



City of Swift Current Policy and Procedure

Policy Title:	RESIDENTIAL NEW BUILD TAX EXEMPTION POLICY	Policy No. F – 003.1 Bylaw No. 13 - 2024
Date of Adoption:	June 24, 2024	Resolution No. 197 – 2024
Date of Amendment:	July 22, 2024	Resolution No. 211 – 2024
Supporting Departments:	Building Services Business Development Financial Services	Review Date: June, 2029
Approved by:	City Council	

1. POLICY

City Council will approve annual tax exemptions to the increased assessment value of a residential home building project by owner or licensed contractor, provided all criteria under this Policy have been met.

2. PURPOSE

The Residential New Build Tax Exemption Policy is intended to incentivize new housing starts by both owners and licensed contractors building on spec, by providing a financial relief for the first three (3) years after incurring the large cost of building. It will also provide licensed contractors with an avenue to mitigate some of the risks they undertake when building a house on speculation.

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. **Building Permit** means written authorization to construct issued by the Building Inspector or their designate.
- 3.5. **CAO or Chief Administrative Officer** means the person appointed pursuant to Section 84 of *The Cities Act* or their designate.

- 3.6. **City** means the City of Swift Current.
- 3.7. **City Assessor** means the person appointed pursuant to Section 163 of *The Cities Act* or their designate.
- 3.8. **City Council** means the approving authority.
- 3.9. **Improvements** means any building or structure that is assessable for the purposes of property taxation.
- 3.10. **Licensed Contractor** means an entity with a valid Business License.
- 3.11. **New Build** means construction of a new residential single or multi-family dwelling, and excludes additions and detached accessory buildings.
- 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, that requires a Building Permit in the following manner:

Year 1	100% Exempt
Year 2	100% Exempt
Year 3	100% Exempt
Year 4	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.
- 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. 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.
- 5.4. 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.
- 5.5. An applicant is required to act in compliance with this Policy and all City Bylaws.

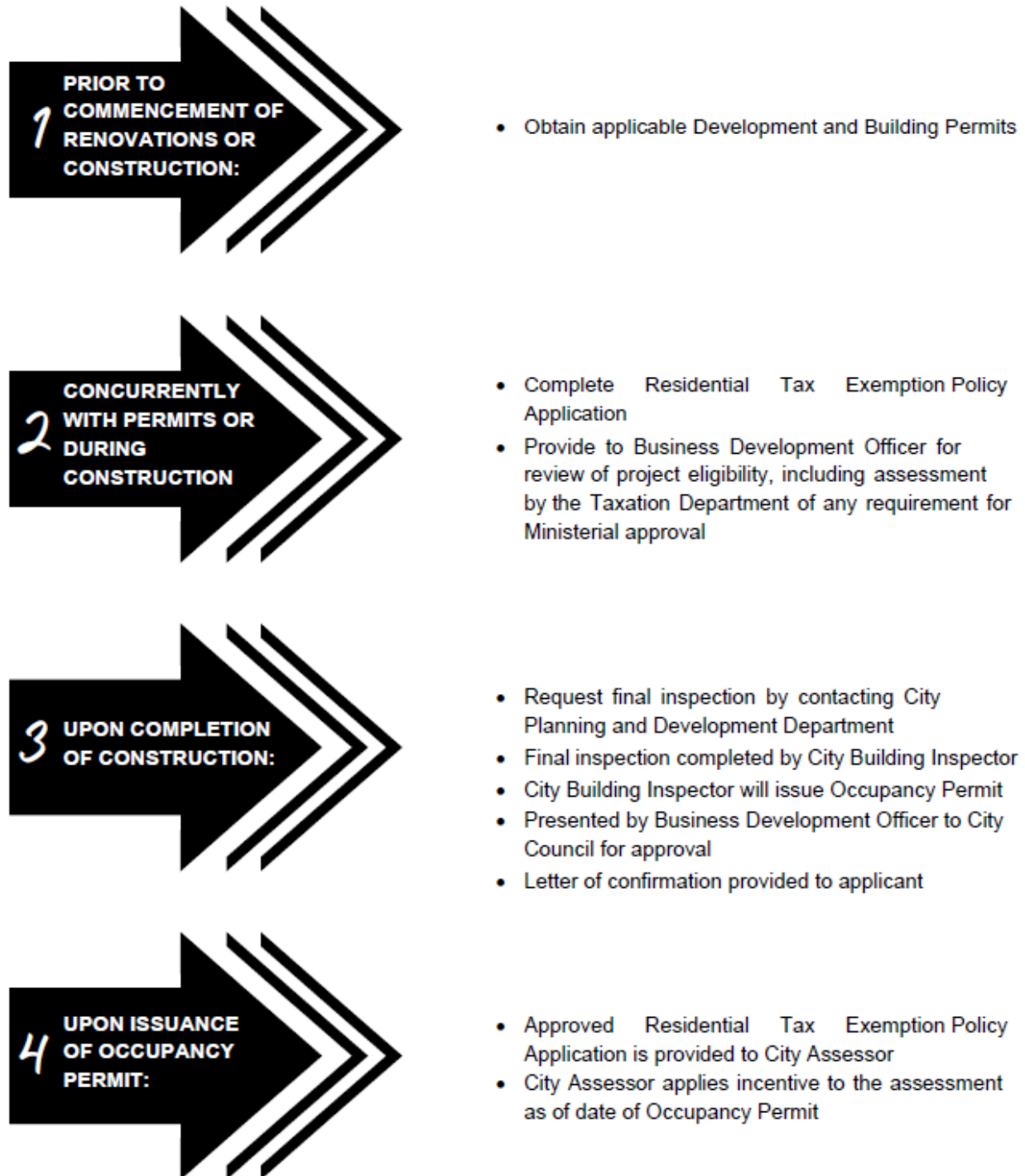
6. PROCEDURE FOR ADMINISTRATION

- 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 owner doesn't 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





Residential New Build Tax Exemption Policy Application

PLEASE PRINT

Applicant Name: _____

Contracting Business Name: _____

(if applicable)

Phone Number: _____ Fax Number: _____

E-mail Address: _____

Mailing Address: _____

Business License Number: _____ Building Permit Number: _____

(if applicable)

Location of Construction: _____

(Civic Address or Legal Description)

Estimated Construction Cost: _____

Start Date: _____ Completion Date: _____

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: _____