



## City of Swift Current Policy and Procedure

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<b>Policy Title:</b>	COMMERCIAL TAX EXEMPTION POLICY	<b>Policy No. F - 002.1 Bylaw No. 12 - 2024</b>
<b>Date of Adoption:</b>	June 24, 2024	<b>Resolution No. 193 – 2024</b>
<b>Date of Amendment:</b>	July 22, 2024	<b>Resolution No. 210 – 2024</b>
<b>Supporting Departments:</b>	Building Services Business Development Financial Services	<b>Review Date:</b> June, 2029
<b>Approved by:</b>	City Council	

### 1. POLICY

City Council will approve annual tax exemptions to the increased assessment value of a commercial or industrial property due to improvements by an organization with a valid City of Swift Current Business License, provided all criteria under this Policy have been met.

### 2. PURPOSE

The Commercial Tax Exemption Policy is intended to incentivize commercial and industrial development of new businesses and facilitate expansion for existing businesses by providing financial assistance to offset start-up and construction costs and increase employment opportunities in Swift Current.

### 3. DEFINITIONS

- 3.1. **Assessment Exemption** means the exemption from real property taxation pursuant to the exemption schedule and the criteria contained in this Policy.
- 3.2. **Assessed or Assessment Value** means the value of a property for assessment purposes as determined by the City Assessor.
- 3.3. **Building Inspector** means the person designated to assist with the administration of this policy by the CAO.
- 3.4. **Business** means an entity with a valid City of Swift Current Business License and is subject to commercial tax assessment. Home-based businesses and entities subject to grants-in-lieu are not considered eligible under this policy.
- 3.5. **Business Development Officer** means the person designated to manage and administer this policy by the CAO.

- 3.6. **Building Permit** means written authorization to construct issued by the Building Inspector or their designate.
- 3.7. **CAO or Chief Administrative Officer** means the person appointed pursuant to Section 84 of *The Cities Act* or their designate.
- 3.8. **City** means the City of Swift Current.
- 3.9. **City Assessor** means the person appointed pursuant to Section 163 of *The Cities Act* or their designate.
- 3.10. **City Council** means the approving authority.
- 3.11. **Improvements** means any building or structure that is assessable for the purposes of property taxation.
- 3.12. **Occupancy Permit** means written authorization to use a building for its intended purpose issued by the Building Inspector or their designate.
- 3.13. **Value of Construction** means the total cost to the owner for the project in its completed form and includes the cost of all work, materials, building systems, labour and overhead, and profit of the contractor and subcontractors.

**4. ASSESSMENT EXEMPTION AND EXEMPTION SCHEDULE**

- 4.1. Provided all required criteria have been met and City Council has approved the request for exemption, the assessment exemption will be applied to any increased assessed value of a property due to new construction, alterations or renovations that require a Building Permit in the following manner:

<b>Year 1</b>	100% Exempt
<b>Year 2</b>	100% Exempt
<b>Year 3</b>	100% Exempt
<b>Year 4</b>	0% Exempt; Fully Taxable

- 4.2. The assessment exemption does not apply to the assessment value of the land, base tax or levies, or pre-existing improvements.
- 4.3. The assessment exemption will be based on the date of the Occupancy Permit.
- 4.4. City Council retains the right to customize incentives to any specific project.

**5. PROCEDURE FOR APPLICANTS**

- 5.1. A Building Permit must be obtained prior to any construction, alteration or renovation.

- 5.2. Applicants will complete and submit the attached form to the Business Development Officer prior to the substantial completion of their project. Applications will not be accepted until work on the project has begun.
- 5.3. For new businesses, a City of Swift Current Business License must be obtained prior to the issuance of the Occupancy Permit. All businesses must maintain a valid License during the term of the exemption.
- 5.4. When the project is substantially complete, the applicant will request a final inspection and Occupancy Permit by contacting the Building Inspector. If there are no issues with the final inspection, the Building Inspector will approve the Occupancy Permit.
- 5.5. Following approval by City Council, a letter of confirmation will be sent to the property owner detailing the exemption incentive and terms of the agreement.
- 5.6. An applicant is required to act in compliance with this Policy and all City Bylaws.

## **6. PROCEDURE FOR ADMINISTRATION**

- 6.1. The Building Inspector or their designate is responsible for issuing Building Permits, final inspections, and Occupancy Permits under this policy in accordance with the Building Bylaw, the Zoning Bylaw, and *The Construction Codes Act*.
- 6.2. The Business Development Officer will review and confirm eligibility of all applications under this policy and the Taxation Department will facilitate any requirement of Ministerial approval (for exemptions equal or greater to \$25,000) pursuant to *The Education Property Tax Regulations*, prior to seeking approval from City Council.
- 6.3. Should Ministerial approval not be granted, this information shall form part of the report for approval by City Council, with the education property tax portion due and payable by the applicant on a yearly basis.
- 6.4. Once approved by City Council, the City Assessor will apply the assessment exemption to the property as of the date of the Occupancy Permit.
- 6.5. Upon application to the City Assessor, this policy is transferable to any new owner during the duration of the three (3) year period.

## **7. COMPLIANCE, REPEAL/RESCIND EXEMPTION**

- 7.1. Assessment exemptions may be rescinded if:
  - a) the business does not comply with any bylaws, statutes or regulations relating to its operations;
  - b) there is an appeal of the property's assessment value;
  - c) any taxes, fees or other municipal charges are in arrears; or
  - d) any change to provincial legislation limits the ability to provide the exemption.

## PROCESS FLOWCHART



- Obtain applicable Development and Building Permits



- Complete Commercial Tax Exemption Policy Application
- Provide to Business Development Officer for review of project eligibility, including assessment by the Taxation Department of any requirement for Ministerial approval



- Request final inspection by contacting City Planning and Development Department
- Final inspection completed by City Building Inspector
- City Building Inspector will issue Occupancy Permit
- Presented by Business Development Officer to City Council for approval
- Letter of confirmation provided to applicant



- Approved Commercial Tax Exemption Policy Application is provided to City Assessor
- City Assessor applies incentive to the assessment as of date of Occupancy Permit



## Commercial Tax Exemption Policy Application

\*\*\*PLEASE PRINT\*\*\*

Business Name: \_\_\_\_\_

Business Owner: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Business License Number: \_\_\_\_\_ Building Permit Number: \_\_\_\_\_

Location of Construction: \_\_\_\_\_  
(Civic Address or Legal Description)

Type of Construction Activity:

- New Building
- Addition to Existing Building
- Interior Renovation to Existing Building

Estimated Construction Cost: \_\_\_\_\_

Start Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_

Nature of Business: \_\_\_\_\_

Estimated New Jobs to be created: Full-time \_\_\_\_\_ Part-time \_\_\_\_\_

### Declaration of Applicant

I, \_\_\_\_\_ of the \_\_\_\_\_  
(Name of Applicant – Please Print) (Municipality)

In the Province of Saskatchewan, I solemnly declare that all the above statements contained within the Application are true, and I make this solemn declaration conscientiously believing it to be true, knowing that it is the same force and effect as if made under oath, and by virtue of "The Canada Evidence Act."

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_