



Board Action Required

No Action Required

To: Coppell ISD Board of Trustees
From: Kelly Penny
Date: November 15, 2010
cc: Dr. Jeff Turner, Sid Grant

Re: Foreign Trade Zone

The City of Coppell recently approached the District asking for consideration to support a single location for a potential Foreign Trade Zone. The exemption basically exempts all inventory taxes, federal excise taxes, and tariffs. This exemption can only be granted by the Federal Government. However, the City of Coppell's Economic Development Division is asking that the District consider passing a resolution supporting the corporation requesting this exemption.

The current financial impact to the District would be a loss of tax revenue of \$2,552.45 based upon an assessed value of Business Property of \$179,220.

Additionally:

- All buildings currently exist and taxes on the buildings would continue to be paid (neutral financial impact to district).
- Once the Foreign Trade Zone is granted by the Federal Government it remains on that property into perpetuity, regardless of what corporation occupies the building. A Foreign Trade Zone is granted for the location, not the business that occupies the building.
- Future losses or changes of taxable value of personal property cannot be determined.

Matrix is requesting the District's support to establish a Foreign Trade Zone located at 850 Freeport Pkwy, Coppell, Texas 75019. The City of Coppell has already passed a resolution in support of the Federal Trade Zone request. Attached is the graphic location of the property for your viewing.