



Policy Name:	Tax Incentive Policy	Effective Date:	October 30, 2023
Policy Number:	GG-AT002	Approval Date:	October 30, 2023
Policy Area:	General Government	Council Resolution No.:	2023.340
Policy Section:	Assessment & Taxation	Replaces Policy:	GG-AT001
No. of Pages:	3		

1) POLICY STATEMENT

- a) The Council of the Town of Rosthern wishes to promote and foster Economic Development in the Town of Rosthern and enhance existing commercial and residential areas of the Town by providing incentives through the use of tax exemption agreements.

2) PURPOSE

- a) To provide a framework of guiding principles for Council and Administration when evaluating tax exemption requests for residential and commercial properties.

3) SCOPE

- a) This policy applies to any person, business, or organization that owns property in the Town of Rosthern that qualifies for a tax exemption in accordance with this policy.

4) DEFINITIONS

- a) *“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.
- b) *“Council”* shall mean the municipal Council of the Town of Rosthern.
- c) *“Frontage tax”* shall mean either frontage taxes or local improvement levies.
- d) *“Residential Property”* shall mean property that is zoned for residential use as shown on the Town’s current Zoning Bylaw map.
- e) *“Town”* shall mean the Town of Rosthern.

5) ELIGIBILITY & RESPONSIBILITIES

- a) To be eligible for a tax exemption, the applicant must meet the criteria in this policy.
- b) In special circumstances, Council may consider alternative or additional criteria other than the criteria in this policy if the request aligns with issues or needs in the Town’s Strategic Plan.
- c) The responsibility lies with the property/business owner to submit an application for a tax exemption request.
- d) The Chief Administrative Officer or designate is responsible to ensure all requests are in compliance with this policy before information is forwarded to Council.
- e) Council is responsible for making the final decision regarding the abatement or exemption of taxes under the authority of section 295 and 298 of *The Municipalities Act*.

6) PROCEDURES & GUIDELINES

- a) Application and Deadlines
 - i) A fully completed, signed application along with supporting documentation must be received prior to November 30th of the year prior to the first year for which an application is being made.
 - ii) Applications for a tax exemption will only be accepted up to one year after the date of the purchase of the property.
- b) Tax Exemption Period
 - i) The tax exemption period is by calendar year, with the first exemption year to be determined by the date of application approval.
- c) Agreement
 - i) Owners will be required to enter into an agreement with the Town if the tax exemption request is approved.
 - ii) The tax exemption approval will be void if the agreement is not signed by the owner, or if at any time the terms of the agreement have been broken.
- d) Approvals, Licenses, & Permits
 - i) All required demolition permits, development permits, building permits, and business licenses must be completed and approved by the Town before an exemption will be granted.
 - ii) 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.
- e) Accounts Kept Current
 - i) All accounts (receivable, utility, tax, etc.) with the Town must be paid in full before a tax exemption will be approved.
 - ii) If at any point during the tax exemption period any accounts with the Town become in arrears, the tax exemption will be rescinded and no future tax exemptions will be considered.
- f) Exceptions
 - i) Tax exemptions will not apply to frontage taxes or special levies.
- g) Transfer of Ownership
 - i) For residential tax exemptions, if the owner, prior to the end of the exemption period, sells the qualifying property for which a tax exemption was approved, the balance of the exemption period will be transferred to the new owner.
 - ii) For commercial property, if the owner, prior to the end of the exemption period, sells the qualifying property for which a tax exemption was approved, the balance of the tax exemption shall be non-transferable and be void. The new owner may apply for a tax exemption if the property is eligible and in accordance with this policy.

7) RESIDENTIAL EXEMPTIONS

- a) Subject to section 7b), where an existing house is being removed and a new house is being constructed, the following tax exemption shall apply:
 - i) A three (3) year exemption on the building assessment value of the new house.
- b) A new house must be built within one year of the removal of the existing house.



8) **COMMERCIAL EXEMPTIONS**

- a) Where a new commercial building is being constructed where an existing building has been removed, a five (5)-year tax exemption on both land and building assessment.
- b) Where a new building is being constructed on an empty lot, a four (4)-year exemption on both land and building assessment.
- c) Subject to section 8) c) iii), where 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:
 - i) \$50,000.00 to \$100,000.00 – a one (1)-year tax exemption on the building assessment only.
 - ii) Over \$100,000.00 – a two (2)-year tax exemption on the building assessment only.
 - iii) Copies of receipts will be required for proof of investment along with the final inspection from the Building Inspector.
- d) Where an existing business owner adds on to the square footage of the building for a business, a two (2)-year tax exemption on the new portion of the building assessment only.

END

