



TAXATION

Texas has no state payroll tax, no state personal income tax, no corporate income tax and no unitary tax.

2007 Property Tax Rates

Taxing Entity	Tax Rate (Temple)	Tax Rate Temple, but in Belton I.S.D.
Bell County	\$ 0.3795	
City of Temple	\$ 0.5681	
Temple I.S.D.	\$ 1.24005	\$ 1.2870
Special Districts		
County Road District	\$ 0.0295	
Temple College	\$ 0.2180	
Clearwater Underground Water District	\$ 0.0040	
Total Effective Tax Rate	\$ 2.43915	\$ 2.4861

* Source: Appraisal Role, Bell County, September 27, 2007

Sales Tax Rate

Bell County	0.50%
City of Temple	1.50%
State of Texas	6.25%

Total applicable sales tax 8.25%

Corporate Franchise Tax

Incorporated businesses are subject to the Franchise Tax, a state tax imposed on corporations that do business in Texas. There are 2 components to the tax:

- Either \$2.50 per \$1,000 in taxable capital*
- Or a 4.5% tax on earned surplus, whichever amount is higher

*Taxable capital includes stated capital, surplus, deferred income taxes, and non-current employee benefits allocated to Texas on a gross receipts basis. Net taxable earned surplus is federal taxable income, plus officers' and directors' compensation allocated to Texas on a gross receipts basis.