



**Glenn Hegar** Texas Comptroller of Public Accounts

Texas Economic  
Development Act  
Chapter 313  
Summary Data  
2023



# Executive Summary

The Texas Economic Development Act (Chapter 313 of the Tax Code) allows school districts to attract new taxable property development by offering a value limitation on the appraised value of the property for the maintenance and operations portion of the school district's property tax.<sup>1</sup> Texas Education Code 48.256 requires the Texas Education Agency commissioner to remove the non-taxed value of 313 projects from the Districts Property Value. Lower District Property Values typically result in increased revenue provided to the district by the state (or lessens recapture paid).

This analysis is an effort to present the Comptroller's estimates of the current status of the program, as opposed to the individual project data. This report measures the progress of agreements made through June 1, 2022, based on information collected from the school districts and the agreements' beneficiaries. This report includes information not required by statute that is provided for informational purposes only. This report only contains aggregate data on the active agreements made under this chapter, as of June 1, 2022. Because many agreements were executed after the data collection date, this report does not represent the entire universe of active Chapter 313 agreements as of the expiration of the program.

Among the report's highlights are several important benchmarks that may be useful to legislators and others, including:

- Of the 598 current and executed agreements, 35 percent are manufacturing and 65 percent are renewable energy. Less than 1 percent were in research and development.
- Of the estimated \$261 billion invested under the 598 agreements, 71 percent of the investments are in manufacturing and 29 percent are in renewable energy; less than 1 percent are in research and development.
- Of the 9,850 qualifying jobs committed for creation under the 598 project agreements, 88 percent are in manufacturing and 12 percent are in renewable energy.
- Of the estimated gross tax benefit of \$12.3 billion, manufacturing projects are estimated to receive 73 percent; renewable energy projects, 26 percent; and research and development, less than 1 percent.
- Manufacturing projects are returning 13 percent of their tax benefits back to school districts through supplemental payments, while renewable energy projects are returning 16 percent and research and development projects are returning 14 percent through supplemental payments back to their school districts.

**In addition, the Chapter 313 program received 416 applications in 2022: a new record high.** The Chapter 313 program expired on Dec. 31, 2022.

<sup>1</sup> Texas Tax Code, "Chapter 313. Texas Economic Development Act," <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.313.htm>.

# Texas Economic Development Act – Chapter 313 Summary Data – 2023

## Current and Executed Agreements

Table 1 includes data from all projects with agreements executed before June 1, 2022, that are required to report. Figures are reported by the applicable eligibility categories.

Table 1

### Current and Executed Agreements

Category	Active Projects Executed Before 06/01/2022	Estimated Total Investment for Length of Agreement	Reported Investment Through 2021	2021 Taxable Value for M&O if Limitation Were Not in Effect	2021 Taxable Value for M&O with Limitation in Effect
Manufacturing	209	\$184,456,247,000	\$102,127,066,000	\$56,978,368,000	\$8,356,451,000
Research and Development	1	\$112,754,000	\$112,754,000	\$77,536,000	\$77,536,000
[Wind] Renewable Energy Electric Generation	210*	\$41,105,118,000	\$35,369,551,000	\$18,509,441,000	\$3,993,052,000
[Non-Wind] Renewable Energy Electric Generation	178	\$35,970,255,000	\$12,740,540,000	\$5,511,498,000	\$1,584,769,000
<b>Total</b>	<b>598</b>	<b>\$261,644,374,000</b>	<b>\$150,349,911,000</b>	<b>\$81,076,843,000</b>	<b>\$14,011,808,000</b>

Category	Total 2021 Taxable Value for M&O Not on the Tax Rolls	Estimated Gross Tax Benefit Through 2021	Estimated Total Gross Tax Benefit to Company Through Limitation and Tax Credit for Length of Agreement
Manufacturing	\$48,621,917,000	\$2,113,351,000	\$8,999,734,000
Research and Development	\$0	\$9,525,000	\$9,525,000
[Wind] Renewable Energy Electric Generation	\$14,516,389,000	\$920,814,000	\$1,954,151,000
[Non-Wind] Renewable Energy Electric Generation	\$3,926,730,000	\$113,120,000	\$1,290,501,000
<b>Total</b>	<b>\$67,065,035,000</b>	<b>\$3,156,811,000</b>	<b>\$12,253,911,000</b>

\* This data reflects information taken from 208 (of 210) active agreements in this eligibility category for which companies submitted complete reports.

**Note:** Figures are rounded to the nearest thousand. Figures may not add due to rounding.

**Job Creation Summary**

Table 2 summarizes the jobs created for each eligibility category.

Table 2

**Job Creation Summary**

Category	Reported Number of Qualifying Jobs Created Through 2021	Maximum Number of Qualifying Jobs Recipient Committed to Create on Application	Reported Number of Jobs* Created Through 2021	Total Reported Wages for Jobs* in 2021
Manufacturing	8,701	6,730	12,337	\$1,436,369,000
Research and Development	0	0	-	\$0
[Wind] Renewable Energy Electric Generation	969	953	1,173	\$68,970,000
[Non-Wind] Renewable Energy Electric Generation	180	349	522	\$32,185,000
<b>TOTAL</b>	<b>9,850</b>	<b>8,032</b>	<b>14,032</b>	<b>\$1,537,524,000</b>

\*For projects subject to the statute prior to HB 3390 (2013), reported jobs are “new jobs.” After HB 3390, reported jobs are the total of qualifying jobs and non-qualifying jobs.

**Note:** Wage figures are rounded to the nearest thousand. Figures may not add due to rounding.

**Estimates of Tax Base and Gross Tax Benefits**

Table 3 lists the estimated annual gross company tax benefits over the life of active Chapter 313 project agreements executed before June 1, 2022. Taxable values are only included for the length of each agreement. The information included in this table is not required by statute and is provided for informational purposes only. These estimates are provided by beneficiary businesses, school districts and other sources.

Table 3

**Estimates of Tax Base and Gross Tax Benefits**

Tax Year	Estimated Market Value with No Exemptions	Estimated I&S Tax Base	Estimated M&O Tax Base	Estimated Tax Benefit Due to Limitation	Estimated Tax Benefit Due to Tax Credit	Estimated Gross Tax Benefit
2021	\$83,601,316,000	\$81,076,843,000	\$14,011,808,000	\$635,665,000	\$37,160,000	\$672,825,000
2022	\$93,847,867,000	\$91,337,891,000	\$16,697,241,000	\$693,632,000	\$32,029,000	\$725,661,000
2023	\$109,837,968,000	\$107,624,240,000	\$25,686,314,000	\$761,362,000	\$31,336,000	\$792,698,000
2024	\$123,655,339,000	\$121,252,893,000	\$35,887,022,000	\$796,321,000	\$35,736,000	\$832,057,000
2025	\$130,291,749,000	\$127,751,070,000	\$32,550,613,000	\$895,138,000	\$25,426,000	\$920,564,000
2026	\$128,664,844,000	\$125,054,454,000	\$36,159,008,000	\$836,489,000	\$17,015,000	\$853,504,000
2027	\$117,976,491,000	\$115,408,630,000	\$29,793,983,000	\$809,704,000	\$8,075,000	\$817,780,000
2028	\$111,659,107,000	\$109,375,039,000	\$27,303,239,000	\$773,690,000	\$23,037,000	\$796,727,000
2029	\$99,569,548,000	\$98,194,886,000	\$25,726,462,000	\$683,715,000	\$6,415,000	\$690,130,000
2030	\$92,229,440,000	\$91,184,256,000	\$32,561,419,000	\$554,397,000	\$0	\$554,397,000
2031	\$82,527,436,000	\$81,919,714,000	\$33,820,429,000	\$456,843,000	\$0	\$456,843,000
2032	\$75,421,191,000	\$74,904,662,000	\$34,730,127,000	\$382,132,000	\$0	\$382,132,000
2033	\$66,080,978,000	\$65,599,443,000	\$32,621,531,000	\$315,539,000	\$0	\$315,539,000
2034	\$58,361,911,000	\$57,946,886,000	\$39,068,156,000	\$177,152,000	\$0	\$177,152,000
2035	\$50,594,938,000	\$50,264,085,000	\$41,550,389,000	\$80,623,000	\$0	\$80,623,000
2036	\$44,769,952,000	\$44,462,202,000	\$37,145,080,000	\$67,672,000	\$0	\$67,672,000
2037	\$37,625,505,000	\$37,342,259,000	\$27,813,726,000	\$89,144,000	\$0	\$89,144,000
2038	\$31,673,346,000	\$31,446,592,000	\$26,161,766,000	\$50,939,000	\$0	\$50,939,000
2039	\$19,580,762,000	\$19,642,417,000	\$14,194,388,000	\$52,492,000	\$0	\$52,492,000
2040	\$12,535,550,000	\$12,535,550,000	\$5,165,228,000	\$70,777,000	\$0	\$70,777,000
2041	\$11,170,649,000	\$11,170,649,000	\$3,920,697,000	\$69,621,000	\$0	\$69,621,000
2042	\$10,707,922,000	\$10,670,395,000	\$4,804,514,000	\$56,330,000	\$0	\$56,330,000
2043	\$7,799,724,000	\$7,799,724,000	\$1,858,438,000	\$57,054,000	\$0	\$57,054,000
2044	\$6,764,231,000	\$6,764,231,000	\$1,820,518,000	\$47,474,000	\$0	\$47,474,000
2045	\$5,970,411,000	\$5,970,411,000	\$1,584,705,000	\$42,116,000	\$0	\$42,116,000
2046	\$5,617,178,000	\$5,617,178,000	\$1,564,020,000	\$38,922,000	\$0	\$38,922,000

## Texas Economic Development Act – Chapter 313 Summary Data – 2023

Table 3

### Estimates of Tax Base and Gross Tax Benefits (continued)

Tax Year	Estimated Market Value with No Exemptions	Estimated I&S Tax Base	Estimated M&O Tax Base	Estimated Tax Benefit Due to Limitation	Estimated Tax Benefit Due to Tax Credit	Estimated Gross Tax Benefit
2047	\$3,954,972,000	\$3,954,972,000	\$1,763,210,000	\$21,047,000	\$0	\$21,047,000
2048	\$3,754,067,000	\$3,754,067,000	\$1,729,003,000	\$19,447,000	\$0	\$19,447,000
2049	\$3,605,008,000	\$3,605,008,000	\$1,703,830,000	\$18,257,000	\$0	\$18,257,000
2050	\$3,492,886,000	\$3,492,886,000	\$3,492,886,000	\$0	\$0	\$0
2051	\$3,412,142,000	\$3,412,142,000	\$3,412,142,000	\$0	\$0	\$0
2052	\$1,806,045,000	\$1,806,045,000	\$1,806,045,000	\$0	\$0	\$0
2053	\$1,778,084,000	\$1,778,084,000	\$1,778,084,000	\$0	\$0	\$0
2054	\$1,750,829,000	\$1,750,829,000	\$1,750,829,000	\$0	\$0	\$0
<b>TOTAL</b>				<b>\$9,553,694,000</b>	<b>\$216,229,000</b>	<b>\$9,769,924,000</b>

**Note:** All figures are rounded to the nearest thousand. Figures may not add due to rounding.

**Revenue Payments**

Chapter 313 includes three types of allowable payments from the business to the school district. The statute requires that each agreement includes “revenue protection payments” to ensure the district does not see a decrease in revenues due to the agreement. The second type of payment is referred to as “supplemental payments.” The following tables provide information on these additional payments, both by year (Table 4A) and by eligibility area (Table 4B). Additionally, Section 313.027 (f)(2) allows districts to receive payments from companies for extraordinary educational expenses not funded by the school finance system. No districts to date have reported requesting any such funds.

Table 4A

**Other Payments to Districts (By Year)**

Tax Year	Estimated Total Supplemental Company Payments to Districts	Estimated Total Revenue Protection Payments to Districts	Tax Year	Estimated Total Supplemental Company Payments to Districts	Estimated Total Revenue Protection Payments to Districts
2003	\$0	\$0	2030	\$74,772,000	\$27,170,000
2004	\$0	\$0	2031	\$64,559,000	\$21,363,000
2005	\$0	\$0	2032	\$64,221,000	\$23,794,000
2006	\$0	\$0	2033	\$53,389,000	\$11,821,000
2007	\$0	\$0	2034	\$39,425,000	\$18,472,000
2008	\$0	\$0	2035	\$25,985,000	\$4,972,000
2009	\$0	\$0	2036	\$18,450,000	\$4,965,000
2010	\$419,000	\$0	2037	\$11,626,000	\$20,593,000
2011	\$8,846,000	\$3,679,000	2038	\$6,267,000	\$2,095,000
2012	\$11,455,000	\$6,289,000	2039	\$4,762,000	\$1,152,000
2013	\$15,815,000	\$9,749,000	2040	\$7,821,000	\$16,098,000
2014	\$21,295,000	\$14,162,000	2041	\$3,352,000	\$2,989,000
2015	\$30,650,000	\$24,025,000	2042	\$3,412,000	\$1,368,000
2016	\$39,996,000	\$71,303,000	2043	\$3,383,000	\$3,181,000
2017	\$53,574,000	\$113,317,000	2044	\$3,443,000	\$0
2018	\$63,687,000	\$100,811,000	2045	\$2,335,000	\$0
2019	\$74,149,000	\$92,451,000	2046	\$2,375,000	\$0
2020	\$89,398,000	\$107,783,000	2047	\$2,415,000	\$0
2021	\$88,682,000	\$127,654,000	2048	\$2,455,000	\$0
2022	\$94,760,000	\$153,477,000	2049	\$2,495,000	\$0
2023	\$97,430,000	\$165,775,000	2050	\$1,268,000	\$0
2024	\$99,040,000	\$175,832,000	2051	\$1,288,000	\$0
2025	\$106,601,000	\$172,349,000	2052	\$1,308,000	\$0
2026	\$106,875,000	\$81,596,000	2053	\$0	\$0
2027	\$94,814,000	\$122,405,000	2054	\$0	\$0
2028	\$88,719,000	\$44,170,000	<b>TOTAL</b>	<b>\$1,670,363,000</b>	<b>\$1,777,557,000</b>
2029	\$83,354,000	\$30,700,000			



Table 4B

**Other Payments to Districts (By Category)**

<b>Category</b>	<b>Estimated Supplemental Company Payments to Districts for Length of Agreement</b>	<b>Estimated Revenue Protection Payments to Districts for Length of Agreement</b>
Manufacturing	\$1,161,184,000	\$1,218,423,000
Research and Development	\$1,352,000	\$220,000
[Wind] Renewable Energy Electric Generation	\$274,403,000	\$307,617,000
[Non-Wind] Renewable Energy Electric Generation	\$233,424,000	\$251,297,000
<b>TOTAL</b>	<b>\$1,670,363,000</b>	<b>\$1,777,557,000</b>

**Note:** All figures are rounded to the nearest thousand. Figures may not add due to rounding.

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