

APPLICATION FOR TAX ABATEMENT UNDER THE  
URBAN REVITALIZATION PLAN FOR MADRID, IOWA

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

\_\_\_\_ Prior Approval for Intended Improvements

\_\_\_\_ Approval of Improvements Completed

Address of Property: \_\_\_\_\_

Legal Description: \_\_\_\_\_

Title Holder or Contract Buyer: \_\_\_\_\_

Address of Owner (if different than above): \_\_\_\_\_

Phone Number (to be reached during the day): \_\_\_\_\_

Proposed Property Use: \_\_\_\_ Residential \_\_\_\_ Commercial \_\_\_\_ Industrial \_\_\_\_ Rental \_\_\_\_ Owner-Occupied  
(Check Two)

Nature of Improvements: \_\_\_\_ New Construction \_\_\_\_ Addition \_\_\_\_ General Improvements

Specify: \_\_\_\_\_

Estimated or Actual Date of Completion: \_\_\_\_\_

Estimated or Actual Cost of Improvements: \_\_\_\_\_

Tax Exemption Schedule Selected: (1) \_\_\_\_ (2) \_\_\_\_ (3) \_\_\_\_  
(See back for applicable tables)

If rental property, complete the following: Number of Units: \_\_\_\_\_  
Tenants occupying the building when purchased (or present tenants if unknown)/ Date of tenant  
occupancy/Relocation benefits received by eligible tenants: (to be continued on a separate page if necessary.)

Tenant	Date of Occupancy	Relocation Benefits

Signed: \_\_\_\_\_

For City Use:

City Council	Application Approved/Disapproved Reason (if disapproved) _____ _____ Date: _____ Attested by the City Clerk: _____
Assessor	Present assessed value: _____ Assessed value w/ improvements: _____ Eligible or Non-eligible for tax abatement: _____ Assessor: _____ Date: _____

## EXEMPTIONS:

Tax exemption on qualifying improvements shall follow one of three schedules. Eligible property owners shall select which schedule they would like to take.

### Existing Residential

1. All qualified real estate assessed as residential property is eligible to receive an exemption from taxation based on the actual value added by the rehabilitation and/or the construction of additions to existing residential property. The exemption is for a period of two years. The amount of the exemption is equal to 100 percent of the actual value added by the improvements. However, the amount of the actual value added by the improvements, which shall be used to compute the exemption, shall not exceed twenty thousand dollars, and the granting of the exemption shall not result in the actual value of the qualified real estate being reduced below the actual value on which the homestead credit is computed under Section 425.1, Code of Iowa.

### Residential New Construction

2. All qualified real estate involving new construction and assessed as residential property or assessed as commercial property, if the commercial property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, is eligible to receive an exemption from taxation on the actual value added by the improvements. The exemption is for a period of five years. The amount of the exemption is equal to 100% of the actual value added by the improvements.

### Commercial/Industrial

3. All qualified real estate assessed as commercial or industrial is eligible to receive a partial exemption from taxation on the actual value added by the improvements. The exemption is for a period of five years. The amount of the exemption is equal to a percent of the actual value added by the improvements, determined as follows:
  - A.) For the first year - 80%
  - B.) For the second year - 70%
  - C.) For the third year - 60%
  - D.) For the fourth year - 50%
  - E.) For the fifth year - 40%