

DEMO/REBUILD

Property Tax Rebate Program

The City of Farmers Branch is offering a property tax rebate incentive to Farmers Branch homeowners who demolish an existing single family home and rebuild a new single family home in the same location. City Council approval required prior to demolition.

Eligibility:

To be eligible for participation in the program the demolition of the existing residence and the construction of a new residence must be completed, and a certificate of occupancy or completion issued by the City for the new residence within twenty-four (24) months after approval by the City of an eligible project.

A Developer or builder may also qualify for the program if the developer or builder owns a single-family residence in the City and agrees to demolish the residence and construct a new single family residence at the same location provided that any incentive to be paid pursuant to the program agreement will not be paid to the developer or builder but rather shall be paid to the first person that owns and occupies the new residence.



Incentive Awarded

The incentive is issued in the form of a property tax rebate. The amount of this rebate is determined by the Base Year Assessed Value of the of land and improvements of the original structure as determined by Dallas Central Appraisal District (DCAD).

Program Option 1:

The City will provide seven (7) annual consecutive economic development incentive grants. Each incentive shall be equal to one hundred percent of the difference between the City property taxes assessed and paid for the new improvement (excluding the land) for a given tax year and the City property taxes assessed and paid for the residential structure (prior to demolition) (excluding the land) for the tax year in which the structure was demolished (the "Base Year"). Option also includes a reimbursement of up to \$5,000 of the cost of demolition of the original home following completion of demolition.

Program Option 2:

An incentive equal to 10 times the amount of the increase in the City property taxes paid on the difference between the original home appraised value (excluding the land) prior to demolition and the value of the newly constructed home (excluding the land), as determined by DCAD for the year following completion of construction. If requested, the City will pay up to one-half of the estimated incentive at the time the owner closes on the permanent financing of the home following completion of construction based on the valuation set forth in the application for building permit submitted to the City prior to construction.

For More Information, Program Applications and Policies

visit www.farmersbranchtx.gov or contact Allison Cook at 972.919.2507

Just one more reason to live in Farmers Branch...



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