

**City of Baldwin  
Tax Abatement Incentive  
Program**



## Historical Preservation Tax Abatement Incentive Program

**Purpose:** To Promote infill construction, renovations, and improvements to the existing property within the Historical Preservation District through municipal tax abatement.

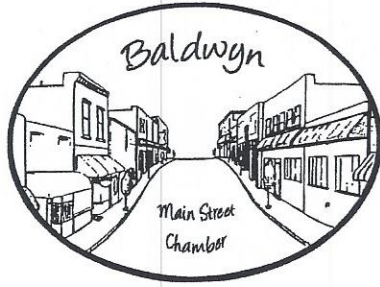
**Authority:** Mississippi Code Sections 17-21-5 and 17-21-7.

### Policy for Establishing Tax Abatement

- The property shall be located within the Baldwin Historic Preservation District as defined by the Baldwin Historic Preservation Commission designated by the Baldwin City Council.
- The property shall meet all Building, housing, and Development Code regulations, including the purpose and intent of the Historical District.
- All improvements must be completed and approved by the Baldwin Main Street Chamber and the Baldwin Historical Preservation Commission.
- A minimum of ten thousand dollars (\$10,000) in improvements shall have been made to the property, excluding purchase price, in order to apply for tax abatement.
- The period of the abatement for projects with \$10,000 to \$49,999 in improvements shall be four years. For projects of \$50,000 and up the period of abatement shall be seven years.

### Procedures for applying for Tax Abatement

- Application for Certificate of Appropriateness must be completed.
- Document cost of improvements made on the property.
- Complete the tax abatement application form and return to the Baldwin Main Street Chamber.
- The Baldwin Main Street Chamber and the Baldwin Historical Preservation Commission will review the application for compliance with program criteria. Qualifying projects will be submitted to the City Council for approval. The planning department will provide the Lee/Prentiss tax assessor with a list of the properties for abatement.



## Tax Abatement Application

Date:

Property Owner:

Mailing Address:

Name of Project:

Location of Project:

Parcel Number:

Total Project Cost:

Include Map/drawings:

The following are established policies that **MUST** be met before qualifying for the tax abatement program.

1. Is the property located within the Baldwin Historic Perseveration District?

2. Does the project meet all Housing and Development code regulations, including the purpose and intent of the Historic Preservation District.

*The Baldwin Historic Preservation Commission seeks to maintain the historical integrity of the historic downtown buildings. To this end, it requires all construction on the building to be approved prior to construction. The Commission requests a written description of the renovation, drawings of proposed renovations, and confirmation that as many construction materials as possible will be historically accurate.*

3. Have all the improvements been completed and approved by the Baldwin Main Street Chamber and the Baldwin Historic Preservation Commission.
4. Have records of at least ten thousand dollars (\$10,000) worth of improvements into the property been submitted with the application.
5. Have documented before and after photographs been submitted with the application.

If you would like to submit a brief summary of the project or other materials to be reviewed with the application please attach it.

# Baldwyn Historic Preservation Commission

## Application for Certificate of Appropriateness

Owner's Name: \_\_\_\_\_

Contact Person (if different from owner): \_\_\_\_\_

Physical Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Estimated Start Date of Construction: \_\_\_\_\_

Estimated End Date of Construction: \_\_\_\_\_

Estimated Cost of Renovation: \_\_\_\_\_

The Baldwin Historic Preservation Commission seeks to maintain the historical integrity of historic downtown buildings. To this end, it requires that all construction on the building façade be approved prior to construction. The Commission requests a written description of the renovation, drawings of proposed renovations and confirmation that as many construction materials as possible will be historically accurate (for example: bricks, window panes, window seals, etc.). If any of the construction materials are not historically accurate, please indicate a reason in the written description of the renovation. If additions to the building's original footprint are necessary, please explain why and how the addition will be designed so that it flows with the architectural style of the original building.

The BHPC will review the proposal and invite the owner for a question and answer session. Following approval and final tax assessment of the property after renovation, the Commission will recommend that the Baldwin City Board of Aldermen grant the appropriate tax abatement.

The Baldwin Area Chamber of Commerce is available to assist building owners in preparing this information and to answer any questions about the proposal.

**The following legislation authorizes a municipal government and the county supervisors to abate property taxes for improvements in a central business district.**

**§ 17-21-5. Exemption from municipal ad valorem tax for certain structures in central business districts, historic preservation districts, business improvement districts, urban renewal districts, redevelopment districts, or on historic landmarks; application for exemption.**

(1) The governing authorities of any municipality of this state may, in their discretion, exempt from any or all municipal ad valorem taxes, excluding ad valorem taxes for school district purposes, for a period of not more than seven (7) years, any privately owned new structures and any new renovations of and improvements to existing structures lying within a designated central business district or historic preservation district or on a historic landmark site, as determined by the municipality, but only in the event such structures shall have been constructed, renovated or improved pursuant to the requirements of an approved project of the municipality for the development of the central business district and/or the preservation and revitalization of historic landmark sites or historic preservation districts. The tax exemption authorized herein may be granted only after written application has been made to the governing authorities of the municipality by any person, firm or corporation claiming the exemption, and an order passed by the governing authorities of such municipality finding that the construction, renovation or improvement of said property is for the promotion of business, commerce or industry in the designated central business district or for the promotion of historic preservation.

(2) The governing authorities of any municipality of this state with a population of twenty-five thousand (25,000) or more according to the latest federal decennial census, may, in their discretion, exempt from any or all municipal ad valorem taxes, excluding ad valorem taxes for school district purposes, for a period of not more than seven (7) years, any privately owned new structures and any new renovations of and improvements to existing structures lying within a designated business improvement district, urban renewal district or redevelopment district, as determined by the municipality, but only in the event such structures shall have been constructed, renovated or improved pursuant to the requirements of an approved project of the municipality for the development of the business improvement district, urban renewal district or redevelopment district. The tax exemption authorized herein may be granted only after written application has been made to the governing authorities of the municipality by any person, firm or corporation claiming the exemption, and an order passed by the governing authorities of such municipality finding that the construction, renovation or improvement of said property is for the promotion of business, commerce or industry in the designated business improvement district, urban renewal district or redevelopment district.

**Sources:** Laws, 1981, ch. 512, § 1; Laws, 1988, ch. 454; Laws, 1989, ch. 461, § 1; Laws, 1996, ch. 522, § 1, eff from and after July 1, 1996.



**§ 17-21-7. Exemption from county ad valorem taxes for certain central business district structures; application for exemption.**

The board of supervisors of any county wherein there is located a municipality described in Section 17-21-5 may, in its discretion, exempt from any or all county ad valorem taxes, excluding ad valorem taxes for school district purposes, for a period of not more than seven (7) years, any privately owned new structures and any new renovations of and improvements to existing structures where an exemption has been granted by the municipality in accordance with the provisions of Section 17-21-5. The exemption from county ad valorem taxes may be granted only upon written application to the board of supervisors of the county by any person, firm or corporation claiming the exemption. A copy of the order of the governing authority of the municipality granting an exemption from municipal ad valorem taxes shall be attached to the application as an exhibit thereto.

**Sources:** Laws, 1981, ch. 512, § 2, eff from and after passage (approved April 20, 1981).

## Tax Abatement Information for Downtown Baldwin



This example is for illustration purposes only.  
Please verify all tax rates with Tax Collector.

*The purpose of this tax abatement is to promote infill construction, renovations, and improvements to the building stock within the downtown area through municipal and county ad valorem tax exemption. (School taxes are not exempt and the property will be taxed at the new value.)*

*The city and county do not give up any taxes that they are already receiving. The abatement is just on the improved amount for a limited number of years.*

|                     |          |  |
|---------------------|----------|--|
| Total Current Value | \$32,940 |  |
| Assessed Value      | \$4,941  | (Assessed value is 15% of Total Value) |

### Current Tax Information

|                 | Tax Due         | Millage (2009 figures) |
|-----------------|-----------------|------------------------|
| County-Prentiss | \$288.06        | 58.30                  |
| City            | \$163.05        | 33.00                  |
| School          | \$289.64        | 58.62                  |
| <b>Total</b>    | <b>\$740.75</b> |                        |

Example - Assume  
Building improvements of \$35,000

### Without Tax Abatement

|                 |          |                          |
|-----------------|----------|--------------------------|
| Total new Value | \$67,940 | (\$32,940 plus \$35,000) |
| Assessed Value  | \$10,191 |                          |

### Taxes Due Without Abatement

|                    |                   |
|--------------------|-------------------|
| County-Prentiss    | \$594.14          |
| City               | \$336.30          |
| School             | \$597.40          |
| <b>Total Taxes</b> | <b>\$1,527.83</b> |



**With Tax Abatement**

|                                    |          |
|------------------------------------|----------|
| Total Value for County and City    | \$32,940 |
| Assessed Value for County and City | \$4,941  |
| Total Value for School             | \$67,940 |
| Assessed Value for School          | \$10,191 |

**Taxes Due With Tax Abatement**

|              |                   |
|--------------|-------------------|
| County       | \$288.06          |
| City         | \$163.05          |
| School       | \$597.40          |
| <b>Total</b> | <b>\$1,048.51</b> |

**Savings in first year due to Tax Abatement**

|                 |                 |
|-----------------|-----------------|
| County-Prentiss | \$306.08        |
| City            | \$173.25        |
| School          | \$0.00          |
| <b>Total</b>    | <b>\$479.33</b> |



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## Tax Incentives of Senate Bill 2690 .....July 1989

“The governing authority of any municipality of this state may, in their discretion, exempt from any or all municipal ad valorem taxes, excluding ad valorem taxes for school district purposes, for a period of not more than 7 years, any privately owned new structure and any new renovations of and improvements to existing structures lying within a designated central business district or historic preservation district, as determined by the municipality, but only in the event, such structures shall have been constructed, renovated or improved pursuant to the requirements of an approved project of the municipality for the development of a preservation district. Tax exemption can only be authorized after written application has been made to governing authorities finding that the construction, renovation or improvement of said property is for the promotion of the business and commerce.

### Tax Abatements

Construction under \$50,000 abated for 4 years, ”more abated for 7 years, taxes based on original assessment by city

Property owners, who rehabilitate historic buildings in MS, will be provided a state income tax credit equal to 25% of qualified expenses in projects. The credit is available for both residential and business rehabilitations and applies to expenditures incurred after January 1, 2006.

To be eligible to receive the tax credit, properties must be listed individually in the National Register of Historic Places and contribute to the significance of the National Register Historic District or have been designated a MS landmark.

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