

**City of Canton, Ohio
Office of the Mayor
(330) 438-4306**

**Community Reinvestment Area
Residential, Commercial, and Industrial Tax Abatement Program**

What is a Community Reinvestment Area?

- A Community Reinvestment Area (CRA) is an area of land in which a property owner can receive tax incentives for investing in real property improvements. The entire City of Canton has been designated as a CRA.
- The CRA provides temporary tax abatement of increased real property taxes on qualifying residential, commercial or industrial real property improvements within the area. This could be residential remodeling/renovations or new residential construction as well as new commercial/industrial construction or expansion projects.
- CRA's are used to encourage revitalization of the existing neighborhoods and housing stock while also promoting the development new structures.

What is Canton's residential CRA Tax Abatement?

- The abatement allows owners to pay taxes solely on the pre-improvement assessed value of their residential property for 15 years after improvements are completed. Property owners will not be required to pay property taxes on any increase in value that resulted from renovation or new construction on the property for a period of 15 years.
- The abatement stays with the property for the 15-year duration of the abatement. If it is sold during the 15-year period of the abatement, the new owner continues to receive the abatement.
- At the end of the 15 years of abatement, the property will be taxed at its total post-improvement assessed value.

Type of Structure	Minimum Cost of Improvements	Period of Abatement
New construction of single family homes or multi-family investor owned properties	All new construction	15 years
Existing single-family and multi-family housing rehabilitation	\$5,000*	

**It is not anticipated that property improvements of less than \$5,000 will result in an increase in property taxes.*

What types of improvements qualify?

Major improvements that **MAY** qualify homeowner for tax abatement:

- ✓ Build a new porch
- ✓ Remodel a basement/attic into living space
- ✓ New additions to an existing structure
- ✓ Install a sunroom
- ✓ New construction
- ✓ Gut and renovate a home or apartment building
- ✓ Build or enlarge a garage
- ✓ Install indoor fireplace
- ✓ Install new additional bathroom

Improvements that **LIKELY WILL NOT** increase assessed value of residential property:

Exterior Residential Improvements

New roof installation
Solar panel installation
Aluminum or Vinyl siding installation
Siding repair
Storm window/door installation
Adding windows/doors
Repair/replace/add shutters
Install awnings
Add/replace gutters/downspouts
Repoint, repair, replace masonry
Add window boxes
Repair/replace porches/steps
Install outdoor lighting
Install sprinkler system
Plant lawns/shrubs/grass/plants
Scrape/paint house
Install/repair/replace sidewalks

Interior Residential Improvements

Remodel kitchen
Paint/wallpaper/redecorate
Add closets
Resurface floors
Resurface ceilings/walls
Repair plaster
Install window blinds
Add built-in bookcases
Add built-in cabinets
Replace furnace with same kind
Replace hot water heater
Replace oil or gas burner
Replace plumbing
Rewire completely
Add electrical circuits/outlets
Install/replace light fixtures

Other Important Requirements

- Appropriate building permits must be issued to qualify for the tax abatement. Certificates of Occupancy or final inspections signed **PRIOR TO July 29, 2019 WILL NOT** qualify the property abatement.
- The property must be located in the City of Canton and identified on the Stark County Fiscal Office Auditor property card as being located within the City of Canton.
- Property owner cannot have delinquent taxes or assessments on the eligible property, any other property, or be associated with any entity which does.

What is Canton's Commercial/Industrial CRA Tax Abatement?

- Canton's Commercial/Industrial abatements are offered on a per project basis, subject to the approval of the affected School District, to companies that are looking to either construct a new facility or expand a current facility, and require significant investment into real property value.
- The abatement offered can be up to 100% and up to a 15-year period, with approval of the affected School District.
- The City of Canton can offer an abatement of up to 50% and up to a 15-year period, without the approval of the affected School District.

Type of Structure	Minimum Cost of Improvements	Period of Abatement
New construction of commercial or industrial facility	All new construction	Up to 15 years
Expansion of current commercial or industrial facility	\$50,000	

What are the benefits?

- **Neighborhood Impact:** New home construction and renovation will increase the values of surrounding properties and fill in vacant lots.
- **Population Growth:** Building new homes will bring new middle class families into Canton and grow demand for our schools, small businesses, and other community services
- **No Funding Cuts:** Schools and other property tax-funded organizations will continue to receive all tax revenues they currently receive, and are likely to see increases in revenue as overall property values increase.

How do I know if I qualify?

- The entire City of Canton is designated as a Community Reinvestment Area (CRA). If you own property, a residence, a commercial or industrial business within the current Corp. Limits of Canton (June, 2019) you could qualify for an abatement.
- You must follow the guidelines provided when applying for a residential or commercial/industrial abatement.
- It is important to remember that not all improvements to a residential property will result in an increase in value to the property and there is a minimum of a \$5,000 investment required.

Please review the attached applications for a residential, commercial or industrial abatement.