



News & Types: Client Advisories

Real Estate Tax Incentives

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Practices: Real Estate

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In the current economic environment, real estate tax incentives may be available and granted by respective municipalities for either establishing new businesses or expanding existing businesses. The incentives generally require an investment in real estate and in new employees. These incentives assist businesses by reducing the assessment level over a period of time. There are various incentive programs available that are jurisdiction specific. We find municipalities continue to impose very stringent reporting requirements and require the recipient to meet the incentive program requirements in all material respects. Development may be in phases and therefore that possibility needs to be considered when approaching a municipality about an incentive program. The recipient should also be aware that if the company fails to meet the incentive program requirements, a repayment or “clawback” of the incentive benefits received may be required. The Real Estate Practice Group has worked with many clients on such programs.

Please contact any member of Masuda Funai’s Real Estate practice group with any questions.