

**Request for Additional State Aid for Ad Valorem Tax Credit**  
**Applicable for the 2016–2017 and later school years**  
Texas Education Agency (TEA)

**Purpose:** To provide additional state aid to school districts that have value limitation agreements pursuant to the provisions of the Texas Economic Development Act (TEDA).

**Authority for data collection:** Texas Education Code (TEC), §42.2515, Additional State Aid for Ad Valorem Tax Credits Under Texas Economic Development Act.

**Planned use of data:** To compute additional state aid. This aid offsets the ad valorem tax credit that was granted to a business entity by a qualifying school district under the provisions of the TEDA as authorized by the Tax Code, Chapter 313.

**Instructions to school districts:**

**Eligibility:** Only a school district for which the school board has approved an application by a qualified business entity for a tax credit that meets all the requirements pursuant to the provisions of the TEDA is eligible to complete this form and receive additional state aid. Qualifying business entities are eligible to receive a tax credit for a portion of the maintenance and operations (M&O) taxes paid to school districts on property subject to a qualified value limitation agreement during the qualifying period. The credit, subject to certain limitations, is credited to the ad valorem taxes owed by the business entity over a seven-year period, in accordance with the Tax Code, §313.104(2)(A). The seven-year period begins with the tax year after the school board approves the tax credit application. Any remaining credit may be applied to taxes in the tax credit settle-up period, in accordance with the Tax Code, §313.104(2)(B).

**Funding available:** School districts are eligible to receive additional state aid in the amount of the ad valorem tax credits granted to qualified business entities. School districts may receive additional state aid for each of the school years associated with the tax years in which the amounts are credited to the ad valorem taxes due on the qualified property. For school districts to receive the payment of this additional state aid, the school districts and eligible business entities must be in compliance with all the reporting requirements set forth in the rules and policies of the comptroller of public accounts (CPA) under the Tax Code, §313.031 and the Texas Administrative Code (TAC) §61.1019.

**Application for funds:** The 4<sup>th</sup> tax year must be complete before the district can request assistance from TEA for the tax credit. A school district must complete and submit this form on or before May 31 of the following tax year, and for each qualified value limitation agreement for which the school board of the school district has approved an application. A school district may submit only one Request for Additional State Aid for Ad Valorem Tax Credit per qualified value limitation agreement for each tax year in which a credit was granted to a qualified business entity, regardless of the number of individual business entities currently participating in the agreement.

**Method of application:** A request for additional state aid for ad valorem tax credits must be filed by mail or delivery service on or before May 31 of each school year for which the tax credit is due. The request must include this form and a CD or other electronic data storage device containing a completed copy of the Excel template (Template for Chapter 313, Economic Development Act, Estimate of Tax Credit Impact) that is provided on the TEA web page: [Additional State Aid for Ad Valorem Tax Credit](#).

**Address:** Texas Education Agency, Office of School Finance,  
Attn: Nancy P. Kuhn, 1701 North Congress Avenue, Austin, TX 78701-1494

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<b>Section A: Provide information about the school district.</b>	
1. County-district number:	
2. School district name:	
3. School district contact name:	
4. School district contact phone:	
5. School district contact email:	
<b>Section B: Provide information about the business entity.</b>	
1. Name of business entity	
2. Texas taxpayer ID of the qualifying business entity	
3. Name of the project approved by the school board for the qualified value limitation agreement	
4. First tax year of the qualifying period	
5. Has the value limitation been amended or changed by the school board since the first year that the value limitation became effective?  <i>If yes, attach a separate document describing these changes.</i>	<i>Check only one of the following:</i>
	<input type="checkbox"/> No, there have been no amendments.
	<input type="checkbox"/> Yes, the agreement has been amended.
6. Total amount of the tax credit approved by the governing board of the school district for the years of the qualifying period	Tax credit for year 1:
	Tax credit for year 2:

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<b>Section C: Request additional state aid.</b>	
1. What is the tax year for which the district is applying to receive a reimbursement for a tax credit paid?	
2. What is the amount of the state aid, or tax credit, that the district is requesting for that tax year?	
<b>Section D: Attach supporting documentation.</b>	
1. Attach copies of all completed and signed Application(s) for Tax Credit on Qualified Property (Comptroller Form #50-300) that were submitted by the business entity or related entities and approved by the school district's governing board ( <b><i>applies to first-time applicants only</i></b> ).	
2. Report the school district's tax rates for the qualifying period.  Attach copies of the school board resolutions reflecting the adoption of tax rates for the years of the qualifying period ( <b><i>applies to first-time applicants only</i></b> ).	<div style="display: flex;"> <div style="flex: 1;">2.a. Year 1 M&amp;O tax rate:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">2.b. Year 1 I&amp;S tax rate:</div> <div style="flex: 1;"></div> </div>
	<div style="display: flex;"> <div style="flex: 1;">2.c. Year 2 M&amp;O tax rate:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">2.d. Year 2 I&amp;S tax rate:</div> <div style="flex: 1;"></div> </div>
3. Report the taxes paid on the qualifying property during the qualifying period.  Attach documentation that clearly demonstrates the amount of taxes paid on the qualified property. These documents should identify the portion of those taxes attributable separately to the M&O and I&S portions of the school district's tax rate in the qualifying years ( <b><i>applies to first-time applicants only</i></b> ).	<div style="display: flex;"> <div style="flex: 1;">If the documents are not available to support these amounts, the TEA will apportion the taxes paid according to the ratio of each component of the tax rate (M&amp;O and I&amp;S) to the total tax rate.</div> <div style="flex: 1;"></div> </div>
	<div style="display: flex;"> <div style="flex: 1;">3.a. Year 1 M&amp;O taxes paid:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">3.b. Year 1 I&amp;S taxes paid:</div> <div style="flex: 1;"></div> </div>
	<div style="display: flex;"> <div style="flex: 1;">3.c. Year 2 M&amp;O taxes paid:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">3.d. Year 2 I&amp;S taxes paid:</div> <div style="flex: 1;"></div> </div>
4. Report the market and taxable values on the qualifying property for the qualifying years.  Attach a copy of the report from the local county appraisal district (CAD) reflecting these values for the appraisal of the qualified project ( <b><i>applies to first-time applicants only</i></b> ).	<div style="display: flex;"> <div style="flex: 1;">4.a. Year 1 market value:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">4.b. Year 1 taxable value:</div> <div style="flex: 1;"></div> </div>
	<div style="display: flex;"> <div style="flex: 1;">4.c. Year 2 market value:</div> <div style="flex: 1;"></div> </div> <div style="display: flex;"> <div style="flex: 1;">4.d. Year 2 taxable value:</div> <div style="flex: 1;"></div> </div>

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<b>Section D (continued)</b>	
<p>5. Report the taxes paid by or billed to the business entity or entities on the qualified project for the tax year for which the district is seeking additional state aid, or provide the official statement of the tax credit that has been or will be applied to M&amp;O ad valorem taxes paid in the tax year for which the aid is being requested.</p> <p>Attach a copy of the bill for the ad valorem taxes on the qualifying project or a receipt showing the taxes paid on the qualifying project. <b>(Submit a separate bill for each tax year.)</b></p>	<p>5.a. Tax year:</p> <p>5.b. Amount of taxes paid (billed):</p>
<p>6. Submit with this application a copy of the resolution determining the initial eligibility for the tax credit in response to the receipt of the application <b>(applies to first-time applicants only)</b>. For each qualifying year thereafter, submit a copy of the board's annual determination of the actual credit, based on the lesser of 1/7 of the credit or 50% of the current tax year levy on the qualified project.</p>	
<p>7. Submit with this application a CD or other electronic data storage device a completed copy of the Excel template that is provided on the TEA web page: <a href="#">Additional State Aid for Ad Valorem Tax Credit</a>.</p>	
<p>8. The TEA will require additional supporting documentation to process the school district's request for additional state aid if the school district has made payments of the tax credit to more than one business entity under this value limitation agreement. If the district has granted credits to more than one business entity, the school district must also submit the following documents.</p> <div style="margin-left: 40px;"> <p>a. A copy of the complete assignment history, including all related assignments of the tax credit to subcompanies.</p> <p>b. A copy of receipts of the tax credit paid to the business entity or entities or other official statement of the tax credit that has been or will be applied to M&amp;O ad valorem taxes paid in the tax year for which the additional state aid is being requested.</p> </div>	
<b>Section E: Determine tax credit adjustments.</b>	
<p>1. Did the district issue any tax credit or issue a tax lien against the qualified property as the result of an erroneous tax credit for any year during the qualifying time period or the value limitation time period?</p> <p><input type="checkbox"/> yes    <input type="checkbox"/> no</p> <p>If yes, provide the information requested in</p>	<p>Complete this section <i>only</i> if an erroneous tax credit has been issued.</p> <p>1.a. Which tax year was the erroneous credit issued?</p> <p>1.b. Has the difference been paid (or credited) since the tax year in which the error occurred?</p>

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the column to the right and submit a description of the erroneous credit that identifies the amount of the erroneous credit and the year to which the credit was applied.	1.c. If yes, which tax year was the difference applied?
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**Section F: Sign and date the application.**

By signing this application, you certify that the information contained in this application and its attachments is true and correct, and that you are acting on the authority of the school district named in this application to act on its behalf in seeking the additional state aid requested herein.

You further certify that the school district is in compliance with all provisions of the TEDA, including the requirements to report information about value limitations and tax credits to the CPA as prescribed in the Tax Code, Chapter 313, and Title 34 of the Texas Administrative Code, Part 1, §§9.1051–9.1058.

Print Here:

\_\_\_\_\_  
(President, School Board)

Sign Here:

\_\_\_\_\_

Date:

\_\_\_\_\_

Print Here:

\_\_\_\_\_  
(Superintendent)

Sign Here:

\_\_\_\_\_

Date:

\_\_\_\_\_

**All documents must be submitted on or before May 31 of each school year  
for which the tax credit is due.**