

Frequently asked questions about the two year abatement.

What is entitled to the abatement?

This two-year abatement is designed as a flood recovery stimulus. All new single family residential properties such as twin homes, townhomes, condominiums and in some cases manufactured housing or mobile homes as well as apartment complexes that construction began after January 2, 2009 and prior to December 31, 2010 is eligible for the abatement. If a property was constructed during 2008, complete *Application for Property Tax Abatement for Residential Structures for which Construction began in 2008.*

Does a manufactured home qualify?

Manufactured homes located on the land classified 1a, 1b, 2a, 4b or 4bb are eligible for this abatement if constructed during 2008 or later as stated on the official seal on the manufactured home. Mobile home courts are classified 4c5 and manufactured homes located in courts are not eligible for this abatement.

How is the abatement figured?

New construction on residential property can be abated up to \$200,000 per parcel or at \$20,000 per apartment unit. The tax statement that you will receive for the corresponding tax years will reflect the amount of taxable value and the tax that is owed on that amount which is after the amount of exclusion is granted. Tax will be charged for the lot and any valuation over the \$200,000 or \$20,000/unit on apartment properties.

Do I owe any other taxes or fees?

The abatement does not include the valuation of the lot or value in excess of \$200,000 on residential or \$20,000 per unit of an apartment does not qualify. The abatement does not apply to any special assessments that might be levied against property.

When does the abatement period start?

Property is valued and classified on January 2nd of each year. If construction commences during 2009, the application for abatement must be filed by January 2, 2010 for assessment year 2010 and 2011, payable 2011 and 2012. If construction commences during 2010, abatement must be filed by January 2, 2011 for assessment years 2011 and 2012, payable 2012 and 2013. The abatement period begins when a building permit is issued and a completed foundation/footing inspection.

Will my escrow company consider the abatement when determining the escrow amount?

Local taxing districts will not be notifying escrows of these abatements. If you are escrowing make sure that the company knows when to increase your escrow payment. Often times the payment is not adjusted until the higher tax bill is received.

For any other questions you may have, please contact the City of Moorhead Assessor's Office at 218.299.5258.