

## TOWN OF MADISON TAX INCENTIVE PROGRAM POLICY

Approved by the Economic Development Commission on May 10, 2018

Approved by the Board of Selectmen on May 29, 2018

- I. **PURPOSE:** The purpose of this policy is to establish a process for the granting of tax incentives in the Town of Madison, pursuant to the authority granted under Connecticut General Statutes Section 12-65b, and to establish eligibility criteria for such incentives.
- II. **RESPONSIBILITY:** Upon affirmative vote of the Board of Selectmen and Board of Finance, Town Meeting approval shall be required to grant a request for tax incentive described in this Policy.
- III. **ELIGIBILITY CRITERIA:** Eligibility for tax incentive shall be for at least one of the uses provided for in Connecticut General Statutes Section 12-65b and as it may be revised from time to time. Additionally, proposals requesting a tax incentive shall meet at least one of the following criteria:
  - a. Result in the contribution of at least an additional one-hundred and seventy-five thousand dollars (\$175,000) in assessed real estate value to the Grand List.
  - b. Result in the creation of ten (10) or more full-time equivalent positions working in the Town of Madison.
- IV. **INCENTIVE AWARDS:** Tax incentives shall be granted only on the incremental increase in assessed value of the property that is being improved. Tax incentives may be granted for a period not to exceed ten (10) years, and the incentive shall be systematically phased out over the course of the incentive period. The duration of the incentive period shall be based on the projected impact to the Grand List and/or the number of jobs created.
- V. **PROCEDURE:** An application for a tax incentive shall be filed with the Director of Planning & Economic Development. The application shall immediately be forwarded to the Board of Selectmen, the Board of Finance, the Economic Development Commission, the Director of Finance, and the Town Assessor for review and comment.

No earlier than ten (10) days from the commencement of the review process, the request shall be placed on the agenda of the Board of Selectmen for discussion and possible action. Upon an affirmative vote by the Board of Selectmen, the request shall then be placed on the agenda of the Board of Finance for discussion and possible action. Upon an affirmative vote by the Board of Finance, the request shall advance to Town Meeting for a vote.

Upon Town Meeting approval, the Board of Selectmen shall enter into a Tax Incentive Agreement with the recipient which shall detail specific benchmarks the recipient must meet in order to receive the full reward.