



## Williamson County and City of Taylor Opportunity Samsung Austin Semiconductor



### Investment

- The company plans to invest \$17 billion in land, buildings, equipment, and other personal business property.
- The project will be comprised of:
  - \$6 billion in buildings and other real property improvements
  - \$11 billion in machinery and equipment
  - 1,000+ acres
  - 6 million square foot semiconductor manufacturing facility
- The manufacturing facility will be operational by the end of 2024.

### Significant Impact

- In 2019 alone, the company made a \$4.5 billion economic impact in Central Texas, supporting nearly 10,000 jobs and more than \$445 million in salaries.
- Samsung would be the largest single facility paying taxes in Texas.
- This project is critical to national security as the U.S. cannot rely on foreign supply chains for semiconductors, which are integral to daily life and development.
- This project would help resolve the global chip shortage.

### Technology

- The facility will manufacture advanced semiconductor technology
- Semiconductors are used in the devices and technology we use every day – they are the brains that power your smartphones, make your commute safer and smarter, and impact your daily life in countless other ways.

### Job

- This will create opportunities for people with GEDs to PhDs, with plenty of upskilled opportunities.
  - 1,800 direct jobs
  - 6,500-10,000 good-paying direct construction jobs, many of which will be union-based.

### Community Benefit

- Samsung will provide:
  - Internships for a minimum of 24 Taylor ISD students per year.

- Annual Charitable Contributions of at least an average of \$300,000 starting in 2022
- Increased economic development through acquiring goods and services from businesses and individuals in Taylor
- Continued use of local small businesses for goods and services
- Samsung will be committed to sustaining a diverse and well-represented workforce
- Samsung will work with local employment recruiting agencies to enhance recruiting of potential minority job applicants and residents of Taylor, Taylor ISD, and Williamson County
  - Conduct and hold one or more job and recruiting fairs in Taylor
  - Work with the Texas Workforce Commission to assist in the recruitment and hiring of individuals who reside in or who are representative of Taylor and Williamson County
  - Require its general construction contractor and major construction subcontractors to hold recruiting fairs in Taylor
  - Request general construction contractor to employ as many Taylor residents as possible and hire a diverse workforce

Chapter Agreements (all agreements are performance-based, meaning the company must meet performance standards in order to receive any rebates):

#### Chapter 313:

Chapter 313 allows a school district to offer a temporary value limitation on the taxable value of a new investment project in manufacturing and certain environmentally friendly energy projects. The limitation, applied for a maximum of 10 years and ranging from \$10 million to \$100 million, only applies to school district taxes levied for maintenance and operations (M&O); taxes for debt service are not subject to the limitation, nor do business inventories qualify. Before the school district can approve a limitation, the State Comptroller must issue a certificate of approval that finds the project will generate more tax revenue for the state than the amount of the benefit received by the taxpayer. For more information, there is an overview of Tax Code Chapter 313 on the Texas Comptroller website: <https://comptroller.texas.gov/economy/local/>.

#### Chapter 312:

A tax abatement is a local agreement between a taxpayer and a taxing unit that exempts all or part of the increase in the value of the real property and/or tangible personal property from taxation for a period not to exceed 10 years. Tax abatements are an economic development tool available to cities, counties, and special districts to attract new industries and to encourage the retention and development of existing businesses through property tax exemptions or

reductions. School districts may not enter into abatement agreements. For more information, there is an overview of Tax Code Chapter 312 on the Texas Comptroller website.

<https://comptroller.texas.gov/economy/local/>

#### Chapter 311:

Tax increment financing (TIF) is a method local governments can use to pay for improvements that will draw private investment to an area. Tax increment financing isn't a new tax; instead, it redirects some of the ad valorem tax from a property in a geographic area designated as a Tax Increment Reinvestment Zone (TIRZ) to pay for improvements in the zone. Tax Code Chapter 311 governs tax increment financing.

Only a city or county may initiate tax increment financing. Tax increment financing requires the governing body of a city to create a Tax Increment Reinvestment Zone (TIRZ). The governing body of a city by ordinance may: designate a contiguous or noncontiguous geographic area (a) within the corporate limits of a municipality; (b) in the extraterritorial jurisdiction of the municipality, or (c) in both to be a reinvestment zone. The designation of an area that is wholly or partly located in the extraterritorial jurisdiction of a municipality is not affected by a subsequent annexation of real property in the reinvestment zone by the municipality. For more information, there is an overview of Tax Code Chapter 311 on the Texas Comptroller website.

<https://comptroller.texas.gov/economy/local/>.

#### Chapter 381:

Chapter 381 of the Local Government Code allows counties to provide incentives encouraging developers to build in their jurisdictions. A county may administer and develop a program to make loans and grants of public money to promote state or local economic development and to stimulate, encourage and develop business location and commercial activity in the county. The county also may develop and administer a program for entering into a tax abatement agreement. This tool allows counties to negotiate directly with developers and businesses. For more information, there is an overview of Tax Code Chapter 381 on the Texas Comptroller website: <https://comptroller.texas.gov/economy/local/>.