

TAX ABATEMENT POLICY SUMMARY



New Business

MONTGOMERY COUNTY, TEXAS

Adopted November 4, 2013

Amended effective October 1, 2014

◆ CAPITAL INVESTMENT & JOB CREATION CRITERIA

A new business must invest a minimum of \$4 million in capital improvements and create a minimum of 21 new jobs to qualify for a tax abatement.

◆ ABATEMENT SCHEDULES

The following abatement schedules used as a guideline by the Commissioners Court in granting tax abatements.

| CAPITAL INVESTMENT | NEW JOBS CREATED | ABATEMENT SCHEDULE |
|--------------------|------------------|--|
| \$4 - 8 million | 21-50 | Year 1: 100% (construction) Year 2: 100% Year 3: 80% Year 4: 60% Year 5: 40% Year 6: 20% |
| \$8 – 25 million | 51-150 | Year 1: 100% (construction) Year 2: 100% (construction) Year 3: 100% Year 4: 100% Year 5: 80% Year 6: 60% Year 7: 40% Year 8: 20% |
| \$25 million + | 151 + | Up to 100% for up to 10 years, at the discretion of the Commissioners Court |

Tax abatements may only be granted for new capital investment made subsequent to and specified by an abatement agreement between the Commissioners Court and the property owner/lessee.

At the time of filing an application for tax abatement, an applicant must pay a non-refundable application fee of \$1,000

For more information about tax abatements and other available assistance, contact:

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