

City of Oxford
Application for Tax Abatement Policy and Procedure

Mississippi Code Section 17-21-5 (1) provides that 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 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 (DB) Downtown Business zoned 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 (DB) Downtown Business zoned 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 has been 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 (DB) Downtown Business zoned district or for the promotion of historic preservation.

The City of Oxford shall consider tax abatement requests pursuant to Mississippi Code Annotated Section 17-21-5(1) on a case by case basis. However, the City of Oxford, by this policy, wishes to set out limits on yearly expenditures for such tax abatements, should the Board of Aldermen wish to grant them, as well as guidelines for consideration by the Board in considering such abatements.

Total expenditure for the city of Oxford is limited to: \$100,000/year on a first come, first serve basis. Construction cost for renovation or rehabilitation must be a minimum of 15% of the properties total assessed value to qualify.

Example:	Assessed value of structure:	\$1, 000,000.00
	Minimum Cost of improvements:	\$ 150,000.00

Abatements are awarded annually over four (4) years as follows:

1 st year	100% abatement of City taxes
2 nd year	75% abatement of total City taxes
3 rd year	50% abatement of total City taxes
4 th year	25% abatement of total City taxes

- The 100% tax exemption in “Year 1” will go into effect for the tax year the improvements/construction are assessed by the County Tax Assessor.
- City school taxes are NOT included in the abatement
- The abatement will only be allowed on the original assessed value (in Year 1), not for possible future increases in assessed value.
- If the Municipal mill rate increases during the four years, then the amount of the abatement will increase accordingly.

To be considered for tax abatement under Mississippi Code Section 17-21-5(1), the applicant must obtain the following approvals:

1. Issuance of a (COA) Certificate of Appropriateness from Courthouse Square Historic Preservation Commission or the Oxford Historic Preservation Commission for any alteration to the exterior of a building
2. Issuance of (CO) Certificate of Occupancy by city building official
3. Approval of application by the Mayor and Board of Aldermen
4. Certification of assessed value including improvements from county assessor’s office

Example: Tax Exemption for structure with improvements valued at:
\$294,754.20:

Year 1-100%	8,032.05
Year 2-75%	6,024.04
Year 3-50%	4,016.03
Year 4-25%	<u>2,008.01</u>
Total:	\$20,080.13

The City of Oxford shall, at all times, retain complete discretion to consider any tax abatement requests, pursuant to statutory requirements and considerations.