, 23 (37%) were counties, 0 (0%) were ISDs and 10 (17%) were other taxing units such as MUDs, hospital districts and community colleges.

The average first year abated property percentage reported was 78% when both commercial/industrial and residential abatements were combined. Of the 87 agreements reported, the majority (46) abated 100 percent of value. The next most commonly reported percentage of value abated was 50 percent, followed by 40 percent. (These 3 figures represent 77% of the reported agreements.) The average duration of the reported tax abatements was 7.1 years. The top durations were 30 tax abatement agreements for ten years, 22 agreements for five years, and 11 agreements for six, representing 72% of the reported agreements.

For commercial/industrial abatements, the average first year abated property percentage reported was 75%. Of the 54 agreements reported, the majority (34) abated 100 percent of value. The next most commonly reported percentage of value abated was 50 percent, followed by 40 percent. (These 3 figures represent 82% of the reported agreements.) The average duration of the reported tax abatements was 7.2 years. Twenty-six(26) out of the 54 reported agreements abated property for the maximum duration of 10 years, 14 tax abatement agreements lasted five years and 11 agreements for six years, representing 70% of the reported agreements.

For residential abatements, the average first year abated property percentage reported was 96%. Of the 13 agreements reported, the majority (12) abated 100 percent of value and one for 50 percent. The average duration of the reported tax abatements was 6.2 years. Eight (8) of the 13 reported agreements abated property for a duration of five (5) years, four (4) agreements lasted 10 years and One (1) agreement for four (4) 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 (87 reports)

85.10%	Business
14.90%	Residence

Nature of the project (74 reports)

66.22%	Expanding/modernizing a business in current location
24.32%	New business
2.70%	Relocating from out of state
6.76%	Relocating from another city/county in Texas

Business type (72 reports)

0.00%	Hotel/Group Residence
4.17%	Retail
11.11%	Commercial/Real Estate
51.39%	Manufacturing
12.50%	Industrial
2.29%	Wholesale
4.17%	Research & Development
0.00%	Medical
6.94%	Energy
8.33%	Banking & Finance

Business size, based on number of employees (59 reports)

15.25%	Micro (0-19)
35.60%	Small (20-99)
33.90%	Medium (100-499)
15.25%	Large (500+)

Type of improvement (69 reports, some had more than one type of improvement)

55.07%	New construction
31.88%	Current facility renovation/remodeling
5.80%	Current facility retooling/upgrading
58.99%	Furniture/fixture purchase
59.42%	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 512-463-4679 to request it.