

Eligibility, and type of tax abatement offered, is based on the assessment class of the property.



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# MANCHESTER IOWA

*Community. Family. Opportunity.*

## URBAN REVITALIZATION TAX ABATEMENT PROGRAM





## Urban Revitalization Tax Abatement Program

The Urban Revitalization Tax Abatement Program, offers valuable property tax exemptions for new construction, and improvements to commercial, multi-residential, and residential properties. The exemption of property tax is based on the increase in taxable value of the property due to completed new construction or improvements. All properties located within the City of Manchester are eligible for this program.

### How To Apply

Applications are available at the City Office or online at [www.manchester-ia.org](http://www.manchester-ia.org). Applications must be filed with the City Office within 1 year of the completion of the project, and submitted no later than February 1 to qualify for property tax abatement for the prior year. Applications submitted after February 1 will be processed the following year and may result in the loss of one year of tax abatement.

Following review by the City Manager, applications are presented to the City Council for approval and once approved, forwarded to the Delaware County Assessor's Office.

The Delaware County Assessor reviews all applications, appraises and assesses all real property to ensure improvements are completed as described. The Assessor will determine if the improvements applied for have increased the assessed valuation of the property by the minimum 7% requirement.



## Assessment Class

**Residential Class:** a single family home or a two-family home (duplex). Improvements to outbuildings (ie, detached garage) are also eligible. The property tax abatement applies only to the first \$75,000 of increased valuation.


### *Five-Year 100% Value*

Year 1: 100% of the increased value  
Year 2: 100% of the increased value  
Year 3: 100% of the increased value  
Year 4: 100% of the increased value  
Year 5: 100% of the increased value

**Multi-Residential Class:** a building containing 3 or more dwellings, with at least 75% of the space dedicated to residential use. There is no limit on the increase in valuation to which the abatement applies.

### *Ten-Year Decreasing Value*

Year 1: 80% of the increased value  
Year 2: 80% of the increased value  
Year 3: 70% of the increased value  
Year 4: 60% of the increased value  
Year 5: 50% of the increased value  
Year 6: 50% of the increased value  
Year 7: 40% of the increased value  
Year 8: 30% of the increased value  
Year 9: 20% of the increased value  
Year 10: 20% of the increased value



**Commercial Class:** retail, hospitality, entertainment or office use. There is no limit on the increase in valuation to which the abatement applies.

### **Schedule A**

#### *Ten-Year Decreasing Value*

Year 1: 80% of the increased value  
Year 2: 70% of the increased value  
Year 3: 60% of the increased value  
Year 4: 50% of the increased value  
Year 5: 40% of the increased value  
Year 6: 40% of the increased value  
Year 7: 30% of the increased value  
Year 8: 30% of the increased value  
Year 9: 20% of the increased value  
Year 10: 20% of the increased value

### **Schedule B:**

#### *Three-Year 100% Value*

Year 1: 100% of the increased value  
Year 2: 100% of the increased value  
Year 3: 100% of the increased value

***“Easing the sting of  
new construction and improvements  
to your home or business.”***