Biennial Progress Report for Texas Economic Development Act

Economic Development and Analysis
Form 50-773-A

INTRODUCTION

- You have been assigned an application number. Please verify this number on the website prior to completing the form. This form will indicate the sections you need to complete based on application number.
- This **form must be filled out by each applicant that is party to a limitation agreement.**
- If the original application was made by a group of two or more companies, each company must complete this form.
- If the original applicant split into two or more applicants after the original agreement, all current agreement holders must complete this form.
- Applicants should only complete the information for their years as an agreement holder, noting what year they were formed after the original agreement was approved.
- Each agreement holder should respond as a current agreement holder in Section 2.
- Applicants should report their proportionate share of required employment and investment information.
- In addition to the Biennial Progress Report required from each applicant that is a party to an agreement, a separate Biennial Progress Report summarizing the combined applicants' data for the entire agreement must be completed.
- If one of the applicants cannot provide this information, a summarization report must be completed by the school district.
- Projects spanning more than one school district must complete forms for each school district.
- Please return signed hard copy forms and electronic spreadsheets to the school district before May 15 of each even-numbered year.

Note:

- The school district that is a party to the Chapter 313 agreement is collecting the data required by Chapter 313.008 on this form for the Comptroller of Public Accounts (CPA).
- The CPA requests companies complete the electronic spreadsheet version of the form. Please submit both an *electronic version* **and** a *signed hard copy version* of the spreadsheet (with any attachments) to the district. Please contact CPA if you have questions about the form. The spreadsheet version of this form can be downloaded at: **www.texasahead.org/tax_programs/chapter313/forms.php**.
- After ensuring that all forms are complete, the school district will forward that data to the CPA for inclusion in a statutorily required report to the Texas Legislature.

SECTION 1: Applicant Information

1. Application number 10
2. Name of school district Beaumont ISD
3. Name of central appraisal district (CAD) appraising the qualified property in this school district Jefferson
4. Name of project on original application *(or short description of facility)* Acrolein Unit
5. Name of applicant on original application ATOFINA Chemical, Inc.
6. Name of company entering into original agreement with district ATOFINA Chemical, Inc.
7. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. *(Use attachments if necessary.)*

   n/a

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s) Arkema Inc.
2. Complete mailing address of current agreement holder 900 First Avenue, Bldg. 4, King of Prussia, PA 19406
3. Company contact person for agreement holder:

Steven Zuk	Senior Tax Director
Name	Title
(610) 205-7821	steven.zuk@arkema.com
Phone	Email

4. Texas franchise tax ID number of current agreement holder: 12309608904
5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:

Arkema Delaware Inc and Subsidiaries	15216294908
Name	Tax ID

6. NAICS Code of current agreement holder (6 Digit): 325199
7. If the authorized company representative is different from the contact person listed above:

Name	Title

Complete Mailing Address

Phone	Email

8. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. *(Use attachments if necessary.)*

ATOFINA Chemicals Changed its name to Arkema Inc.

SECTION 3: Project Timeline

1 Date original limitation agreement approved by school district 9/18/2003

2 First (complete) year of qualifying time period – after the date the application is approved. See Tax Code §313.021[4]... 2004

3 First year of property value limitation 2006

SECTION 4: Value Limitation Details

1 Original limitation amount *(for entire agreement)*: 30,000,000.00

2 Amount of qualified investment during the qualifying time period the recipient committed to spend or allocate for this project on application *(not total investment)*: 87,000,000.00

3 Total qualified investment made from the beginning of the qualifying time period through the end of the qualifying time period or the last complete tax year, if still in the qualifying time period. 89,604,322.00

4 Has the description of the qualified property changed from that in the application? ☐ Yes ☑ No

4a. If yes, please describe on an attachment how the actual qualified property — for which you are providing actual and estimated market values on subsequent pages — differs from that property described in the agreement. Include only property located in this school district.

5 What was the number of permanent existing jobs at this facility prior to application? *(See guidelines for definition of existing job.)* 84

SECTION 5: Job Details

1 For agreements before Jan. 1, 2014, does the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), as the rule existed at the time of application? ☐ Yes ☑ No

1a. If yes, please provide the definition of "new job" as used in the agreement. *(Use attachments if needed.)*

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CHART A1: Job Data for Applications 1 through 999

App Number 10

District Name Beaumont ISD

Company Name Arkema Inc.

Project Name Acrolein Unit

1st Yr. of Qualifying Time Period 2004

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Revised Jan 2014

CHART A1 - Only complete this for applications 1 through 999.

		Qualifying Time Period		Limitation Period								Viable Presence Period		
		Year 1 (First Complete Tax Year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
	Tax year (YYYY)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1	Number of qualifying jobs[1] applicant committed to create on application (cumulative)	0	10	10	10	10	10	10	10	10	10	10	10	10
2	Number of qualifying jobs[1] applicant actually created (cumulative)	0	31	31	31	31	31	32	32	32	32	32	32	32
3	Number of new jobs[2] created (cumulative)	0	31	31	31	31	31	32	32	32	32	32	32	32
4	Median annual wage of new jobs applicant created	$0	$67,730	$72,059	$73,788	$73,788	$75,750	$83,175	$89,124	$91,575	$94,093	$94,093	$94,093	$94,093
5	Total wages for new jobs applicant created	$0	$2,099,630	$2,233,829	$2,287,428	$2,287,428	$2,348,250	$2,661,600	$2,851,968	$2,930,400	$3,010,976	$3,010,976	$3,010,976	$3,010,976

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

Notes:

1. Jobs meeting all of the requirements of Tax Code §313.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
2. For new job definition see TAC §9.1051(14) as rules existed before Jan. 1, 2014.

By signing below, I, Steven Zuk, certify that I am the authorized representative of Arkema Inc., a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature _____ Date 5/6/14

Print Name/Title Steven Zuk/Senior Tax Director

Phone (610) 205-7821

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CHART A2: Investment and Market Values for Applications 1 through 999

Application Number 10

Current Agreement Holder Name Arkema Inc.

ISD Name Beaumont ISD

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CHART A2 - Only complete this for applications 1 through 999.

	Year	School Year (YYYY-YYYY)	Tax Year (actual tax year) YYYY	Total Investment[1] (cumulative)	Market value of qualified property on Jan. 1 BEFORE any exemptions[2]	Market value less any exemptions (such as pollution control) and before limitation[3]	Taxable value of qualified property for purposes of M&O
Prior to start of value limitation period	1-2	2004-2016	2004-2005	87,131,375	58,858,440	57,310,600	58,858,440
Value limitation period	3	2006-2007	2006	89,604,322	76,346,080	66,597,100	30,000,000
	4	2007-2008	2007	89,604,322	81,337,750	71,125,700	30,000,000
	5	2008-2009	2008	89,604,322	84,518,950	74,097,700	30,000,000
	6	2009-2010	2009	89,604,322	83,469,340	72,490,200	30,000,000
	7	2010-2011	2010	89,604,322	78,316,490	67,930,800	30,000,000
	8	2011-2012	2011	89,604,322	81,200,300	70,814,610	30,000,000
	9	2012-2013	2012	89,604,322	86,053,480	75,852,900	30,000,000
	10	2013-2014	2013	89,604,322	84,649,180	74,893,900	30,000,000
Viable presence period	11	2014-2015	2014	89,604,322	75,411,699	66,166,800	66,166,800
	12	2015-2016	2015	89,604,322	73,149,348	64,181,796	64,181,796
	13	2016-2017	2016	89,604,322	70,954,868	62,256,342	62,256,342

Notes:

1. Total investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market value.
2. Use appraisal values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad volorem tax purposes in that year.
3. This amount is typically the taxable value for the purpose of I&S fund or debt service reserve fund.

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