



Biennial Progress Report for Texas Economic Development Act

Economic Development and Analysis
Form 50-773-A

INTRODUCTION

- You have been assigned an application number. Please verify this number on the website prior to completing the form. This form will indicate the sections you need to complete based on application number.
- This form must be filled out by each applicant that is party to a limitation agreement.
- If the original application was made by a group of two or more companies, each company must complete this form.
- If the original applicant split into two or more applicants after the original agreement, all current agreement holders must complete this form.
- Applicants should only complete the information for their years as an agreement holder, noting what year they were formed after the original agreement was approved.
- Each agreement holder should respond as a current agreement holder in Section 2.
- Applicants should report their proportionate share of required employment and investment information.
- In addition to the Biennial Progress Report required from each applicant that is a party to an agreement, a separate Biennial Progress Report summarizing the combined applicants' data for the entire agreement must be completed.
- If one of the applicants cannot provide this information, a summarization report must be completed by the school district.
- Projects spanning more than one school district must complete forms for each school district.
- Please return signed hard copy forms and electronic spreadsheets to the school district before May 15 of each even-numbered year.

Note:

- The school district that is a party to the Chapter 313 agreement is collecting the data required by Chapter 313.008 on this form for the Comptroller of Public Accounts (CPA).
- The CPA requests companies complete the electronic spreadsheet version of the form. Please submit both an *electronic version* and a *signed hard copy version* of the spreadsheet (with any attachments) to the district. Please contact CPA if you have questions about the form. The spreadsheet version of this form can be downloaded at: www.texasahead.org/tax_programs/chapter313/forms.php.
- After ensuring that all forms are complete, the school district will forward that data to the CPA for inclusion in a statutorily required report to the Texas Legislature.

SECTION 1: Applicant Information

1. Application number 24
2. Name of school district Brazosport Independent School District
3. Name of central appraisal district (CAD) appraising the qualified property in this school district Brazoria County Appraisal District
4. Name of project on original application (or short description of facility) Super Absorbent Polymers
5. Name of applicant on original application BASF Corporation
6. Name of company entering into original agreement with district BASF Corporation
7. If you are one of two or more companies originally applying for a limitation, list all other applicants here and describe their relationships. (Use attachments if necessary.)

N/A

SECTION 2: Current Agreement Information

1. Name of current agreement holder(s) BASF Corporation
2. Complete mailing address of current agreement holder 100 PARK AVENUE, FLORHAM PARK, NJ 07932
3. Company contact person for agreement holder:
- | | |
|------------------------------|------------------------------------|
| <u>Anthony S. Germinario</u> | <u>Director, State Tax</u> |
| Name | Title |
| <u>(973) 245-6558</u> | <u>anthony.germinario@basf.com</u> |
| Phone | Email |
4. Texas franchise tax ID number of current agreement holder: 11610908094
5. If the current agreement holder does not report under the franchise tax law, please include name and tax ID of reporting entity:
- | | |
|------------|------------|
| <u>N/A</u> | <u>N/A</u> |
| Name | Tax ID |
6. NAICS Code of current agreement holder (6 Digit): 325110
7. If the authorized company representative is different from the contact person listed above:
- | | |
|---|--------------------------------------|
| <u>Trey Novosad</u> | <u>Principal</u> |
| Name | Title |
| <u>1301 S MOPAC EXPY, SUITE 430, AUSTIN, TX 78746</u> | |
| Complete Mailing Address | |
| <u>(512) 473-2661</u> | <u>trey.novosad@property-tax.com</u> |
| Phone | Email |
8. If you are a current agreement holder who was not an original applicant, please list all other current agreement holders. Please describe the chain of ownership from the original applicant to the new entities. *(Use attachments if necessary.)*

N/A

SECTION 3: Project Timeline

- | | |
|---|---------------------|
| 1 Date original limitation agreement approved by school district | <u>May 10, 2005</u> |
| 2 First (complete) year of qualifying time period – after the date the application is approved. See Tax Code §313.021[4]... | <u>2006</u> |
| 3 First year of property value limitation | <u>2009</u> |

SECTION 4: Value Limitation Details

- 1 Original limitation amount (for entire agreement): 30,000,000.00
- 2 Amount of qualified investment during the qualifying time period the recipient committed to spend or allocate for this project on application (not total investment): **\$110 to 160 Million**
- 3 Total qualified investment made from the beginning of the qualifying time period through the end of the qualifying time period or the last complete tax year, if still in the qualifying time period. 174,274,000.00
- 4 Has the description of the qualified property changed from that in the application? Yes No
 - 4a. If yes, please describe on an attachment how the actual qualified property — for which you are providing actual and estimated market values on subsequent pages — differs from that property described in the agreement. Include only property located in this school district.
- 5 What was the number of permanent existing jobs at this facility prior to application? 0
(See guidelines for definition of existing job.)

SECTION 5: Job Details

- 1 For agreements before Jan. 1, 2014, does the agreement includes a definition of "new job" other than TAC §9.1051(14)(C), as the rule existed at the time of application? Yes No

1a. If yes, please provide the definition of "new job" as used in the agreement. (Use attachments if needed.)

"Qualifying Job" means a new permanent full-time job that: A) requires at least 1,600 hours of work per year; B) is not transferred from one area in this state to another in this state; C) is not created to replace a previous employee; D) is covered by a group health plan, as defined by Government Code, 481.151, for which the business pays or offers to pay at least 80% of the premiums or other charges that are assessed for employee-only coverage under the plan; and E) pays at least 110% of the county average weekly wage for manufacturing jobs as computed the Texas Workforce Commission for the county where the jobs is located.

Biennial Progress Report for Texas Economic Development Act
 CHART A1: Job Data for Applications 1 through 999

Form 59-773A
 Revised Jan 2014

App Number: 24
 District Name: Brazosport ISD
 Company Name: BASF Corporation

Project Name: Super Absorbent Polymer
 1st Yr. of Qualifying Time Period: 2006

Tax year (YYYY)	Qualifying Time Period			Limitation Period			Viable Presence Period						
	Year 1 (First Complete Tax Year)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
2006	10	10	10	10	10	10	10	10	10	10	10	10	10
Number of qualifying jobs applicant committed to create on application (cumulative)	38	53	71	71	70	70	72	71	71	74	74	74	74
Number of qualifying jobs applicant actually created (cumulative)	38	53	71	71	70	70	72	71	71	74	74	74	74
Median annual wage of new jobs applicant created	\$85,940	\$89,900	\$83,771	\$83,771	\$78,109	\$83,824	\$88,339	\$88,331	\$90,980	\$93,709	\$95,521	\$98,418	\$102,369
Total wages for new jobs applicant created	\$3,351,660	\$5,294,700	\$5,947,741	\$5,947,741	\$5,487,630	\$5,697,680	\$6,216,408	\$6,271,501	\$6,459,600	\$6,934,496	\$7,142,539	\$7,356,006	\$7,577,511

Actual and projected data. Use actual data for prior years. Estimates are required for current and future years.

- Notes:
- Jobs meeting all of the requirements of Tax Code §913.021(3) as the statute existed before Jan. 1, 2014. Do not include construction jobs in counts of qualifying jobs.
 - For new job definition see TAC §9.105(14) as rules existed before Jan. 1, 2014.

By signing below, I, ANTHONY GERMARICO certify that I am the authorized representative of BASF CORPORATION, a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature: [Signature] Date: 5/14/14
 Print Name/Title: ANTHONY GERMARICO / ASSISTANT SECRETARY Phone: 973-245-6568

The CPA requests companies complete this electronic spreadsheet version of the form. Please submit both an electronic version and a signed hard copy version of the spreadsheet (with any attachments) to the district.

Biennial Progress Report for Texas Economic Development Act
 CHART A2: Investment and Market Values for Applications 1 through 999

Form 90-773A
 Revised Jan 2014

Application Number 24
 Current Agreement Holder Name BASF Corporation
 ISD Name Brazosport ISD

*2014 market value not certified

Year	School Year (FYE/AY/YS)	Tax Year (Fiscal Year) YYYY	Total Investment (cumulative)	Market value of qualified property on Jan. 1 BEFORE any encumbrances*	Market value less any encumbrances (each as published county) and before limitation*	Taxable value of qualified property for purposes of IADO
1-2	2006-2008	2006-2007	\$ 174,274,000	\$ 39,875,030	\$ 39,875,030	\$ 39,875,030
3	2008-2009	2008	\$ -	\$ 176,999,090	\$ 176,999,090	\$ 30,000,000
4	2009-2010	2009	\$ -	\$ 178,831,660	\$ 178,831,660	\$ 30,000,000
5	2010-2011	2010	\$ -	\$ 179,543,380	\$ 179,543,380	\$ 30,000,000
6	2011-2012	2011	\$ -	\$ 167,730,450	\$ 167,730,450	\$ 30,000,000
7	2012-2013	2012	\$ -	\$ 167,330,590	\$ 167,330,590	\$ 30,000,000
8	2013-2014	2013	\$ -	\$ 148,658,860	\$ 148,658,860	\$ 30,000,000
9	2014-2015	2014	\$ -	\$ 148,658,860	\$ 148,658,860	\$ 30,000,000
10	2015-2016	2015	\$ -	\$ 144,199,094	\$ 144,199,094	\$ 30,000,000
11	2016-2017	2016	\$ -	\$ 139,873,121	\$ 139,873,121	\$ 139,873,121
12	2017-2018	2017	\$ -	\$ 135,676,928	\$ 135,676,928	\$ 135,676,928
13	2018-2019	2018	\$ -	\$ 131,606,620	\$ 131,606,620	\$ 131,606,620

Notes:
 1. Total Investment is all investment at original cost, including land acquired after filing of application. Investments made in a year should be reflected in the subsequent year's market values.
 2. Use appraised values from CAD as available. For future years, use market value that the entity estimates will approximate the market value for ad valorem tax purposes in that year.
 3. This amount is typically the taxable value for the purpose of I&S fund or grant services reserve fund.

By signing below, I, Anthony Gemmingio, certify that I am the authorized representative of BASF CORPORATION, a current agreement holder of a limitation on appraised value, and the contents of this form and the attached documentation are true and correct to the best of my knowledge and belief.

Authorized Official Signature [Signature] Date 5/14/14
 Print Name/Title Anthony Gemmingio / ASSISTANT SECRETARY Phone Number 973-245-6558

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