

TAXES AND UNION ACTIVITY

Increasing business costs combined with ever-constrictive regulatory environments contribute to the rise of a business' risks and costs. Tax burdens and labor requirements imposed on businesses create barriers to market entry and real estate development.

Texas is a low-tax, business-friendly, right-to-work state. Companies from all over the United States and around the world come to do business in Texas because of low costs, central locations, and an industry environment favorable to growth and development.

Because Texas is a right-to-work state — meaning employees are not required to join unions — it places high in favorable tax climate rankings. The DFW area has extremely low union activity.

SALES TAX RATE

STATE: 61/4% (0.0625)

CITY: 1% - 2% (0.0025 - 0.02), depending on local option rate

COUNTY: 1/2% - 11/2% (.005 - 0.015), depending on local option rate

TRANSIT: 1/4% - 1% (.0025 - 0.01), depending on local option rate

SPECIAL PURPOSE DISTRICTS: 1/8% - 2% (.00125 - 0.02), depending on local option rate

DFW COMMUNITIES SALES TAX SAMPLE

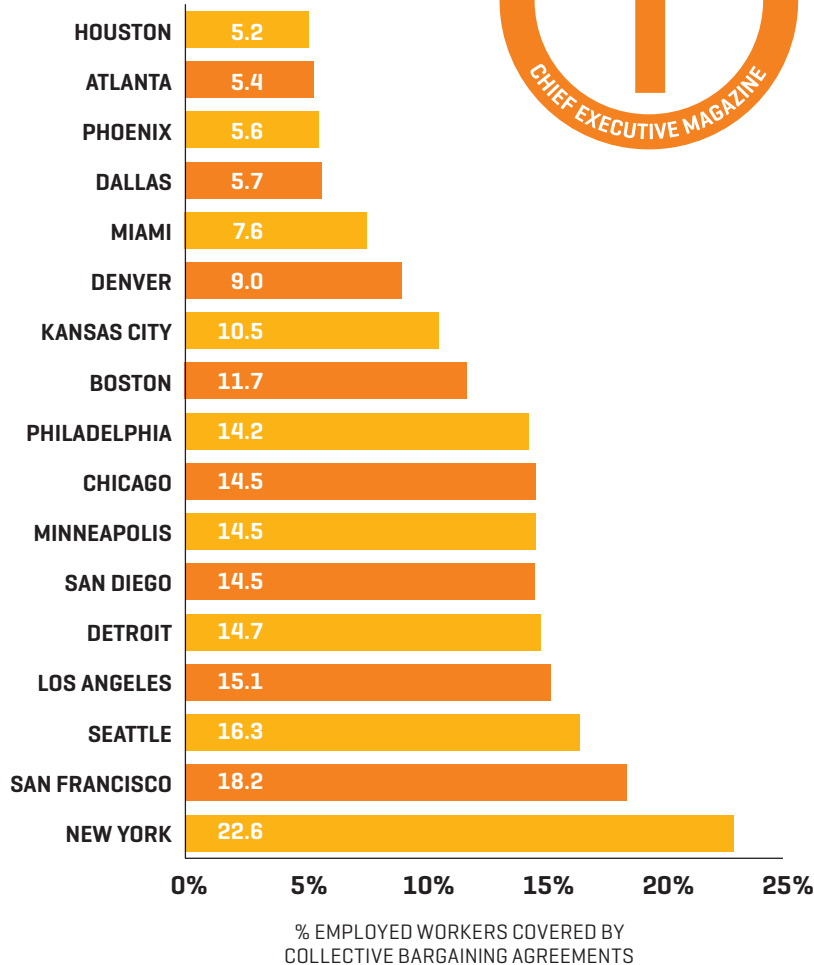
CITY	STATE RATE	CITY RATE	OTHER RATE	OTHER TYPE	TOTAL RATE
PLANO	0.0625	0.0100	0.0100	MTA	0.0825
DALLAS	0.0625	0.0100	0.0100	MTA	0.0825
DENTON	0.0625	0.0150	0.0050	CTA	0.0825
FORT WORTH	0.0625	0.0100	0.0050	MTA	0.0825
			0.0050	CCD	

MTA = Metropolitan Transit Authority; CCD = Crime Control District; CTA = County Transit Authority

Source: Texas Comptroller's Office



UNION ACTIVITY IN SELECTED METROS



SOURCE: Current Population Survey (CPS) Outgoing Rotation Group (ORG) Earnings Files, 2016, compiled by unionstats.com

TEXAS FRANCHISE TAX

Each taxable entity formed in Texas or doing business in Texas must file and pay franchise tax, such as corporations, LLCs, banks, partnerships and business associations. The tax does not apply to sole proprietorships, general partnerships with individual owners, nonprofits, or entities with \$1.1 million in gross receipts or less.

TEXAS FRANCHISE TAX RATES

- 0.75% (0.0075) of margin for most taxable entities
- 0.375% (0.00375) for qualifying wholesalers and retailers
- 0.331% (0.00331) for those entities with \$20 million or less in Total Revenue (annualized per 12-month period on which the report is based)

More information is available by contacting the Texas Comptroller of Public Accounts at 1-800-252-1381 or visiting <http://www.window.state.tx.us/taxinfo/franchise/>

TEXAS DOES NOT COLLECT

- Personal Income Tax (State or Local)
- Local Occupation Tax
- Local Wage Tax
- State Property Tax

2017 DALLAS-FORT WORTH PROPERTY TAX RATES

COUNTIES	RATE	Garland	\$0.704600	Seagoville	\$0.743800	College [CCD]	\$0.124238	Midlothian ISD	\$1.540000
Collin	\$0.192246	Glenn Heights	\$0.885434	Southlake	\$0.462000	Dallas ISD	\$1.282085	Milford ISD	\$1.170000
Dallas	\$0.243100	Granbury	\$0.399385	Sunnyvale	\$0.413088	Denton ISD	\$1.540000	Millsap ISD	\$1.612200
Denton	\$0.237812	Grand Prairie	\$0.669998	Terrell	\$0.724200	DeSoto ISD	\$1.490000	Mineral Wells ISD	\$1.430000
Ellis	\$0.359713	Grapevine	\$0.289271	The Colony	\$0.665000	Duncanville ISD	\$1.521480	Northwest ISD	\$1.490000
Hood	\$0.367366	Greenville	\$0.689000	Trophy Club	\$0.451442	Eagle Mountain-Saginaw ISD	\$1.540000	Palmer ISD	\$1.455000
Hunt	\$0.512469	Haltom City	\$0.668180	University Park	\$0.248761	Ennis ISD	\$1.535800	Peaster ISD	\$1.440000
Johnson	\$0.422663	Heath	\$0.417311	Watauga	\$0.462000	Era ISD	\$1.245000	Perrin Whitt ISD	\$1.240000
Kaufman	\$0.488700	Hickory Creek	\$0.366933	Waxahachie	\$0.680000	Everman ISD	\$1.510000	Pilot Point ISD	\$1.370000
Parker	\$0.311719	Highland Park	\$0.220000	Weatherford	\$0.489860	Fannindel ISD	\$1.260000	Plano ISD	\$1.439000
Rockwall	\$0.349800	Highland Village	\$0.568020	White Settlement	\$0.462000	Farmersville ISD	\$1.320000	Ponder ISD	\$1.467790
Somervell	\$0.461590	Hurst	\$0.580940	Willow Park	\$0.536700	Ferris ISD	\$1.387300	Poolville ISD	\$1.370000
Tarrant	\$0.244000	Hutchins	\$0.682459	Wylie	\$0.781000	Forney ISD	\$1.540000	Princeton ISD	\$1.620000
Wise	\$0.346400	Irving	\$0.594100			Fort Worth ISD	\$1.352000	Prosper ISD	\$1.440000
		Joshua	\$0.775270	SCHOOLS		Frisco ISD	\$1.460000	Quinlan ISD	\$1.240000
		Kaufman	\$0.899370	Alledo ISD	\$1.595000	Frost ISD	\$1.174250	Red Oak ISD	\$1.540000
		Keene	\$0.897823	Allen ISD	\$1.570000	Garland ISD	\$1.460000	Richardson ISD	\$1.390050
		Keller	\$0.427500	Alvarado ISD	\$1.461000	Glen Rose ISD	\$0.994000	Rio Vista ISD	\$1.600000
		Kennedale	\$0.777500	Alvord ISD	\$1.354000	Godley ISD	\$1.540000	Rockwall ISD	\$1.440000
		Krum	\$0.647489	Anna ISD	\$1.670000	Granbury ISD	\$1.210000	Royse City ISD	\$1.670000
		Lake Dallas	\$0.661750	Argyle ISD	\$1.585050	Grand Prairie ISD	\$1.595000	Sanger ISD	\$1.372067
		Lake Worth	\$0.454920	Arlington ISD	\$1.368670	Grandview ISD	\$1.400000	Scurry-Rosser ISD	\$1.330000
		Lancaster	\$0.867500	Aubrey ISD	\$1.510000	Grapevine-Colleyville ISD	\$1.396700	Slidell ISD	\$1.140000
		Lewisville	\$0.436086	Avalon ISD	\$1.233400	Greenville ISD	\$1.308481	Springtown ISD	\$1.359000
		Little Elm	\$0.657671	Azle ISD	\$1.329000	Gunter ISD	\$1.620000	Sunnyvale ISD	\$1.520000
		Lucas	\$0.317948	Birdville ISD	\$1.453900	Highland Park ISD	\$1.203200	Tarrant County College [CCD]	\$0.140060
		Mansfield	\$0.710000	Bland ISD	\$1.427100	Hurst-Eules-Bedford ISD	\$1.263000	Terrell ISD	\$1.599700
		McKinney	\$0.540199	Blue Ridge ISD	\$1.571490	Irving ISD	\$1.431400	Tolar ISD	\$1.440200
		Melissa	\$0.610000	Bluff Dale ISD	\$1.170000	Italy ISD	\$1.585000	Trenton ISD	\$1.460000
		Mesquite	\$0.687000	Boles ISD	\$1.542940	Joshua ISD	\$1.600000	Van Alstyne ISD	\$1.620000
		Midlothian	\$0.708244	Brock ISD	\$1.620000	Kaufman ISD	\$1.550000	Venus ISD	\$1.587600
		Murphy	\$0.500000	Burleson ISD	\$1.670000	Keene ISD	\$1.430000	Waxahachie ISD	\$1.553900
		North Richland Hills	\$0.590000	Caddo Mills ISD	\$1.455000	Keller ISD	\$1.520000	Weatherford ISD	\$1.454000
		Parker	\$0.365984	Campbell ISD	\$1.040000	Kennedale ISD	\$1.480000	White Settlement ISD	\$1.540000
		Plano	\$0.468600	Carroll ISD	\$1.385000	Krum ISD	\$1.540000	Whitewright ISD	\$1.350000
		Princeton	\$0.689890	Carrollton Farmers Branch ISD	\$1.381000	Lake Dallas ISD	\$1.670000	Wolfe City ISD	\$1.344000
		Prosper	\$0.520000	Castleberry ISD	\$1.392200	Lake Worth ISD	\$1.670000	Wylie ISD	\$1.640000
		Providence	\$0.833688	Cedar Hill ISD	\$1.516000	Lancaster ISD	\$1.540000		
		Red Oak	\$0.649000	Celeste ISD	\$1.460600	Leonard ISD	\$1.259060	OTHER	
		Richardson	\$0.625160	Celina ISD	\$1.640000	Lewisville ISD	\$1.407500	Dallas County Parkland Hospital [HD]	\$0.279400
		Richland Hills	\$0.563738	Cleburne ISD	\$1.630000	Lipian ISD	\$1.490000	Dallas County School Equalization [SET]	\$0.010000
		River Oaks	\$0.780000	Collin College [CCD]	\$0.079810	Little Elm ISD	\$1.540000	Tarrant County Water District [WD]	\$0.019400
		Roanoke	\$0.375120	Commerce ISD	\$1.561000	Lone Oak ISD	\$1.300000	Tarrant County Hospital [HD]	\$0.224429
		Rockwall	\$0.423600	Community ISD	\$1.625000	Lovejoy ISD	\$1.670000		
		Rowlett	\$0.777173	Cooper ISD	\$1.470000	Mansfield ISD	\$1.540000		
		Royse City	\$0.621500	Coppell ISD	\$1.477700	Maypearl ISD	\$1.302100		
		Sachse	\$0.747279	Crandall ISD	\$1.540000	McKinney ISD	\$1.620000		
		Saginaw	\$0.495000	Crowley ISD	\$1.670000	Melissa ISD	\$1.670000		
		Sanger	\$0.679100	Cumby ISD	\$1.200000	Mesquite ISD	\$1.460000		
		Sansom Park	\$0.787304	Dallas County Community					

SOURCES: Collin, Dallas, Denton, Ellis, Hood, Hunt, Johnson, Kaufman, Parker, Rockwall, Somervell, Tarrant, and Wise County Appraisal Districts

SAMPLE PROPERTY TAX INFORMATION FOR DFW COMMUNITIES 2017 RATE Per \$100 of Taxable Valuation

CITY	CITY RATE	COUNTY	COUNTY RATE	SCHOOL DISTRICT	SCHOOL DISTRICT RATE	OTHER TYPE	OTHER TYPE RATE	TOTAL RATE
PLANO	\$0.478600	COLLIN	\$0.208395	PLANO ISD	\$1.439000	CCD	\$0.079810	\$2.195805
						SET	\$0.010000	\$2.721323
DALLAS	\$0.782500	DALLAS	\$0.243100	DALLAS ISD	\$1.282085	HD	\$0.279400	
						CCD	\$0.124238	
DENTON	\$0.637856	DENTON	\$0.237812	DENTON ISD	\$1.540000			\$2.415668
						WD	\$0.019400	\$2.784889
FORT WORTH	\$0.805000	TARRANT	\$0.244000	FORT WORTH ISD	\$1.352000	HD	\$0.224429	
						CCD	\$0.140060	

SET = School Equalization Tax; HD = Hospital District; WD = Water District; CCD = Community College District