



Policy Title	Tax Incentive Policy		
Department	General Government	Effective Date	June 4, 2018
Resolution #	181.2018	Council Date	June 4, 2018

1. Purpose

- 1.1. To promote economic development and enhance commercial and residential areas within the Town of Rosthern through tax exemptions.

2. Definitions

- 2.1. *“Commercial Property”* shall mean property that is zoned for commercial or industrial use as shown on the Town’s current Zoning Bylaw map, with the exception of properties that are subject to grants-in-lieu.
- 2.2. *“Council”* shall mean the municipal Council of the Town of Rosthern.
- 2.3. *“Frontage tax”* shall mean either frontage taxes or local improvement levies.
- 2.4. *“Residential Property”* shall mean property that is zoned for residential use as shown on the Town’s current Zoning Bylaw map.
- 2.5. *“Town”* shall mean the Town of Rosthern.

3. Policy

- 3.1. All applicants must submit a fully completed and signed “Tax Incentive Application” to the Town which will be presented to council for final approval.
- 3.2. If the applicant is eligible for the tax exemption, the owner will be required to enter into an agreement with the Town.
- 3.3. The exemption period is by calendar year, with the first exemption year to be determined by the date of issuance of a building and/or development permit.

- 3.4. The Town agrees that the exemption from levied taxes provided to the property owner by this policy shall include school taxes pursuant to Section 9 of *The Education Property Tax Regulations*.
- 3.4.1. The applicant/developer agrees that the exemption from levied taxes, including school taxation, shall at all times be subject to the Town having the statutory authority to provide the exemption from levied taxes, without the Town having to:
- a) Make up the lost school tax revenue, or
 - b) Obtain any required consent of the school authority for the exemption.
- 3.5. All required demolition permits, development permits and building permits must be completed and approved by the Town before an exemption will be granted.
- 3.6. To be eligible, construction must be completed within twelve (12) months of issuance of the building permit. The applicant may apply to council in writing for an extension of an additional twelve (12) months.
- 3.7. Full compliance with all of the Town of Rosthern's Zoning Bylaw, Official Community Plan, Building Bylaw, *Fire Safety Act*, and the *National Building Code* shall be required. Failure by the property owner or that person's agent to submit required documents shall result in the forfeit of all rights to the exemption provided in this policy.
- 3.8. All outstanding accounts (receivable, utility, tax, etc.) with the Town must be paid in full before the exemption will be granted, and must be fully maintained during the exemption period.
- 3.9. The exemption does not apply to the assessment of any pre-existing buildings or improvements, nor to local improvements or special levies (i.e. new hospital levy), if applicable.
- 3.10. For commercial property, if the owner, prior to the end of the exemption period, sells the qualifying property for which tax concessions are granted, the balance of the tax concessions shall be nontransferable and be void. The new owner may apply for a tax incentive if the property is eligible (as defined in Section 4 of this policy).
- 3.11. For residential property, if the owner, prior to the end of the exemption period, sells the qualifying property for which tax concessions are granted, the balance of the incentive period is transferable to the new owner.

4. Exemptions

- 4.1. Residential buildings will receive the following exemption:
- 4.1.1. A new house being constructed where the existing house has been removed.

[Three (3)-year exemption on the building assessment value of the new residence]

4.2. Commercial properties will receive the following exemptions:

4.2.1. A new building constructed where an existing building has been removed.

[Five (5)-year exemption on land and buildings]

4.2.2. A new building constructed on an empty lot.

[Four (4)-year exemption on land and buildings]

4.2.3. A new owner renovates an existing building with renovations to be complete within the first twelve (12) months of ownership, and with the following investment in renovations:

4.2.3.1. \$50,000.00 to \$100,000.00

[Two (2)-year exemption on land and building]

4.2.3.2. Over \$100,000.00

[Three (3)-year exemption on land and building]

Copies of receipts will be required for proof of investment.

4.2.4. An existing business owner adding on to the square footage of the building.

[Three (3)-year exemption on the new portion of the building assessment only]

4.2.5. A new owner opening a new type of business in an existing building.

[Two (2)-year exemption]

4.2.6. A new owner purchasing an existing business.

[One (1)-year exemption]

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