

# **TAX ABATEMENT POLICY**

## **POLICY BASIS**

It is resolved that Hardin County elects to become eligible to participate in tax abatement. The herein established guidelines and criteria shall govern all Tax Abatement Agreements executed by Commissioners Court.

Hardin County recognizes the need for greater economic development within the County, to be reflected in expanding industry, diversifying the economic base, and creating new jobs. In this regard, Hardin County hereby adopts a Tax Abatement Policy, pursuant to the Property Redevelopment and Tax Abatement Act, which will encourage development and provide incentives for long-term economic growth to qualified property owners. This Tax Abatement Policy shall apply to approved present or potential owners of taxable property in Hardin County, who: (1) own or are in the process of acquiring eligible property in a Reinvestment Zone approved by the County; (2) are willing to execute tax abatement agreements on property improvements and developments designed to provide benefits to eligible property and to utilize local contractors and work force to the maximum extent feasible; and (3) are operators of new, expanded or modernized manufacturing, research, distribution, service, administrative, corporate or other business or industry facilities on the subject real property.

# HARDIN COUNTY UNIFORM TAX ABATEMENT POLICY

## Note: Agreement with Hardin County Only

Businesses applying for tax abatement with Hardin County are advised that any agreement with Hardin County applies only to taxes assessed by Hardin County. Any abatement agreement with any other taxing entity must be negotiated with those respective entities. In addition, once an abatement agreement is made, the business is responsible for applying each year with the Hardin County Appraisal District for implementation of any abatement.

### SPECIAL PROVISION OF THE HARDIN COUNTY APPRAISAL DISTRICT

The final determination of value to be abated is vested with the Hardin County Appraisal District (HCAD), an agency autonomous from Hardin County. The Procedures used by HCAD are attached as Exhibit "A" and incorporated and adopted in this Abatement Policy for all purposes.

## STATEMENT OF PURPOSE SECTION I

- (a) The Commissioners Court of Hardin County, Texas, adopts this tax abatement policy to provide incentives to the owner of real property, who proposes a Project to develop, redevelop or improve eligible facilities. The incentives will consist of a limited special exemption from certain taxes provided that the Owner agrees to accept and abide by this Policy and provided that the real property is located in a lawfully created Reinvestment or Enterprise Zone.
- (b) This policy is intended to improve the quality of life in economically depressed areas by stimulating industrial development, and job creation and retention.

## DEFINITIONS SECTION II

- (a) **"Abatement"** means the full or partial exemption from ad valorem taxes of certain real property values and/or tangible personal property values in a reinvestment or enterprise zone designated by Hardin County for economic development purposes.
- (b) **"Agreement"** means a contractual agreement between a property owner and/or lessee and Hardin County.
- (c) **"Base Year"** means the calendar year in which the abatement contract is executed (signed).