

LOCAL REVENUE SOURCES  
AD VALOREM TAXES

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DISCOUNTS	Discount options shall not be provided for the early payment of property taxes in the District.
SPLIT PAYMENTS	Split payment of taxes shall be allowed in accordance with statutory provisions.
TEXAS ECONOMIC DEVELOPMENT ACT PURPOSE	These provisions outline the procedures the District shall use for filing, accepting, reviewing, and considering applications, amendments to applications and, when necessary, enforcing agreements made under the Texas Economic Development Act, as set forth in Chapter 313 of the Tax Code.
DEFINITIONS	<p>As used in this policy, the following phrases and words shall have the following meanings, unless the context clearly indicates otherwise:</p> <p>“Act” shall mean the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code.</p> <p>“Agreement” shall mean the written agreement between the Board and the approved Applicant to implement a limitation on the appraised value for District maintenance and operations ad valorem property tax purposes on an entity’s qualified property, required by Tax Code §313.027(d).</p> <p>“Applicant” shall mean an entity that has applied for a limitation on appraised value for District maintenance and operations ad valorem property tax purposes on the entity’s property, as provided by Chapter 313 of the Tax Code.</p> <p>“Application” shall mean an application for limitation of appraised value limitation for District maintenance and operations ad valorem property tax purposes on an entity’s qualified property on the form adopted by reference in 34 Administrative Code, Chapter 9, Subchapter F, §9.1052 (relating to forms), the schedules attached thereto, and the documentation submitted by an entity for the purpose of obtaining an agreement for a limitation on appraised value from the District.</p> <p>“Application fee” shall mean the nonrefundable application fee, determined in accordance with this policy, to be paid to the District by an Applicant to cover the District’s costs incurred in the processing and consideration of the application.</p> <p>“Application review period” shall mean the period of time during which the Board is required to consider the application. The application review period shall begin on the application review start date and shall expire on the 151st day thereafter, unless the application review period is extended by Board action taken prior to the expiration date.</p>

“Application review start date” shall mean the later date of either the date on which the District issues its written notice that an Applicant has submitted a completed application or the date on which the comptroller issues its written notice that an Applicant has submitted a completed application.

“Appraisal district” shall mean each county appraisal district that would appraise the property that is the subject of an application.

“Board” shall mean the Board of Trustees of the District.

“Completed application” shall mean an application in the form and number and containing all the information required pursuant to 34 Administrative Code, Chapter 9, Subchapter F, §9.1053 (relating to an entity requesting agreement to limit appraised value and tax credit), that has been determined by the District and the comptroller to include all minimum requirements for consideration.

“Comptroller” shall mean the Texas Comptroller of Public Accounts or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the comptroller.

“Comptroller’s rules” shall mean those rules adopted by the comptroller set forth at 34 Administrative Code, Chapter 9, Subchapter F.

“Deferral” shall mean a forward adjustment of the date upon which the qualifying time period, as defined by the Tax Code §313.021(4), begins.

“District” shall have the meaning set out in policy AB(LOCAL).

“Entity” shall mean any entity upon which a tax is imposed by Tax Code §171.001, including a combined group as defined by Tax Code §171.0001(7) or members of a combined group, provided, however, an entity as defined herein does not include a sole proprietorship, partnership, or limited liability partnership.

“Substantive document” shall mean a document or other information or data in electronic media that is determined by the comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Chapter 313 of the Tax Code. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements; any economic impact evaluation made in connection with an application; any agreement between an Applicant and the District and any subsequent amendments or assignments; any District written finding or report filed with the comptroller as required under 34 Administrative

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Code, Chapter 9, Subchapter F; any completed Annual Eligibility Report (Form 50-772A) submitted to the comptroller.

APPLICATION  
REQUIREMENTS

The owner or lessee of, or the holder of another possessory interest in, any qualified property described by §313.021(2)(A), (B), or (C) of the Tax Code may apply to the Board for a limitation on the appraised value of the person's qualified property for District maintenance and operations ad valorem tax purposes. An application must be made on the form prescribed by the comptroller, must include the information required by the comptroller, and must be accompanied by:

1. The application fee established by the Board;
2. Information sufficient to show that the real and personal property identified in the application as qualified property meets the applicable criteria established by §313.021(2); and
3. Any information required by the comptroller for the purposes of §313.026.

FILING AN  
APPLICATION

For each application made under this policy, the Applicant shall file with the Superintendent:

1. One original and four hard copies of the completed application in three-ring binders, with tabs separating each section of documents submitted; and
2. An electronically digitized copy formatted in searchable pdf format or other format acceptable to the comptroller, certified by the Applicant as containing the identical information, maps, and schedules as the original hard copy. The digitized copy shall include:
  - a. Schedules A1, A2, B, C, and D in Microsoft Excel format; and
  - b. High-resolution maps and graphics (300 dpi or higher).

The Superintendent shall acknowledge in writing the date of receipt of the completed application and application fee.

Completed applications shall be considered for final approval by the Board only after the District's receipt of the application fee established by the Board and after completion of the economic analysis and the school facilities impact analysis required by the Act.

Applications submitted without the application fee shall be held by the Superintendent until satisfactory arrangements have been made for the payment of the application fee. The Superintendent's determination of whether satisfactory arrangements have been made for the payment of the application fee shall be final.

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At the time of initial submission to the District and prior to the District's approval of the application, information submitted to the District in connection with the application shall be presumed to be public information unless the Applicant clearly identifies the information as confidential and proprietary prior to its release.

AMENDING AN  
APPLICATION

An application may be amended by an Applicant at any time prior to the Board's final action on the application. In the event that an amended application is filed within 60 days of the end of the application review period, the application review period shall be automatically extended to the 61st day after the date on which the last amended application is filed.

The Superintendent shall review and forward to the comptroller any amended application or supplemental information within seven days of the date of the receipt of the material.

STANDARD  
APPLICATION FEE

The standard application fee shall be \$75,000 and shall not be refundable except:

1. For large project fees after the initial tender, as set forth in this policy; or
2. In the event that the application is denied after an initial Board review, as defined in this policy.

The standard application fee does not include any amount charged by the comptroller's office for its economic impact study, if such a fee is charged.

LARGE PROJECT  
APPLICATION FEE

For each application for an appraised value limitation on qualified property for which the qualified investment exceeds \$300,000,000, the Board may, at its discretion, set an application fee higher than the standard application fee, if in the opinion of the Board an analysis of the application is of such complexity so as to require a higher fee. An Applicant proposing a qualified investment in excess of \$300,000,000 in value shall initially tender an application fee of \$75,000. In the event that the Board sets a higher fee, the Applicant shall be entitled to withdraw its application and its application fee if the Applicant disagrees with the higher fee set by the Board.

PROCESSING THE  
APPLICATION  
BEFORE INITIAL  
BOARD REVIEW

Upon receipt of the application and the application fee, the Superintendent shall take the following actions:

1. Send to the Applicant written confirmation of receipt of the application and application fee.

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2. Review the application and, as necessary, require the Applicant to submit additional and/or supplementary information, including the completion of all schedules required by the comptroller's rules.
3. Submit the application to the comptroller within seven days of the receipt of the completed application, together with an economic analysis of the proposed project, if submitted by the Applicant.
4. Schedule Board consideration of the completed application for initial Board review.

INITIAL BOARD  
REVIEW

Following the filing of an application, the Board shall conduct an initial review of the application. At the initial review, the Board may consider either a written or oral presentation concerning the application.

If, after the initial review, the Board is of the opinion that the application is not in the best interests of the District, the Board shall reject the application and return to the Applicant the application fee, less the necessary and reasonable costs of the initial review of the application.

In the event that the Board decides to proceed with a full consideration of the application, and the qualified investment in the application exceeds \$300,000,000, the Board shall set an appropriate large project application fee, in accordance with this policy.

Once the Board has accepted an application for consideration after the initial review, the Superintendent shall be expressly delegated the authority to accept on behalf of the Board and the District any amended or supplemental application submitted by the Applicant for the same project.

CONSULTING  
SERVICES

Upon retention by the Board, the District's consultants shall review the application to ensure that the application documents include all information required by the comptroller's rules. The consultants shall simultaneously begin an analysis of the impact on District finances; any legal implications of the application; development of an appropriate revenue protection agreement; and when the reports become available, the studies from the comptroller's office and TEA.

The consultants shall be paid for their services from the application fee. The consultants shall complete their analysis within sufficient time for the Board to consider it in its final determination on the application.

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AFTER THE  
INITIAL BOARD  
REVIEW

If the Board elects to consider the completed application, the Superintendent is authorized to deposit the application fee and provide written notice to the Applicant and comptroller, with a copy to the appraisal district, that the District has received and will be considering a completed application. The notice shall include:

1. The date on which the application was received;
2. The date on which the District elected to consider the application; and
3. The date on which the District determined that the Applicant has submitted a completed application.

At the time the District provides to the comptroller the notice of consideration of a completed application, the District shall deliver to the comptroller a copy of the completed application, request that the comptroller conduct an economic impact evaluation of the project proposed by the completed application, and provide all other information relating to consideration of the application to meet the requirements of §313.025(b) of the Tax Code and 34 Administrative Code, §9.1054.

The Superintendent shall also take the following actions:

1. Accept on behalf of the Board any amendments or supplements submitted by the Applicant, and transmit copies to the comptroller within seven days of receipt of the amendments or supplements.
2. Request from the Applicant any other written documents containing information reasonably necessary for the application review or for any economic impact study.
3. Direct the District's webmaster to create a link from the District's website to the location on the comptroller's website where copies of applications under the Act are posted.
4. Ensure that the Applicant and the District's consultants conduct all required analyses to properly protect the District's financial interests.
5. Provide all required supplemental information necessary to assist the staffs of the comptroller and the Texas Education Agency (TEA) with the analyses required by the Act and comptroller's rules.
6. Not later than 151 days after the application review start date, present to the Board an agreement for final approval or a request for an extension of the application review period.

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7. If an extension of the application review period is requested by the District or the Applicant, report each request for an extension to the comptroller within seven days of the decision to provide the extension.

BOARD ACTION ON  
APPLICATION

Not later than the 90th day after the date the comptroller receives the copy of the application, the comptroller shall issue a certificate for a limitation on appraised value of the property and provide the certificate to the Board or shall provide to the Board a written explanation of the comptroller's decision not to issue a certificate.

The Board may not approve an application unless the comptroller submits to the Board a certificate for a limitation on appraised value of the property.

Before approving or disapproving an application under 34 Administrative Code, Chapter 9, Subchapter F, that the Board elects to consider, the Board shall make a written finding as to any criteria considered by the comptroller in conducting the economic impact evaluation under §313.026. The Board shall deliver a copy of those findings to the Applicant.

When presented a completed application pursuant to 34 Administrative Code §9.1054(c)(5) for which the comptroller has submitted a comptroller certificate for a limitation, the Board shall either:

1. By majority vote, adopt a written resolution approving the application, which shall include:
  - a. Written findings:
    - (1) As to each criterion listed in §9.1055(d)(3)(B)–(D) of 34 Administrative Code, Chapter 9, Subchapter F (relating to the comptroller application review and agreement to limit appraised value);
    - (2) As to the criteria required by Tax Code §313.025 (f-1), if applicable;
    - (3) That the information in the application is true and correct; and
    - (4) That the Applicant is eligible for the limitation on the appraised value of the entity's qualified property;
  - b. A determination that granting the application is in the best interest of the District and this state; and
  - c. A designation of a Board representative and a directive to execute the agreement for property tax limitation presented by the approved Applicant that complies with 34

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Administrative Code, Chapter 9, Subchapter F, and Tax Code Chapter 313;

2. By majority vote, disapprove the application; or
3. Take no official action. The application shall be considered disapproved on the 151st day after the application review start date.

Upon completion of Board action, if any, on the application, the Superintendent shall ensure that all required information is transmitted to the comptroller, the Applicant, and each applicable appraisal district.

ADOPTION OF  
AGREEMENT

The Board shall also consider and adopt an agreement with the Applicant to provide for protection from or compensation for any financial risks undertaken by the District in accepting the application in accordance with Tax Code §313.027.

WAIVER OF JOBS  
REQUIREMENT

The Board may waive the new jobs creation requirement of §313.021(2)(A)(iv)(b) or §313.051(b) of the Tax Code and may approve an application if the Board makes a finding that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility described in the application.

In the event that a waiver request is made subsequent to the time of the original application, the Board may charge the Applicant a fee to cover the costs of any consultant required by the Board in making the requisite finding.

SUBSTANTIVE  
DOCUMENTS AND  
CONFIDENTIALITY

Information that is provided to the District in connection with an application for a limitation on appraised value under Chapter 313, Subchapter B and that describes the specific processes or business activities to be conducted or the specific tangible personal property to be located on real property covered by the application shall be segregated in the application from other information and shall be confidential and not subject to public disclosure unless the Board approves the application.

Other information in the custody of the District or the comptroller in connection with the application, including information related to the economic impact of a project or the essential elements of eligibility under Chapter 313, such as the nature and amount of the projected investment, employment, wages, and benefits, shall not be considered confidential business information if the Board agrees to consider the application.

All applications and parts of applications that are not segregated and marked as confidential as required under 34 Administrative Code,

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Chapter 9, Subchapter F, §9.1055 shall be considered substantive documents and shall be posted on the Internet.

If the Board approves the application, information in the custody of the District or the comptroller shall not be confidential.

Any information received by the District from the Applicant shall be subject to the Texas Public Information Act.

APPLICANT'S CLAIM  
OF INFORMATION  
CONFIDENTIALITY

When submitting an application or any amendment or supplement thereto, an Applicant may request that all or parts of the documents not be posted on the Internet and not be otherwise publicly released.

The request for confidentiality shall be considered by the comptroller if:

1. The Applicant has segregated the information for which confidentiality is being requested from the other information submitted to the comptroller and clearly and conspicuously labeled the information as confidential;
2. The Applicant has provided on the form prescribed by the comptroller a written list specifically identifying each document, portion of a document, or entry that the Applicant contends is confidential;
3. The Applicant has provided in writing specific reasons, including any relevant legal authority, stating why the Applicant believes the material to be confidential; and
4. The comptroller determines that the information for which confidentiality is sought describes:
  - a. Specific processes or business activities to be conducted by the Applicant; or
  - b. Specific tangible personal property to be located on real property covered by the application.

APPLICANT  
REPORTING  
OBLIGATIONS

During the course of its Chapter 313 agreement with the District, the Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation, including but not limited to the annual report or certifications the Applicant may be required to submit to the comptroller under provisions of §313.032 of the Tax Code. The Applicant shall forward to the District a copy of all such required reports or certifications contemporaneously with filing the reports with the comptroller. The obligation to make all required filings shall be a material obligation of the agreement.

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DISTRICT  
REPORTING  
OBLIGATIONS

If the comptroller requests information reasonably necessary to complete the recommendation or economic impact evaluations, the Superintendent shall provide the requested information within 20 working days from the date of the request. The Superintendent may request an extension of time, not to exceed ten working days, to provide the additional information to the comptroller.

SUPERINTENDENT  
RESPONSIBILITIES /  
DELEGATION

During the term of any agreement, the Superintendent shall ensure that all reporting requirements under Chapter 313 are met in a timely fashion by the District and the Applicant. The Superintendent is authorized to delegate this function to outside consultants; however, the Applicant shall reimburse the District for any consultant fees.

The Superintendent shall provide to the Applicant and the District's consultants a copy of the economic impact evaluation and the facilities impact study upon receipt thereof.

APPLICANT  
INFORMATION  
UPDATES

An Applicant shall update the District regarding the following information:

1. Changes to the designation of an authorized representative;
2. Changes to the location and contact information for the approved Applicant, including all members of the combined group participating in the limitation agreement; and
3. Copies of any assignments of the agreement and contact information for authorized representatives of any assignees.