

Terms of Abatement

The tax abatement is granted only on the amount of the increase of the assessed value of the real estate due to improvements made to the property.

The amount of the taxes paid on the improvements will be graduated based on the following schedule:

- 20% after the first year
- 40% after the second year
- 60% after the third year
- 80% after the fourth year
- 100% after the fifth year

All taxes will then be based on 100% of the new assessed value each year thereafter.

The Common Council of the City of Wabash has established this Residential Tax Abatement program to encourage development of new housing and rehabilitation of existing housing within the City Limits of Wabash.

The process for application is on the reverse side of this pamphlet. The Office of the Building Commissioner of the City of Wabash will be available to guide applicants through the process. However, the ultimate responsibility for the application process and complying with the Ordinance falls solely with the property owner.

In addition, it is the Owner's responsibility for the filing of a Homestead Exemption, Mortgage Exemption, or other exemption related to the property.



Residential Tax Abatement

City of Wabash

202 S. Wabash Street

Wabash, IN 46992

260-563-4171—phone

www.cityofwabash.org

Mayor Robert Vanlandingham

Tax Abatement Process

Property owner or purchaser must obtain a tax-abatement application from the City of Wabash

The completed application and a statement of benefits are to be reviewed by the RRC

RRC shall then issue a recommendation to the Wabash City Council

The Wabash City Council shall by resolution approve or deny each application at the first scheduled Council meeting following the RRC recommendation

A certified copy of the resolution shall be forwarded to the Wabash County Auditor's Office

The construction/rehabilitation of the real estate must begin no later than December 31 of the year in which the application for tax abatement is made

The rehabilitation or construction must be completed within one year after the City Council approval

The Owner shall submit a Compliance with Statement of Benefits Real Estate Improvements (form b CF-1/RE) along with the initial Application for Deduction from Assessed Value of Structures in Economic Revitalization Areas (form 322 ERA) to the Wabash County Auditor and the Wabash City Council by May 15 every year thereafter for the life of the abatement

When a Compliance with Statement of Benefits has been filed, the Office of the Building Commissioner shall make a final inspection to verify compliance

At the City Council meeting next following the filing of the compliance with the statement of benefits report, the City Council may either grant final approval or deny the tax abatement application if the project has not been completed on time, to create at least 50% of the projected

increased assessed valuation, or has not been completed in substantial compliance with the original approved specifications

If the City Council rejects the application, the tax abatement shall not commence

If the application given final approval, The Wabash City Council shall sign off on the Compliance with Statement of Benefit Form and the final tax abatement certificate – the 60-month abatement period will begin the first year after the assessment is increased because of the work done

The owner must file an application for the deduction with the Wabash County Auditor no later than May 10 after the assessed valuation has been adjusted because of the improvements

The abatement is transferable with the property if the new owner files for the deduction