

## WHAT IS TAX INCREMENT FINANCING?

### Questions and Answers About TIF

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1. Q: What is tax increment financing?  
A: Tax increment financing is a method of reallocating property tax revenues which are produced as a result of an increase in taxable valuation above a "base valuation" figure within a tax increment area. Until the tax increment debt within an area has been repaid, tax revenues produced by property tax levies imposed on the increased taxable valuation by a city, county, school district, area school or any other taxing jurisdiction are all allocated back to the city or county which has established the tax increment area, and must be spent by that jurisdiction for projects within that area.
2. Q: What is the statutory authority for tax increment financing?  
A: Chapter 403 of the Code of Iowa, the Urban Renewal Law. Major amendments to Chapter 403 were enacted in 1994 which changed many tax increment requirements as of January 1, 1995. Most of these are discussed below, along with later amendments which made it more possible for cities and counties to use tax increment revenues to finance public improvements related to private housing development.
3. Q: Which jurisdictions may create tax increment financing areas?  
A: Both cities and counties may exercise general tax increment powers.
4. Q: Why do cities or counties create tax increment financing areas?  
A: Tax increment financing areas are created as a means to maximize property tax dollars within particular areas, in order to pay the cost of public improvement projects (streets, water, sewer, etc.) or to make direct economic development grants or loans to private enterprise as an incentive to locate within the tax increment financing area. The funds must be spent within the area and may not be used by cities or counties to supplement their general operations.
5. Q: What is the difference between tax abatement and tax increment financing?  
A: Property tax abatement (authorized by both Chapter 404 and Chapter 427B of the Code of Iowa) provides an incentive for property owners to make improvements to property by exempting the resulting increase in valuation from property taxation for a period of time. The new valuation is "abated" and is, therefore, not subject to tax. Under tax increment financing, all increases in value are subject to the total consolidated property tax levies of all local taxing jurisdictions, but those revenues which are produced from the increased (or incremental) valuation are allocated back to the city or county which has established the tax increment area, and those revenues must be spent for projects within the tax increment area.

6. Q: May cities or counties have both tax abatement and tax increment areas?

A.: Yes, but, as explained above, the concepts are basically contrary to each other and should be combined only after careful planning and consideration. For example, it will be difficult to repay tax increment debt if all the potential incremental value has been abated.

7. Q: What is the process for establishing an urban renewal/tax increment financing area and obtaining TIF revenues?

A:

- a. identify the boundaries or legal description of the proposed area
- b. determine if the conditions in the area qualify the area to be designated a "slum," "blighted" or "economic development" area, as defined in Chapter 403
- c. prepare an urban renewal plan outlining objectives to be accomplished within the area
- d. set a date for a public hearing by the City Council or Board or Supervisors
- e. refer plan to the local plan and zoning commission for review
- f. send a copy of the plan and the notice of hearing to each of the other affected taxing entities (counties, local schools and area colleges) and schedule a date and time for a "consultation session" with those other affected taxing entities
- g. hold public hearing
- h. adopt resolution approving urban renewal plan
- i. adopt ordinance designating tax increment area
- j. incur debt (see question 15)
- k. file annual TIF debt certification with county auditor

8. Q: Must a city or a county receive permission from any other governmental entity before establishing a tax increment area?

A: No, under most circumstances. However, a city must receive permission from a county in order to include property in a city tax increment area which is located up to two miles outside its city limits, and a county must receive permission from a city in order to include property in a county tax increment area which is located within two miles of a city's boundaries. In addition, a city or county is required to notify other taxing jurisdictions of its intent to create or amend a tax increment area and to give those jurisdictions an opportunity to comment on a proposed tax increment plan (see 7f above). There is no sign-off required by any State agency for the establishment of a tax increment area.

9. Q: Are there any restrictions on types of property that may be included in an urban renewal area?

A: No, any category of real property may be included in an urban renewal area, but owners of agricultural land, as defined in Section 403.17 of the Code of Iowa, must give specific permission before that land may be made part of a city or county urban renewal area.

10. Q: What is the "base valuation" date for a tax increment area?

A: The "base valuation" date is the starting point from which incremental value is calculated. For tax increment areas created prior to January 1, 1995, the base valuation date is January 1 of the calendar year prior to the year in which the tax increment designation ordinance was adopted. For plans approved after January 1, 1995, the base valuation date is January 1 of the calendar year prior to the year in which tax increment debt is first certified to the county auditor.

11. Q: What is the formula for determining the amount of incremental value which exists within a tax increment area?

A. Incremental values are determined each year by subtracting the taxable valuation which existed on the base valuation date from the taxable valuation on the most recent tax roll. That difference is the incremental value.

12. Q: How are annual tax increment revenues determined?

A: The amount of incremental valuation is multiplied by the consolidated property tax levy (city, county, school district, area college). The revenues produced from local debt service levies must be subtracted, because these are returned to each taxing jurisdiction in order to pay outstanding general obligation debt, and these revenues do not become part of the tax increment revenues. In addition, regular and voter-approved school physical plant and equipment (PPEL) levies are also subtracted and do not become part of the TIF revenues. The remaining revenues are allocated to the city or county which has established the tax increment area.

13. Q: What are the time limits on the collection and use of tax increment revenues?

A: For all tax increment areas established prior to January 1, 1995, and for areas established after January 1, 1995, based on a finding of slum or blight, there is no statutory limit on the period of time for which the revenues may be collected and used. For areas established after January 1, 1995, based on a designation of economic development, tax increment revenues may be collected for no more than twenty years. For housing projects in economic development areas, there is a basic ten year limit, which may be increased to fifteen years (see next question).

14. Q: What are the restrictions on the use of tax increment financing to assist in the development of new housing?

A: For tax increment areas established on a finding of slum or blight (see Question 7 above), there are no restrictions. With some minor exceptions, for tax increment areas established on an economic development finding, tax increment revenues may be used to finance the cost of public improvements related to housing, without regard to the cost of the homes or the income levels of the ultimate owners. However, an amount of funds equal to a certain percentage of the tax increment revenues that benefit a project must be used by the city or county to provide assistance related to housing for families whose incomes do not exceed 80% of the median income in the county. These funds for low and moderate assistance are not restricted to being spent inside the tax increment area but may be spent anywhere in the city or county. For cities or counties above 15,000 population, tax increment revenues from these projects may not be collected for more than ten years. For cities or counties under 15,000 population, collection may be possible for fifteen years, if all other affected taxing entities agree to the extension of time.

15. Q: How can tax increment projects be financed?

A: Various types of debt are possible, including general obligation debt, pure tax increment revenue debt, internal loans between governmental funds and "rebate agreements", in which all or a portion of annual tax increment revenues are paid back to developers. Rebate agreements are particularly useful for residential developments.

16. Q: Does debt payable from incremental taxes count against a city's or county's constitutional debt limit?

A: Yes, it does. While Section 403.9 of the Code of Iowa contains language which states that such debt does not count against a constitutional debt limit, the Iowa Supreme Court ruled in 1975 that tax increment debt must be counted against a city's or county's constitutional debt limitation. However, if an "annual appropriation" clause is included in a bond issuance resolution or a rebate agreement, only annual payment amounts must be counted against a constitutional debt limit.

17. Q: How does tax increment financing affect local school districts?

A: First, all debt service tax levies, as well as regular and voter-approved physical plant and equipment (PPEL) tax levies, are “protected,” which means that funds produced from those levies go to the school district and do not become tax increment revenues. Second, because of the state foundation aid program that funds a portion of each local school district’s general operating budget, only school districts that have significant general fund tax levies above \$5.40 per \$1,000 of valuation are likely to be seriously affected by a city or county tax increment financing district.

18. Q: May urban renewal/tax increment areas be expanded or combined with other areas, and, if so, what are the implications for the original area?

A: New property may be added to existing urban renewal/tax increment areas, and separate areas may be combined or consolidated. It is not necessary that the new property be contiguous to the existing urban renewal area. The same process must be followed as that for creating the original area, including hearing and consultation session with other taxing entities. The areas which are added will be subject to the statutory rules in effect on the date that they are added, but the original district will not be affected. The property which is added will probably have a different base valuation date than the base valuation date for the original district.

19. Q: If a city or county has several separate urban renewal areas, may funds from any area be spent in any other area?

A: Assuming that tax increment areas have not been combined or consolidated, as discussed above, and that the city or county wants its urban renewal areas to remain legally separate, funds must be spent within the boundaries of the urban renewal area from which they are derived, and, if there is more than one urban renewal area, the funds from one area may not be spent within another area.

20. Q: Is interest on tax increment debt exempt from federal or state income taxes?

A: Depending upon the purposes for which the funds are expended, interest income on tax increment debt may be exempt from federal income taxation, as well as from state income taxation. If funds are used to make an economic development loan and/or if security is provided by a private enterprise, in the form of, for example, a minimum assessment agreement, or if TIF funds are not used for public improvements, the interest income may not be exempt from federal taxation, but it may still qualify for state tax exemption.

21. Q: May cities establish tax increment areas outside their city limits?

A: Cities may include property located up to two miles outside their city limits in tax increment areas, but only after obtaining the consent of the County Board of Supervisors and any owners of agricultural land.

22. Q: What are the limitations on the establishment of county tax increment areas?

A: County boards of supervisors may establish tax increment areas for projects in any area which is at least two miles outside the city limits of any city. In addition, with the agreement of a city council, a county board of supervisors may also establish a tax increment area within two miles of the city limits of a city, or inside the city.

## PROPERTY TAX ABATEMENT

(Questions and Answers about Iowa law)

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1. Q: What is property tax abatement?  
A: It is a way in which city councils may give property owners an incentive to improve property by providing an exemption from property taxes for all or a portion of the increase in property valuation which occurs from new construction or improvements to existing buildings.
2. Q: What is the statutory authority for property tax abatement?  
A: Property tax abatement may be implemented only in accordance with the statutory provisions of either Chapter 427B (Industrial Property Exemption) or Chapter 404 (Urban Revitalization Act) of the Code of Iowa.
3. Q: What is the primary difference between the two state statutes?  
A: Chapter 427B is applicable to the entire City, but it authorizes abatement only for warehousing, research facilities and industrial properties and limits benefits to a five-year sliding scale, ranging from 75% in the first year to 15% in the fifth year. Chapter 404 is applicable in any parts of the City which have been specifically designated by the Council for tax abatement, and it authorizes abatement for all types of residential, commercial or industrial properties, with abatement schedules which vary depending on the type of property, as discussed below.
4. Q: What is the process by which either statute is implemented?  
A: Chapter 427B abatement requires only a public hearing and adoption of an ordinance by the Council. Chapter 404 abatement requires much more Council action, beginning with a determination of the portions of the City in which property will be eligible for abatement; the development of an “urban revitalization plan” for those areas, including benefit schedules for various types of property; mailing of notice of the public hearing to all property owners in the affected portions of the City and publication of the notice at least 30 days before the hearing; adoption of the plan by resolution and designation of the areas of the City by ordinance.
5. Q: What does Chapter 404 provide for commercial and industrial properties?  
A: A maximum of 100% abatement for three years, or a sliding scale abatement for ten years, ranging from 80% in the first year to 20% in the tenth year.

6. Q: What does Chapter 404 provide for residential properties?  
A: The benefits vary, depending upon the type of qualification of the area in which benefits are provided. For an area which meets the criteria of "blight" similar to the urban renewal law, or of historic preservation, residential property new construction may qualify for as much as 100% abatement for ten years. Improvements to existing property are also given special treatment up to a maximum of \$20,000. For an area which meets the criteria of "economic development area" as defined in the urban renewal law, these same benefits are available, but only if the residential property is occupied by families of low and moderate income (80% or less of the median income in the county). For an area which meets the criteria of "appropriate for public improvements related to housing and residential development," abatement benefits are limited to 100% of the first \$75,000 of value added, for five years.

7. Q: Must an urban revitalization plan under chapter 404 cover the entire City?  
A: No. Because it can be difficult to meet the "blight" criteria necessary for eligibility of many areas, most cities have tried to focus abatement for residential purposes on improvements to homes in already developed areas and construction of new homes on vacant lots. With respect to new residential development, most cities have chosen to meet the criteria related to an area appropriate for public improvements related to housing and residential development, thereby giving 100% abatement to the first \$75,000 of new value, for a maximum of five years.

8. Q: Must a city follow the statutory abatement schedules without change?  
A: No, a city may provide any amount of abatement up to the maximum amount allowed under a particular statutory schedule, but a city may not provide abatement in excess of the maximums allowed by statute.

9. Q: What is the difference between property tax abatement and tax increment financing?  
A: With abatement, the valuation related to the new construction or improvement is kept off the tax rolls for a period of time, thereby reducing the amount of property taxes to be paid by the property owner. With tax increment, the new valuation is subject to taxation, but most of the revenues produced by the taxes levied against that valuation by the city, county and school district are allocated back to the City as tax increment revenues, and may be used for economic development activities. Abatement provides a direct benefit to the person who is ultimately responsible for paying the property taxes; increment provides new revenues to be used by the City for public improvements and facilities, as well as incentives to developers.

Proposed New Development: Miller Valentine - Steamboat Way Apartments - 48-52 Units

Assumes Non-Blight Multi-Residential Development - if TIF Project

Date Prepared: 9-13-17

Valuations

Estimated Value After Improvement

N/A

Frozen Base

N/A

Increment Estimates

\$ 2,850,000 (100% Value before rollback)

Note - Backed into

Tax Rate for Increment (Per \$1,000)  
(FY 18 Rate for Increment)

\$ 32.89980 (FY 18 Rate)

Note - Total FY 18 Tax Rate is

\$ 39.66548

If 100% Rebate

Incremental Taxes (Total Annual Estimate)

\$ 93,764.43 (Before rollback)

Rebate Percentage (See Actuals Below)

100.00%

Rebate (At 100% - See Actuals Below)

\$ 93,764.43 (Before rollback)

Approximate LMI Set-Aside Percent if applicable

40%

Assumptions for Preliminary Rebate Calculation Estimate):

1. Assumes project completed and on tax rolls as of 1-1-19 (based on that date the initial multi-residential rollback would be 71.25% for Year 1)
2. Assumes FY 18 incremental tax rate for all years; actual rates will vary.
3. The multi-residential rollback will decrease to the residential rate as of 1-1-22; residential rollback assumed to be 60% for this calculation.
4. Assumes increment is \$ \_\_\_\_\_ at 100% valuation (actual incremental valuation may differ from this estimate).
5. Assumes TIF for multi-residential development only.

Target \$ \_\_\_\_\_

Estimated Multi-Residential Rebates without LMI Setaside

Year	Increment at 100% of Assessed Value	Estimated TIF Tax Rate (per \$1,000)	Multi-Residential Rollback Factor	Rebate Percentage	Estimated Annual Rebate	Cumulative TIF Totals
1	\$ 2,850,000	\$ 32.89980	71.25%	75.00%	\$ 50,105	\$ 50,105
2	2,850,000	32.89980	67.50%	75.00%	47,468	97,573
3	2,850,000	32.89980	63.75%	75.00%	44,831	142,404
4	2,850,000	32.89980	60.00%	75.00%	42,194	184,598
5	2,850,000	32.89980	60.00%	75.00%	42,194	226,792
6	2,850,000	32.89980	60.00%	70.00%	39,381	266,173
7	2,850,000	32.89980	60.00%	70.00%	39,381	305,554
8	2,850,000	32.89980	60.00%	70.00%	39,381	344,935
9	2,850,000	32.89980	60.00%	70.00%	39,381	384,316
10	2,850,000	32.89980	60.00%	70.00%	39,381	423,697
11	2,850,000	32.89980	60.00%	70.00%	39,381	463,078
12	2,850,000	32.89980	60.00%	70.00%	39,381	502,459
13	2,850,000	32.89980	60.00%	70.00%	39,381	541,840
14	2,850,000	32.89980	60.00%	70.00%	39,381	581,221
15	2,850,000	32.89980	60.00%	70.00%	39,381	620,602
(Manually change the number of years of rebates)		(Manually change these percentages)		\$ 620,602		

Estimated Multi-Residential Rebates if LMI Setaside Required

Year	Increment at 100% of Assessed Value	Estimated TIF Tax Rate (per \$1,000)	Multi-Residential Rollback Factor	Rebate Percentage	Estimated Annual Rebate	Est'd Reduction for LMI Setaside	Estimated Net Rebate	Cumulative TIF Totals
1	\$ 2,850,000	\$ 32.89980	71.25%	70.00%	\$ 46,765	\$ 18,706	\$ 28,059	\$ 28,059
2	2,850,000	32.89980	67.50%	70.00%	44,304	17,722	26,582	54,641
3	2,850,000	32.89980	63.75%	70.00%	41,842	16,737	25,105	79,746
4	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	103,375
5	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	127,004
6	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	150,633
7	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	174,262
8	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	197,891
9	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	221,520
10	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	245,149
11	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	268,778
12	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	292,407
13	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	316,036
14	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	339,665
15	2,850,000	32.89980	60.00%	70.00%	39,381	15,752	23,629	363,294
(Manually change the number of years of rebates)		(Manually change these percentages)		\$ 605,483		\$ 242,189	\$ 363,294	

Proposed New Development: Oak Park Apartments - 48 Units (100% at or below 60% of the area median income)

Assumes Non-Blight Multi-Residential Development - if TIF Project

Date Prepared: 9-12-17

**Valuations**

Estimated Value After Improvement

N/A

Frozen Base

N/A

Increment Estimates

\$ 2,750,000

(100% Value before rollback)

Note - Backed into to get \$38,000

Tax Rate for Increment (Per \$1,000)

\$ 32.89980

(FY 18 Rate)

Note - Total FY 18 Tax Rate is

\$ 39.66548

(FY 18 Rate for Increment)

**If 100% Rebate**

Incremental Taxes (Total Annual Estimate)

\$ 90,474.45

(Before rollback)

**Rebate Percentage (See Actuals Below)**

100.00%

Rebate (At 100% - See Actuals Below)

\$ 90,474.45

(Before rollback)

Approximate LMI Set-Aside Percent if applicable

40%

**Assumptions for Preliminary Rebate Calculation Estimate:**

- Assumes project completed and on tax rolls as of 1-1-19 (based on that date the initial multi-residential rollback would be 71.25% for Year 1)
- Assumes FY 18 incremental tax rate for all years; actual rates will vary.
- The multi-residential rollback will decrease to the residential rate as of 1-1-22; residential rollback assumed to be 60% for this calculation.
- Assumes increment is \$\_\_\_\_\_ at 100% valuation (actual incremental valuation may differ from this estimate).
- Assumes TIF for multi-residential development only.

Target \$38,000 for 15 Years

Year	Estimated Multi-Residential Rebates without LMI Setaside					
	Increment at 100% of Assessed Value	Estimated TIF Tax Rate (per \$1,000)	Multi-Residential Rollback Factor	Rebate Percentage	Estimated Annual Rebate	Cumulative TIF Totals
1	\$ 2,750,000	\$ 32.89980	71.25%	70.00%	\$ 45,124	\$ 45,124
2	2,750,000	32.89980	67.50%	70.00%	42,749	87,873
3	2,750,000	32.89980	63.75%	70.00%	40,374	128,247
4	2,750,000	32.89980	60.00%	70.00%	37,999	166,246
5	2,750,000	32.89980	60.00%	70.00%	37,999	204,245
6	2,750,000	32.89980	60.00%	70.00%	37,999	242,244
7	2,750,000	32.89980	60.00%	70.00%	37,999	280,243
8	2,750,000	32.89980	60.00%	70.00%	37,999	318,242
9	2,750,000	32.89980	60.00%	70.00%	37,999	356,241
10	2,750,000	32.89980	60.00%	70.00%	37,999	394,240
11	2,750,000	32.89980	60.00%	70.00%	37,999	432,239
12	2,750,000	32.89980	60.00%	70.00%	37,999	470,238
13	2,750,000	32.89980	60.00%	70.00%	37,999	508,237
14	2,750,000	32.89980	60.00%	70.00%	37,999	546,236
15	2,750,000	32.89980	60.00%	70.00%	37,999	584,235
(Manually change the number of years of rebates)						
(Manually change these percentages)						

Year	Estimated Multi-Residential Rebates if LMI Setaside Required					
	Increment at 100% of Assessed Value	Estimated TIF Tax Rate (per \$1,000)	Multi-Residential Rollback Factor	Rebate Percentage	Estimated Annual Rebate	Est'd Reduction for LMI Setaside
1	\$ 2,750,000	\$ 32.89980	71.25%	70.00%	\$ 45,124	\$ 18,050
2	2,750,000	32.89980	67.50%	70.00%	42,749	17,100
3	2,750,000	32.89980	63.75%	70.00%	40,374	16,150
4	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
5	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
6	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
7	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
8	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
9	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
10	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
11	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
12	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
13	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
14	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
15	2,750,000	32.89980	60.00%	70.00%	37,999	15,200
(Manually change the number of years of rebates)						
(Manually change these percentages)						

Proposed New Development: \_\_\_\_\_

Assumes Non-Blight Multi-Residential Development - Tax Abatement Project

Date Prepared: \_\_\_\_\_

**Valuations**

Estimated Value After Improvement

N/A

Frozen Base

N/A

Increment Estimates

\$ 2,750,000 (100% Value before rollback)

Tax Rate for Abatement (Per \$1,000)

39.66546 (FY 18 Full Tax Rate)

(FY 18 Full Tax Rate)

**If 100% Rebate**

Incremental Taxes (Total Annual Estimate)

\$ 109,080.02 (Before rollback)

Abatement Percentage (See Actuals Below)

100.00%

Abatement (At 100% - See Actuals Below)

\$ 109,080.02 (Before rollback)

Approximate LMI Set-Aside Percent if applicable

Not Applicable

**Assumptions for Preliminary Tax Abatement Calculation Estimate:**

1. Assumes project completed and on tax rolls as of 1-1-19 (based on that date the initial multi-residential rollback would be 71.25% for Year 1)
2. Assumes FY 18 full tax rate for all years; actual rates will vary. Tax rate for City of Muscatine in Muscatine School District.
3. The multi-residential rollback will decrease to the residential rate as of 1-1-22; residential rollback assumed to be 60% for this calculation.
4. Assumes increment is \$ \_\_\_\_\_ at 100% valuation (actual incremental valuation may differ from this estimate).
5. Assumes abatement is for multi-residential development only. Maximum abatement allowed is up to 100% for 10 years.

Target \$ \_\_\_\_\_ for \_\_\_\_\_ Years

Year	Estimated Multi-Residential Rebates without LMI Setasie					
	Increment at 100% of Assessed Value	Estimated Total Tax Rate (per \$1,000)	Multi-Residential Rollback Factor	Abatement Percentage	Estimated Annual Abatement	Cumulative Abatement Totals
1	\$ 2,750,000	\$ 39.66546	71.25%	70.00%	\$ 54,404	\$ 54,404
2	2,750,000	39.66546	67.50%	70.00%	51,540	105,944
3	2,750,000	39.66546	63.75%	70.00%	48,677	154,621
4	2,750,000	39.66546	60.00%	70.00%	45,814	200,435
5	2,750,000	39.66546	60.00%	70.00%	45,814	246,249
6	2,750,000	39.66546	60.00%	70.00%	45,814	292,063
7	2,750,000	39.66546	60.00%	70.00%	45,814	337,877
8	2,750,000	39.66546	60.00%	70.00%	45,814	383,691
9	2,750,000	39.66546	60.00%	70.00%	45,814	429,505
10	2,750,000	39.66546	60.00%	70.00%	45,814	475,319
11	39.66546	60.00%	75.00%	-	475,319	475,319
12	39.66546	60.00%	75.00%	-	475,319	475,319
13	39.66546	60.00%	75.00%	-	475,319	475,319
14	39.66546	60.00%	75.00%	-	475,319	475,319
15	39.66546	60.00%	75.00%	-	475,319	475,319

(Maximum of 10 years allowed; can adjust which years to correspond with Multi-Residential Rollbacks)

(Manually change these percentages)

\$ 475,319

**TAX ABATEMENT**  
(Blue = Adopted, Red = Potential or Maximum)

**RESIDENTIAL**  
Single Family, Duplex,  
Condos and  
Apartments

**MULTI-FAMILY  
RESIDENTIAL**  
(Three or more units)

**COMMERCIAL**

New Homes

Blighted Areas

Historic

Apartments

Park Avenue  
and Grandview

5 years, 100%  
Minimum  
Assessed Value of  
\$175,000  
Abatement on first  
\$75,000 of value

New Homes  
5 Years, 100%  
Minimum  
Assessed Value of  
\$175,000

New Homes  
Historically  
Sensitive  
5 Years, 100%  
Minimum  
Assessed Value of  
\$175,000

New Homes  
3 Years, 100%  
Minimum  
Assessed Value of  
\$175,000

Maximum  
10 years 100%

10 Year  
Declining Scale  
or 3 Years  
100%

Improvements or  
Additions  
3 Years, 100%  
Minimum 10%  
Increase in Value

Improvements or  
Additions  
3 Years, 100%  
Minimum 10%  
Increase in Value

Maximum  
10 years 100%

Maximum  
10 years 100%