



INCENTIVE SUMMARY

for
Ferris, Texas

Tax Abatements	✓
Local Economic Development Incentives	✓
Skills Development	✓
Texas Enterprise Fund	✓
Texas Capital Fund	✓
Chapter 380	✓
Enterprise Zone	✓
County Labor Cost	✓

General Description

Tax Abatements of Real & Personal Property by City, County, and ISD (Chapter 313 agreement)
 Local Economic Development incentives
 Skills development for workers
 Grants for competitive projects between states
 No interest loans and infrastructure grants
 Tax exemption/rebates of state sales & use tax
 Grants for capital investment and job creation
 Low cost labor

Tax Abatements

Tax abatements on real and/or business personal property is considered for business retention, expansion, and recruitment and is offered on a case-by-case basis.

The City of Ferris offers tax abatement for projects with a minimum investment of \$300,000 in capital improvements and the creation of 10 or more fulltime employment positions. The abatement lasts for up to ten years, depending on job creation and capital improvement goals.

Ellis County will also consider tax abatements on a case-by-case basis.

Local Economic Development Incentives

The collection of Type A sales tax supports primary job creation, expansion and retention. Type B tax is used to fund quality of life initiatives. Together, 1.0% sales tax is collected on every taxable transaction in Ferris.

Skills Development Fund

The Skills Development Fund assists businesses by designing, financing, and implementing customized job training programs in partnership with public community and technical colleges for new or existing jobs in local businesses. Navarro College and the new Red Oak campus of Texas State Technical College provide job training for the employees of area businesses.

Texas Enterprise Fund

The Texas Enterprise Fund can be used for a variety of economic development projects, including infrastructure development, community development, job training programs, and business incentives. To be eligible for Texas Enterprise Fund support, a project must demonstrate a significant return on the state's investment and strong local support.

Texas Capital Fund

The Texas Department of Economic Development's program offers infrastructure and real estate development matching grants. The business must create or retain jobs of which 51 percent or more must qualify as jobs for low and moderate-income persons.

Chapter 380 Agreement

Chapter 380 authorizes Texas municipalities to provide assistance for economic development. Texas cities may provide monies, loans, city personnel, and city services for promotion and encouragement of economic development. Nonetheless, the programs must serve the purpose of promoting state or local economic development by stimulating business and commercial activity within the city, within the extraterritorial jurisdiction (or "ETJ") of the city, or an area annexed by the city for limited purposes.

Texas Enterprise Zone

The Texas Enterprise Zone program is an economic development tool for local communities to partner with the State of Texas to encourage job creation and capital investment in economically distressed areas of the state.

Designated projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The level and amount of refund is related to the capital investment and jobs created at the qualified business site.

Level of Capital Investment	Maximum number of jobs allocated	Maximum potential refund	Maximum refund per job allocated
\$40,000 to \$399,999	10	\$25,000	\$2,500
\$400,000 to \$999,999	25	\$62,500	\$2,500
\$1,000,000 to \$4,999,999	125	\$312,500	\$2,500
\$5,000,000 to \$149,999,999	500	\$1,250,000	\$2,500
Double Jumbo Project			
\$150,000,000 to \$249,999,999	500	\$2,500,000	\$5,000
Triple Jumbo Project			
\$250,000,000 or more	500	\$3,750,000	\$7,500

County Labor Costs

The average wage in Ellis County is 78% of the State of Texas average and 66% of the average wage of Dallas County.