



Jackson County New Housing Initiative

Guidelines

Intent

The purpose of the Jackson County New Housing Initiative is to provide incentives to encourage the construction of new owner-occupied and rental residential housing units, encourage replacement of dilapidated housing structures, and increase future tax base and revenues in Jackson County.

Tax Abatement Availability

Minnesota Statute 469.1813 Subdivision 8 places limitations on tax abatement. In any given year, the total amount of taxes abated by a municipality shall not exceed (1) 10% of the net tax capacity (NTC) of the political subdivision for the taxes payable year to which the abatement applies, or (2) \$200,000, whichever is greater.

Eligible Participants

Any person who constructs a new single-family home, duplex, or multi-family housing unit and who files application materials and seeks formal approval from Jackson County between January 1, 2024 and December 31, 2026 may be eligible to receive 100% tax abatement of the County's share of increased real estate taxes as a result of building newly constructed housing or a home, for a period of five years provided all of the following are met:

1. Property is located within Jackson County and zoned properly for the proposed development project.
2. The applicant/owner shall not have received other local financial assistance (tax increment financing (TIF), Workforce Housing, SCDP, etc.).
3. Project is built to building codes adopted at the time building permit is obtained.
4. Property taxes are current and paid on time and in full.
5. Program approval by the county board must be obtained prior to the start of construction (including dirt work).
6. Application is for new construction only.
7. Manufactured/mobile homes (single wide, double wide, triple wide, sectional), seasonal/recreational homes and "Shouses" (combination shed and house structure), unless the "Shouse" is used as a primary residence, do not qualify.

The real estate taxes to be abated shall be for up to the full amount of the county real estate taxes collected from added tax base of the newly constructed home annually. Real estate taxes collected for the value of the land, any current structures, or previous home value are not eligible for tax abatement and will not be abated as part of this program.

This abatement will transfer with the sale of the property for the balance of the five-year abatement period.

The tax refund is the county portion only. Jackson County cannot approve the abatement of city, township or school district property taxes. This abatement will not include voter approved referendums. This abatement does not apply to, or include, existing and/or new assessments to the property.

The County shall provide the awarded abatement payment following payment of the total real estate taxes due annually. One single payment shall be made to the owner of record at the time of the payment by December 31st for that calendar year.

Taxes must be current on the property at the time of application. Taxes must be paid in full and on time to qualify for abatement each year.

The Jackson County Board reserves the right to accept or reject any abatement application for any reason and discontinue accepting new applications at any time.

For more information contact:

Jackson County Auditor/Treasurer's Office
(507) 847-2763
auditor@co.jackson.mn.us

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