



# Industrial Revenue Bonds (IRB)



## 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.