



IRB
Industrial Revenue Bonds

Purpose

- Obtain sales tax exemption on construction materials
- Realize a real property tax abatement on non-EDX type companies (limitations apply for retail)

ED Tool Type

- Exemption of real property taxes on improvements to land and buildings
- Exemption of sales taxes on project construction materials

Assistance

- For tax abatement, 50% base exemption with extra percentages awarded if additional policy criteria met
- Up to 10 years for property tax abatement

Due Diligence

- Cost-benefit analysis —if used for a property tax abatement
- Capital investment, wage, healthcare insurance and job creation requirements apply

How it Works

Property owner gets annual reduction of real property taxes for portion of property authorized for abatement

- Excludes USD capital outlay and state portion of taxes

Other

- No bond liability for City
- \$1000 Application fee
- Origination fees for sales tax exemption only IRBs