

Village of Newtown

Community Reinvestment Area (CRA) Tax Exemptions

PROGRAM: The CRA Program is aimed at encouraging new investment in the Village of Newtown through the rehabilitation and new construction of buildings and homes through property tax incentives. Property tax abatement is available for increased valuation that results from the improvement to property. The residential CRA's goal is to stimulate rehabilitation, retain residents, and attract homeowners. Commercial CRAs are designed to facilitate the retention and expansion of businesses and the retention and creation of jobs.

MAXIMUM AMOUNT: The commercial/industrial CRA property tax abatement is up to 10 years for new construction or renovation, with a 50% exemption and minimum \$5,000 in costs.

The residential remodeling CRA property tax abatement has a term of 10 years, with 100% exemption, and a market value cap of \$100,000 on the improvement value. There is a minimum of \$2,500 in costs for single family residences and a minimum of \$5,000 in costs for 2-3 unit structures. The new construction abatement term for housing is 10 years and 50% exemption but on new single family there is a cap of \$200,000. Please see contact information below for more information.

RATES/FEES: Mixed use, commercial and multi-unit residential developments (greater than three units) have an annual fee of 1% of the annual tax exemption, but not less than \$500 or more than \$2,500. A \$750 application fee is required by the Ohio Department of Development.

CONTACT: Councilman Brian Burns
Village of Newtown
3536 Church Street
Newtown, OH 45244
(513)561-7697
utjburns@earthlink.net



Village of Newtown

Facts About Tax Abatement

What is tax abatement?

Tax abatement is the temporary elimination of increased real property taxes, generally offered as a stimulus for new development or as an incentive for redevelopment.

What types of development qualify for tax abatement?

- New construction of buildings
- Improvements that cost more than \$5,000 and would result in an increase in assessed value for real estate tax purposes

What kinds of improvements DO NOT increase taxes?

- Exterior Improvements
 - Install new roof
 - Install aluminum siding; repair siding
 - Install storm windows and doors
 - Add windows, doors, awnings
 - Add/replace gutters and downspouts
 - Install outdoor lighting
 - Plant lawns, shrubs, grass, plants
 - Normal repairs and maintenance will not increase the real estate tax assessment
- Interior Improvements
 - Paint, wallpaper, redecorate
 - Resurface ceilings, walls, floors
 - Replace furnace (with one of same type)
 - Replace hot water heater
 - Replace oil or gas burner
 - Replace plumbing
 - Rewire completely
 - Add electrical circuits or outlets
 - Install or replace light fixtures

What types of improvements DO increase the assessed value of property?

- Build new building
- Add on to existing building
- Install additional bathroom or toilet

