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# A Superior Place To Do Business

Texas has a business climate that is second to none. If Texas were its own nation it would represent the world's 8th largest economy. Texas recently surpassed California as the largest exporter in the nation. And it is the gateway to trade with Latin America, with 75% of America's commerce with Mexico traveling through the Lone Star State.

Texas is the headquarters for 45 Fortune 500 Companies, is home to 14 of the 100 Fastest Growing Businesses in America (Fortune Small Business Magazine), and has maintained healthy bond ratings despite tough economic times across America.

## Don't like high taxes? Come to Texas!

Texas has one of the lowest tax burdens in the country. We do not have a personal income tax, and our Constitution requires a vote of the people in order to pass one.

Look at the tax advantages you can discover in Texas:

- An overall tax burden that is 32% less than the national average
- No state tax on machinery and equipment utilized in manufacturing
- No state tax on property used for pollution control
- No state tax on goods in transit
- No tax on electricity used in processing, fabricating and manufacturing.
- And did we mention no personal income tax?

**"Passing a personal income tax is the smartest thing we have never done."**

*- Rick Perry*

## Job Investment Funds and Incentives

Legislators created a \$295 million Texas Enterprise Fund to attract new jobs and employers to Texas. Texas offers many other incentives on a state and local level:

- Local Property Tax Abatements
- Enterprise Zone Incentives
- Targeted Research and Development Tax Credits
- Franchise Tax Economic Development Credits
- Job Training Funds

Texas will be competitive with any state in its efforts to attract, retain, and grow business opportunities. In Texas, state and local leaders work together to design economic development packages carefully tailored to meet the needs of both the company and the community -- combining property tax abatements, state tax exemptions, low interest loans and other incentives to make Texas an attractive place to do business.

Texas has now centralized its economic development efforts, placing its economic development office under the control of the governor's office. CEO's now deal directly with the governor and the governor's staff in negotiating future prospects.

## Power to Spare

Texas also has its own power grid and excess capacity of 35 percent during peak hours in 2002. Since 1995, 55 generation projects have been completed totaling 21,865 megawatts, with another 28 in the planning stages or under construction.

## Historic Tort Reform

In 2003, Governor Rick Perry and legislators made Texas the model for comprehensive tort reforms.



**"Texas's omnibus (tort reform) bill stands out for its sheer scope."**

*- WSJ, 6/6/03*

Texas's reforms include:

- New constitutional authority to limit non-economic damages in civil cases.
- Reforms to encourage settlement outside the courtroom
- New product liability protections, including a 15-year statute of limitation
- Punitive damage reforms.
- New protections to ensure proportionate responsibility for damages.
- Class action certification reforms: if clients receive coupons then so do the trial lawyers!

**"Texas Vultures, a.k.a. tort lawyers, have met their match in Governor Rick Perry."**

*- Steve Forbes, September 1, 2003*