



# City of Galveston

## Financial Incentives for Historic Properties

- Program to encourage rehabilitations of historic buildings
- Also encourages designation of new historic districts and Galveston Landmarks
- Tax exemptions are transferrable if the property is sold
- Historic Preservation Officer must certify the rehab work before the verification step
- City Council must approve the tax exemption after review by the Landmark Commission
- The state and federal governments also offer tax incentive programs for historic properties – contact the Texas Historical Commission at 512-463-6100 for more information

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### LOCAL TAX EXEMPTION FOR NEW HISTORIC DISTRICTS AND GALVESTON LANDMARKS

All properties in newly designated historic districts receive a 35% exemption on their City property taxes for five years. The tax exemption is also available for newly designated Galveston Landmarks located outside of historic districts. The tax exemption remains with the property regardless of change of ownership or sale of the property.

### LOCAL TAX EXEMPTION FOR NEW NEIGHBORHOOD CONSERVATION DISTRICTS

All properties in newly designated New Conservation Districts receive a 25% exemption on their City property taxes for five years. The tax exemption remains with the property regardless of change of ownership or sale of the property.

### LOCAL TAX EXEMPTION FOR SUBSTANTIAL REHABILITATION

A tax exemption is available for designated local landmarks and properties within local historic districts that undergo a substantial rehabilitation. Substantial rehabilitation is defined as 50% of the improvement value according to the Galveston Central Appraisal District. Qualifying work should extend the life of a building such as:

- Roofing
- Foundations
- Siding
- Electrical
- Plumbing
- HVAC systems
- Structural work
- Interior work
- Energy Efficiency improvements.

Following substantial rehabilitation of the property, City property taxes are frozen at the assessed value prior to rehabilitation for ten years. The tax exemption remains with the property regardless of change of ownership or sale of the property. Certain restrictions apply, and the tax exemption for Substantial Rehabilitation requires Certification by the Landmark Commission prior to commencement.