

Montgomery County to overhaul tax abatement program

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After more than a decade, the Montgomery County Commissioners are looking to update its tax abatement policy to continue attracting new business to the county. Commissioners agreed to form a committee to research potential changes in the program. The committee includes commissioners Mike Meador and Charlie Riley along with Assistant County Attorney B. D. Griffin and Tax Assessor Collector Tammy McRae.

McRae presented some changes to the court Tuesday. One change McRae supported was adjusting the category size for improvements and doing away with offering abatement for projects less than \$4 million. "I don't recall any (new businesses) falling

into that Category A for some time,” McRae said noting most project that size are typically expansions.

The court supported updating the program. “Why incentivize them on something they are going to do,” Precinct 4 Commissioner Jim Clark said. “It’s an expansion, we are not trying to attract them here.” Meador agrees and added the changes have been needed for some time. “I think this would be a good change and I think it is time,” he said.

Precinct 3 Commissioner James Noack urged the committee to visit with local economic development officials on what companies are looking for in today’s business world and consider additional changes to the program to ensure it is competitive with surrounding counties.

“It shouldn’t be there as a just a bonus,” he said. “It really should be a differentiator between that business coming to Montgomery County or Fort Bend and Harris counties.”

Griffin also pointed out changes could also be made in job requires for tax abatement as many jobs become automated, companies are needing less staff while the company’s investment is much higher in today’s environment. The committee will bring a draft of the changes to the commissioners at a future meeting.