

Taxes and Union Activity

Increasing business costs combined with ever-constrictive regulatory environments contribute to the rise of a business's 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 location, 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 business climate rankings. The DFW area has extremely low union activity compared with other regions.

Sales Tax Rate

State: 6 1/4% (0.0625)

City: 1/4%-2% (0.0025 - 0.02), depending on local option rate

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

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

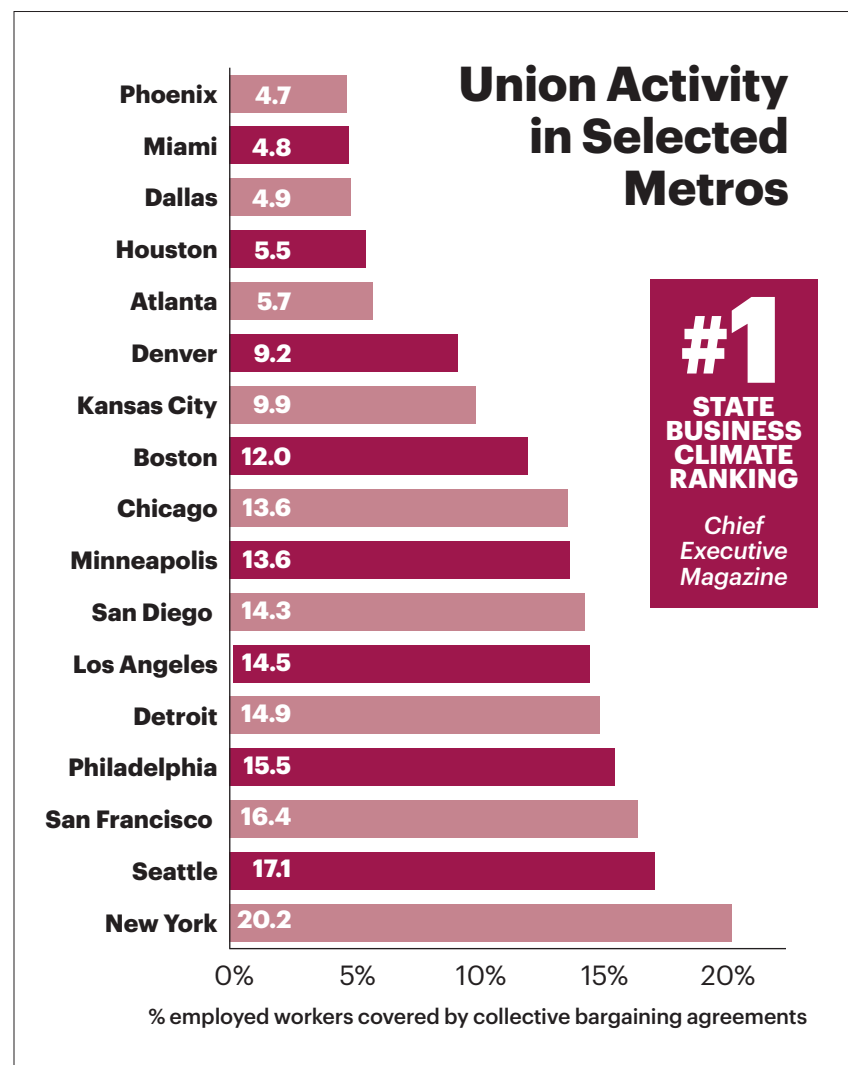
Special Purpose Districts: 1/8% - 2% (.00125 - 0.02), depending on local option rate

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	0.0100	MTA, CCD	0.0825

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

Source: Texas Comptroller's Office



Source: Current Population Survey (CPS) Outgoing Rotation Group (ORG) Earnings Files, 2021 compiled by Unionstats.com

Texas Franchise Tax

Each taxable entity formed in Texas or doing business in Texas, such as corporations, LLCs, banks, and partnerships, must file franchise tax reports. This tax applies only to entities earning above a certain threshold. For example, in 2024, entities earning up to \$2.47M will pay no franchise taxes. The tax does not apply to sole proprietorships, general partnerships with individual owners, or certain trusts, among others.

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 <https://comptroller.texas.gov/taxes/franchise/>

Texas does not collect

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

2023 Dallas-Fort Worth Property Tax Rates

COUNTIES	RATE	COUNTIES	RATE	COUNTIES	RATE	COUNTIES	RATE
Collin	\$0.149343	Grapevine	\$0.250560	University Park	\$0.236226	Ennis ISD	\$1.217500
Dallas	\$0.215718	Greenville	\$0.559000	Watauga	\$0.570200	Era ISD	\$0.908000
Denton	\$0.189485	Haltom City	\$0.567283	Waxahachie	\$0.610000	Everman ISD	\$1.094146
Ellis	\$0.272532	Heath	\$0.277493	Weatherford	\$0.399000	Fannindel ISD	\$0.837500
Hunt	\$0.336000	Hickory Creek	\$0.236686	White Settlement	\$0.667233	Farmersville ISD	\$1.181700
Johnson	\$0.385000	Highland Park	\$0.220530	Willow Park	\$0.397597	Ferris ISD	\$1.143100
Kaufman	\$0.411458	Highland Village	\$0.501394	Wylie	\$0.538882	Forney ISD	\$1.289200
Parker	\$0.287098	Hurst	\$0.581150	SCHOOLS		Fort Worth ISD	\$1.062400
Rockwall	\$0.276000	Hutchins	\$0.630082	Aledo ISD	\$1.207500	Frisco ISD	\$1.027500
Tarrant	\$0.194500	Irving	\$0.589100	Allen ISD	\$1.141200	Frost ISD	\$1.001500
Wise	\$0.265000	Joshua	\$0.651229	Alvarado ISD	\$1.169200	Garland ISD	\$1.053200
		Kaufman	\$0.760000	Alvord ISD	\$0.882200	Garner ISD	\$0.727500
		Keene	\$0.834134	Anna ISD	\$1.257500	Godley ISD	\$1.289200
		Keller	\$0.312000	Argyle ISD	\$1.214515	Granbury ISD	\$0.934200
		Kennedale	\$0.706190	Arlington ISD	\$1.115600	Grand Prairie ISD	\$1.095050
		Krum	\$0.616312	Aubrey ISD	\$1.257500	Grandview ISD	\$0.998900
		Lake Dallas	\$0.528023	Avalon ISD	\$0.871700	Grapevine-Colleyville ISD	\$0.924700
		Lake Worth	\$0.380557	Azle ISD	\$1.025000	Greenville ISD	\$0.969200
		Lancaster	\$0.639004	Birdville ISD	\$1.203100	Highland Park ISD	\$0.892700
		Lewisville	\$0.419079	Bland ISD	\$0.869400	Hurst-Eules-Bedford ISD	\$0.921100
		Little Elm	\$0.589900	Bland ISD	\$0.869400	Irving ISD	\$1.028100
		Lucas	\$0.256758	Blue Ridge ISD	\$1.257500	Italy ISD	\$1.076000
		Mansfield	\$0.659293	Boles ISD	\$1.016000	Jacksboro ISD	\$1.129200
		McKinney	\$0.427513	Boyd ISD	\$0.859200	Joshua ISD	\$1.087200
		Melissa	\$0.454728	Bridgeport ISD	\$1.061170	Kaufman ISD	\$1.084800
		Mesquite	\$0.690000	Brock ISD	\$1.257500	Keene ISD	\$1.048900
		Midlothian	\$0.650000	Burleson ISD	\$1.257500	Keller ISD	\$1.087500
		Murphy	\$0.408046	Caddo Mills ISD	\$1.257500	Kemp ISD	\$0.976733
		North Richland Hills	\$0.489389	Campbell ISD	\$0.669200	Kennedale ISD	\$1.137500
		Parker	\$0.322680	Carroll ISD	\$1.002500	Krum ISD	\$1.232100
		Plano	\$0.417600	Carrollton-Farmers Branch ISD	\$0.983600	Lake Dallas ISD	\$1.257500
		Princeton	\$0.440226	Castleberry ISD	\$1.199200	Lake Worth ISD	\$1.257500
		Prosper	\$0.510000	Cedar Hill ISD	\$1.132600	Lancaster ISD	\$1.226700
		Red Oak	\$0.696886	Celeste ISD	\$0.927500	Leonard ISD	\$1.227500
		Richardson	\$0.560950	Celina ISD	\$1.238100	Lewisville ISD	\$1.130100
		Richland Hills	\$0.522689	Chico ISD	\$0.789746	Lipan ISD	\$1.081400
		River Oaks	\$0.660210	Cleburne ISD	\$1.211900	Little Elm ISD	\$1.227500
		Roanoke	\$0.308039	Commerce ISD	\$1.257500	Lone Oak ISD	\$1.159200
		Rockwall	\$0.270245	Community ISD	\$1.257500	Lovejoy ISD	\$1.257500
		Rowlett	\$0.710400	Cooper ISD	\$0.917500	Mabank ISD	\$0.949200
		Royse City	\$0.584000	Coppell ISD	\$1.053500	Mansfield ISD	\$1.149200
		Sachse	\$0.650416	Crandall ISD	\$1.354600	Maypearl ISD	\$0.978900
		Saginaw	\$0.498769	Crowley ISD	\$1.257500	McKinney ISD	\$1.127500
		Sanger	\$0.689747	Cumby ISD	\$1.237500	Melissa ISD	\$1.257500
		Sansom Park	\$0.667886	Dallas ISD	\$1.013835	Mesquite ISD	\$1.099200
		Seagoville	\$0.728004	Decatur ISD	\$0.902900	Midlothian ISD	\$1.109200
		Southlake	\$0.319000	Denton ISD	\$1.159200	Milford ISD	\$0.804400
		Sunnyvale	\$0.453000	DeSoto ISD	\$1.072800	Millsap ISD	\$1.072100
		Terrell	\$0.764200	Duncanville ISD	\$1.082800	Mineral Wells ISD	\$1.042300
		The Colony	\$0.642500	Eagle Mountain-Saginaw ISD	\$1.247200		
		Trophy Club	\$0.415469				

SOURCE: Texas Comptroller of Public Accounts

Sample Property Tax Information for DFW Communities 2023 Rate, Per \$100 of Taxable Valuation

City	County	School District	Other	Total
Plano	Collin	Plano ISD	CCD	\$1.726013
			SET	
Dallas	Dallas	Dallas ISD	HD	\$2.304781
			CCD	
Denton	Denton	Denton ISD	WD	\$1.914367
			HD	
Fort Worth	Tarrant	Fort Worth ISD	CCD	\$2.262770

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