

Real Property Tax Abatement/Tax Phase-In

New buildings constructed are eligible for real property tax abatement. Substantial improvements to existing buildings could be eligible, but it is important to note that only the value of the improvement to the existing building qualifies. Property that is already being taxed in Indiana is not eligible for abatement. Land only does not qualify for abatement. Real property tax abatement is based on a declining percentage of the increase in assessed value of the improvement based on one of the following ten time periods. For example, for a five-year abatement, the tax in year one is 100%. In year 2, abatement is 80% with you being responsible for 20% of the tax (Year 3, 60% and so on). The local unit of government (i.e. the town board or county council) determines the time period for the abatement in conjunction with the LCEDC.

	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
Year 1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 2		50%	66%	75%	80%	85%	85%	88%	88%	95%
Year 3			33%	50%	60%	66%	71%	75%	77%	80%
Year 4				25%	40%	50%	57%	63%	66%	65%
Year 5					20%	34%	43%	50%	55%	50%
Year 6						17%	29%	38%	44%	40%
Year 7							14%	25%	33%	30%
Year 8								13%	22%	20%
Year 9									11%	10%
Year 10										5%

Personal Property Tax Abatement/Tax Phase-In

Manufacturing research & development equipment and transportation and logistical equipment that is new to Indiana is eligible for personal property tax abatement. Property that is already being taxed in Indiana is not eligible for abatement. Personal property tax abatement is based on a declining percentage of the increase in assessed value of the newly installed manufacturing research & development equipment or transportation and logistical equipment. The local unit of government (i.e. the town board or county council) determines the time period for the abatement in conjunction with the LCEDC.

	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
Year 1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 2		50%	66%	75%	80%	85%	85%	88%	88%	90%
Year 3			33%	50%	60%	66%	71%	75%	77%	80%
Year 4				25%	40%	50%	57%	63%	66%	70%
Year 5					20%	34%	43%	50%	55%	60%
Year 6						17%	29%	38%	44%	50%
Year 7							14%	25%	33%	40%
Year 8								13%	22%	30%
Year 9									11%	20%
Year 10										10%

For any questions regarding tax abatement in LaGrange County or in the towns of LaGrange, Shipshewana, Topeka or Wolcottville please contact:

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