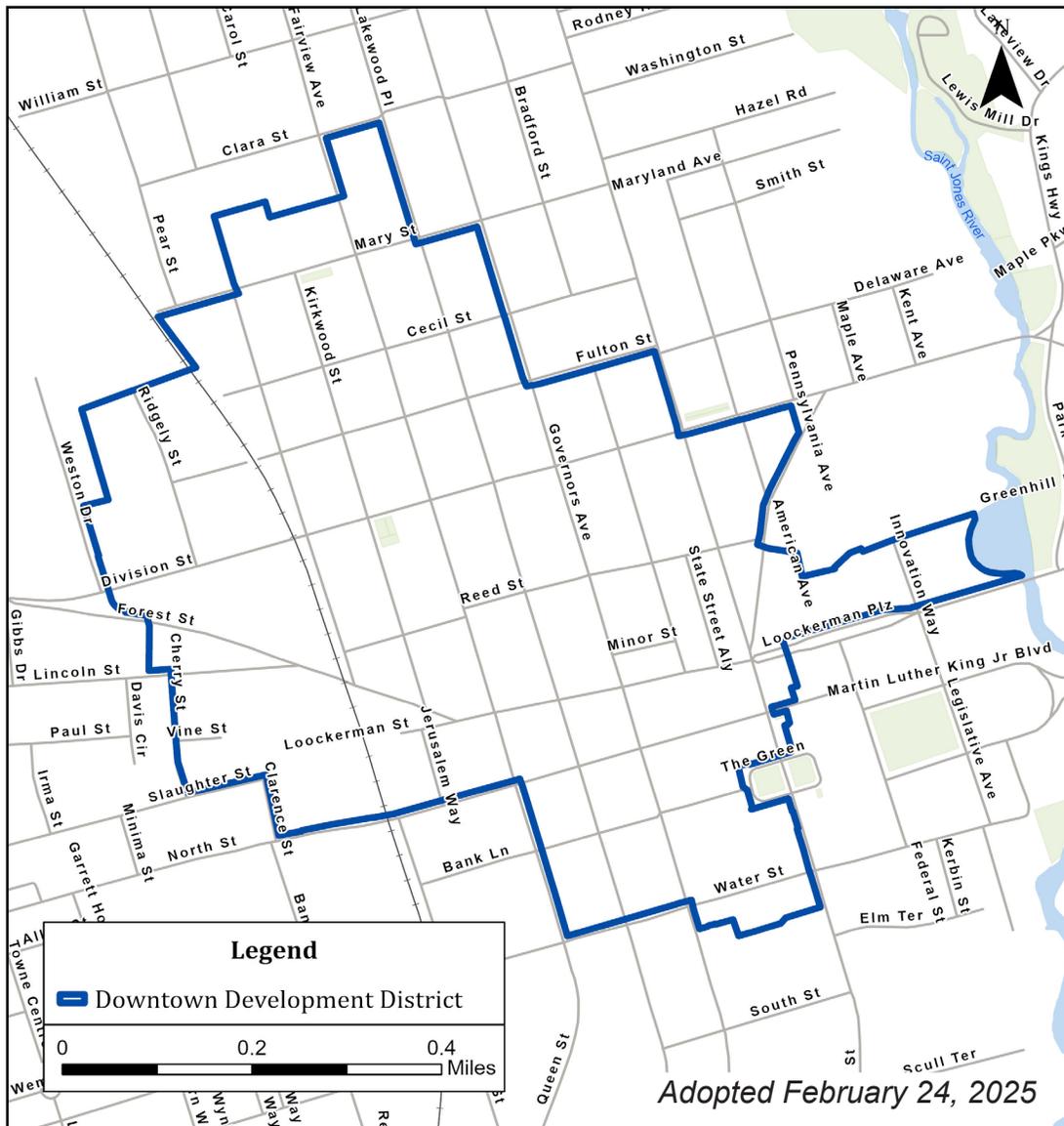


City of Dover, DE

Downtown Homeownership Incentives

The City of Dover offers a variety of homeownership incentives to qualifying purchasers. Some incentives are available citywide, and others are specific to the Downtown Development District.



First Time Homebuyer Transfer Tax Exemption

First time homebuyers are eligible for a transfer tax exemption citywide if they use the property as their principal residence. City Council shall have the right to deny this exemption to any property owner where the sale and purchase appears to be done fraudulently to take advantage of the realty transfer tax exemption ordinance.

For property located within the **Downtown Development District**, the seller will also receive and exemption from their portion of the transfer tax if they sell to a first time homebuyer. See Dover Code, Chapter 102 Taxation, Article III Realty Transfer Tax, §102-71 Definitions (a)(3) for more detail about the Realty Transfer Tax Exemption.

Real Estate Tax Abatement

Any person purchasing a residential property in which they will reside within the Downtown Development District shall be eligible for relief from the payment of City real estate taxes in the following manner:

1 st year of owner occupancy	100% reduction of City taxes
2 nd year of owner occupancy	75% reduction of City taxes
3 rd year of owner occupancy	50% reduction of City taxes
4 th year of owner occupancy	25% reduction of City taxes
5 th year of owner occupancy	0% reduction of City taxes

How to Obtain the Real Estate Tax Abatement

The homeowner must make application by letter sent to the city manager stating the provisions under which he or she qualifies for the real estate tax abatement. The city manager will notify the applicant within 30 days if their application is eligible for approval. After a certificate of occupancy is granted for the property, the city manager will present the abatement request with the qualifying documentation to City Council for approval. The applicant must submit a statement of compliance by April 15 of each year to the City Manager. Failure to submit the statement of compliance shall disqualify the applicant from the abatement.

See Dover Code, Chapter 102 Taxation, Article IV Abatement of Real Estate Taxes for more information about this incentive.

Dover First Start

First time homebuyers in Dover may also be eligible for downpayment assistance through the Dover First Start program. For more information, contact the Community Development Office at (302) 736-7175. Applicants must have a household income of 80% of Area Median Income or less to be eligible for the Dover First Start Program.

First time homebuyer means a natural person who has at no time held an interest in residential real estate, wherever located, and which has been occupied as their principal residence, and who intends to occupy the property being conveyed as his principal residence within 90 days following recordation of the deed.

Department of Planning & Inspections

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