



Policy No.: 2017-R-02

## TOWN OF ROSETOWN BUSINESS DEVELOPMENT INCENTIVE POLICY

### 1) **Purpose**

The Council of the Town of Rosetown wishes 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 Rosetown through the use of property tax exemptions and defined development incentives.

### 2) **Definitions**

*"Council"* is defined as the municipal Council of the Town of Rosetown.

*"Frontage tax"* shall mean either frontage taxes or local improvement levies.

*"Eligibility"* shall mean a new or existing business applying to the Town of Rosetown for a business incentive making a minimum investment in construction, renovation and/or addition:

- New Construction minimum investment of \$150,000.00;
- Addition of square footage minimum investment of \$100,000.00;
- Renovations minimum investment of \$75,000.00;  
(maintenance does not qualify as renovations)

*"Property assessment"* shall mean the assessment resulting from the new construction (Improvements). Where new construction is an expansion of an existing business, the property assessment shall mean the assessment resulting from the new construction only. The Saskatchewan Assessment Management Agency shall determine the property assessment.

*"Property tax"* shall be defined as current municipal property taxes. Where permitted either by provincial legislation, property tax shall mean current municipal and school property taxes.

*"Tax exemption"* shall mean the amount of property taxes exempted in any given year.

*"Taxroll"* shall mean the taxroll of the Town of Rosetown



3) **Policy**

- 3.1 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. This will not apply to any special levies or local improvement.
- 3.2 No property taxes shall be levied on land purchased from the Town of Rosetown in the calendar year in which the land is purchased.
- 3.3 The Town of Rosetown is willing to negotiate with any prospective business enterprise the price of Town-owned land and any required municipal services such as water and sewer mains, service lines and street improvements.
- 3.4 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.
- 3.5 Tax exemptions will be calculated only on the property taxes resulting from the property assessment associated with the new construction.
- 3.6 The tax exemptions for businesses that meet the eligibility criteria established in this policy statement are as follows:
  - Construction Year – tax exemption does not apply
  - Year 1, after construction year – 100% tax exemption
  - Year 2 - 67% tax exemption
  - Year 3 - 33% tax exemption

*Note:* The tax exemption for existing businesses that expand or renovation will be calculated on the assessment of the expansion and/or renovation.
- 3.7 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 for a tax exemption, as well as all frontage taxes, special levies and local improvements, must be paid in full before the tax exemption will be entered on the tax roll.
- 3.8 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.
- 3.9 a) In the event that an eligible property is sold, the remaining tax exemption is non transferable.  
  
b) In the event that an eligible property closes their business, the remaining tax exemption is null and void.



- 3.10 All owners or developers must make a written request to Council to be eligible to participate in this policy. The Town of Rosetown must receive the written request before the Town has approved the building permit. To be eligible to receive tax exemptions, the Town of Rosetown must issue applicants written confirmation of approval of eligibility for tax exemptions.
- 3.11 Tax exemptions shall not apply to any frontage taxes, special levies or local improvement levies.
- 3.12 The Chief Administrative Officer shall administer this policy.
- 3.13 This policy shall take effect on the date of adoption by resolution of Council.

**Approved by Council: August 21, 2017**

**Resolution No. 235-17**