

## **1000 TAX INCENTIVES**

### **1001 PURPOSE**

To create development incentives to enhance business development and growth opportunities in the commercial and industrial districts within the municipal boundaries of the Town of Hanley through the use of property tax exemptions and defined development incentives.

### **1002 DEFINITIONS**

- a) “Building” means a building as defined in the National Building Code of Canada;
- b) “Council” means the municipal Council of the Town of Hanley;
- c) “Frontage tax” means either frontage taxes or local improvement levies;
- d) “Improvement” means the improvement assessment value on field-sheets produced by the Saskatchewan Assessment Management Agency (SAMA).
- e) “Increased assessed value” means the amount of new improvement assessment value on field-sheets produced by SAMA;
- f) “Property tax” means current municipal property taxes. Where permitted either by provincial legislation, property tax shall mean current municipal and school property taxes;
- g) “Tax exemption” means the amount of property taxes exempted in any given year.
- h) “Tax roll” means the tax roll of the Town of Hanley.

### **1003 POLICY**

1. No property taxes shall be levied on the portion of the property assessment resulting from the new construction in the calendar year in which construction commences.
2. The tax exemption does not apply to the assessment of the land. All municipal and education taxes, local improvement levies, base tax and special levies will still be levied on the land, if applicable.

3. A taxable assessment must be present to qualify for any development incentives identified in this policy. Exempt properties paying full grants-in-lieu shall also be eligible.
4. Tax exemptions will be calculated only on the property taxes resulting from the property assessment associated with the new construction.
5. Tax exemptions apply to the current annual levy(s) only, and do not apply to any current penalties added to the tax roll. All property taxes not eligible to a tax exemption, as well as all frontage taxes and local improvements must be paid in full before the tax exemption will be entered on the tax roll.
6. In the event that any municipal, school or frontage taxes or levies are unpaid at December 31 in the year of levy, the property shall immediately become ineligible to receive any further tax concessions not already entered on the tax roll.
7. In the event that an eligible property is sold, the remaining tax exemption is not transferable.
8. Tax exemptions shall not apply to any frontage taxes or local improvement levies.
9. Only one tax exemption shall be granted per property.
10. No tax concessions will be granted where an existing business, building or structure is moved from one location to another within the Town unless the total business area, building size or structure size increases; in which case section 4 above shall apply.
11. The exemption must be applied for in writing to the Town of Hanley by December 31<sup>st</sup> in the year for which the exemption commences.
12. This policy shall apply to commercial and industrial developments. Residential home based businesses and home occupations are specifically excluded.
13. The Council of the Town of Hanley reserves the right to customize an incentive policy, on an individual basis, for any large industrial, manufacturing, commercial or retail development.
14. Each commercial property receiving an incentive are required to submit an annual report to Council confirming that the terms of the incentive are being met.

15. New Business Tax Incentive: On approval, a building tax exemption shall be provided to the business owner for the year in which the improvement is assessed as follows:

First Year	– 100% tax exemption
Second Year	– 80% tax exemption
Third Year	– 60% tax exemption
Fourth Year	– 40% tax exemption
Fifth and final Year	– 20 % tax exemption