

## What is the Tax Exemption Program?

If you help protect and improve a property in a mature neighborhood by rehabilitating, renovating, or replacing residential real estate, you may qualify for a **partial** tax exemption from the general real estate tax. By improving the condition and appearance of properties in these older neighborhoods, Manassas will continue to be an appealing place for existing and future homeowners to invest.

### To Qualify

- A residential structure should be **no less than 25 years old**.
- The fair market assessed value of the improved or replaced structure—as determined by the Commissioner—should be increased by **no less than 25 percent**.
- The improved structure may not exceed the total square footage of the original, unimproved structure by more than 30 percent.
- If the structure is multifamily residential real estate, then each improved or replacement structure should not exceed the total square footage of each corresponding original, unimproved structure by more than 30 percent.
- Improvements made to unimproved real property or improvements requiring the demolition of historic landmarks or contributing structures are not eligible. Amenities such as swimming pools and garages generally will not qualify for the program.

## How Does It Work?

- Obtain all necessary building permits and ensure all real estate taxes and fees are up-to-date.
- Submit the application form, copies of all necessary building permits, and a \$50 nonrefundable application fee to the Commissioner of the Revenue. You may apply for up to six months after the project passes inspection.
- Upon approval of the application, the Commissioner of the Revenue will establish a base fair market value for the structure based on the current assessment. This base value serves as the basis for determining whether the project increases the fair market value of the structure by at least 25 percent.
- When rehabilitation is complete, submit a written request to the Commissioner of the Revenue for a final inspection.

Upon the Commissioner's final assessment, it will be determined if the property qualifies for a real property tax exemption.

- If the property meets all of the program requirements, the exemption will become effective beginning July 1 of the next calendar year.



## How Much is the Exemption?

The amount of partial tax exemption is based on the increase in assessed structural value due to renovation, rehabilitation, or replacement. No exemption is granted on land value. Note that assessments are not frozen during this period and may increase or decrease based on market conditions.

The partial tax exemption is awarded over a seven year period, based on the following schedule:

Years 1-3 - 100% of the increase in assessed value
Year 4 - 80% of the increase in assessed value
Year 5 - 60% of the increase in assessed value
Year 6 - 40% of the increase in assessed value
Year 7 - 20% of the increase in assessed value



## How to Apply

For an application visit:

[www.manassascity.org/housing](http://www.manassascity.org/housing)

Commissioner of the Revenue  
Manassas City Hall / Room 301  
9027 Center Street  
Manassas, VA 20110

**703-257-8263**

For additional information on building  
permits visit:

[www.manassascity.org/ds](http://www.manassascity.org/ds)

Development Services  
Manassas City Hall / Room 201

**703-257-8278**



City of Manassas  
Commissioner of the Revenue  
9027 Center Street Room 301  
Manassas, VA 20110

# Reinvest: Residential Investment Tax Exemption

City of Manassas



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