

# PROPERTY TAX ABATEMENT



Jackson County, Indiana, and its local communities have elected to offer real and personal property tax abatement as an incentive to new and expanding industries. Property tax abatement allows for a phase-in of taxes over a period of time, usually 1 to 10 years to be determined by the designating body.

On average, tax abatement will reduce the amount of property taxes paid by approximately 50% over the full abatement period.

Real property abatements may be granted for both new construction and rehabilitation or expansion to existing facilities (limited to the increase in assessed value). Personal property abatements may be granted on new manufacturing equipment including R&D, logistical and IT equipment. Other opportunities may be available.

## APPLICATION FOR ABATEMENT

Taxpayers may request abatement by applying to the applicable governing body, usually the city council, town board, county council, etc., using a Statement of Benefits for Personal Property and/or Real Estate. If abatement is approved, the taxpayer *must annually file a Compliance form* showing the extent to which there has been compliance with the Statement of Benefits. Jackson County Industrial Development Corporation (JCIDC) can assist industries with tax abatement applications and compliance filings.

## ABATEMENT SCHEDULES

	<u>Real Property</u>	<u>Personal Property</u>
10-Year schedules		
Year 1	100% exempt	100% exempt
Year 2	95% exempt	90% exempt
Year 3	80% exempt	80% exempt
Year 4	65% exempt	70% exempt
Year 5	50% exempt	60% exempt
Year 6	40% exempt	50% exempt
Year 7	30% exempt	40% exempt
Year 8	20% exempt	30% exempt
Year 9	10% exempt	20% exempt
Year 10	5% exempt	10% exempt
Year 11	First year of full property tax payment	
5-Year schedules		
Year 1	100% exempt	100% exempt
Year 2	80% exempt	80% exempt
Year 3	60% exempt	60% exempt
Year 4	40% exempt	40% exempt
Year 5	20% exempt	20% exempt
Year 6	First year of full property tax payment	

For details on the abatement program for Jackson County, contact:

JCIDC  
812-522-4951  
[www.jcidc.com](http://www.jcidc.com)