

# TAX ABATEMENT POLICY SUMMARY



## MONTGOMERY COUNTY, TEXAS

Effective November 13, 2018

- **CAPITAL INVESTMENT & JOB CREATION CRITERIA:** A business must invest a minimum of \$4 million in capital improvements and create a minimum of 10 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	NUMBER OF MINIMUM FULL TIME JOBS	RECOMMENDED ABATEMENT SCHEDULE
\$4 - 8 million	10	Year 1: 100% (construction) Year 2: not to exceed 100% Year 3: not to exceed 100% Year 4: not to exceed 75% Year 5: not to exceed 50% Year 6: not to exceed 25%
\$8 - 25 million	10	Year 1: 100% (construction) Year 2: not to exceed 100% Year 3: not to exceed 100% Year 4: not to exceed 100% Year 5: not to exceed 80% Year 6: not to exceed 60% Year 7: not to exceed 40% Year 8: not to exceed 20%
\$25 million +	10	Maximum 10 Years: % of abatement each year to be determined

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.

Notice of a public meeting where approval of an abatement agreement will be considered must be published at least 30 days before the scheduled meeting date. The public notice must contain the following information: the name of the property owner and the applicant for the agreement, the name and location of the reinvestment zone in which the property is located, a description of the nature of the improvements or repairs covered by the proposed agreement, and the estimated cost of the improvements or repairs.

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

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