

# City of Melfort Policy Manual

<i>POLICY TITLE:</i> <b>Business Incentive Policy</b>	<i>POLICY NUMBER:</i> <b>7.22</b>	<i>EFFECTIVE DATE:</i> <b>January 1, 2005</b>
<i>ORIGIN:</i> <b>Planning &amp; Development</b>	<i>ADOPTED BY COUNCIL ON:</i> <b>February 14, 2005</b>	<i>DATE AMENDED:</i> <b>February 14, 2005</b> <b>December 13, 2010</b> <i>NEW EFFECTIVE DATE:</i> <b>January 1, 2011</b>

## Existing Businesses Expanding and New Business Incentive Policy

### 1.0 PURPOSE

- 1.1 To promote economic development by stimulating commercial development in the City of Melfort.

### 2.0 GENERAL POLICY

- 2.1 The policy will be evaluated annually.
- 2.2 This policy is established under the authority of Section 262(4) of The Cities Act and applies to Municipal Tax and School Tax.

### 3.0 DEFINITIONS

#### 3.1 **Definition of an existing business:**

- A business that currently has been licensed by the City of Melfort for a minimum period of one year.
- A business subject to commercial taxation, thus home based businesses and businesses subject to grants in lieu are excluded.

#### 3.2 **Definition of a new business:**

- Any business that does not hold a valid City of Melfort business license, and has not for at least one year's time.
- Any business that is subject to commercial taxation. Home based businesses and businesses subject to grants in lieu are excluded.

## 4.0 INCENTIVE

### 4.1 Existing Businesses

**Any existing business will qualify for the following tax exemptions:**

- The tax exemption will be applied to any increased assessed value, (improvement), of an existing building due to new construction.
- The exemption will also be applied to the assessed value of any expansion or new construction on bare land.

*\*The exemption does not apply to the assessment of the land.*

**The exemption for an expanding business will be applied as follows:**

- 100% exempt in year one
- 100% exempt in year two
- 100% exempt in year three
- 100% exempt in year four
- Full taxation in year five

### 4.2 New Businesses

**Any new business will qualify for the following tax exemptions:**

- The tax exemption will be applied to any increased assessed value, (improvement), of an existing building due to renovations or new construction.
- The exemption will also be applied to the assessed value of any expansion or new construction on bare land.

*\* The exemption does not apply to the assessment of any land.*

**The exemption for a new business will be applied as follows:**

- 100% exempt in year one
- 100% exempt in year two
- 100% exempt in year three
- Full taxation in year four

In all cases, the tax exemption will take effect once the expansion (additions/ improvements) or new construction is assessed and taxable. The new improvements will be assessed and become taxable on January 1<sup>st</sup> of the year following the issuance of the building permit, with the exception of permits issued after August 31<sup>st</sup>. Permits issued after August 31<sup>st</sup> of any given year shall be assessed and become taxable as though the permit was issued in the following year.

***\* Council reserves the right to approve each incentive package individually and to customize incentives to any specific project.***

# City of Melfort

## ***Application To Access Expanding/New Business Incentive Policy***

Any business that wishes to access the Expanding/New Business Incentive Policy will be required to complete the following Application for Expanding/New Business Incentive. This will outline the nature of the expansion or new construction.

Once the application is received by the Community Development Manager or the Department of Community Services, should the scope of work fall within the framework of the Expanding/New Business Incentive Policy, the Director of Community Services will review the application.

Should the request be approved, the Director of Community Services shall provide a letter to the business, indicating that the increased assessment, caused by the project, will be granted exemptions based on the appropriate policy.

Prior to any construction, all necessary provincial and municipal permits (i.e. development permit, building permit) will be required.

Once a building permit is obtained, the City of Melfort Building Official will provide a copy to the Finance Department so it can be brought to the attention of the City's assessment agency.

The exemption will take effect once the expansion (additions/improvements) or new construction is assessed and taxable. The new improvements will be assessed and become taxable on January 1<sup>st</sup> of the year following the issuance of the building permit, with the exception of permits issued after August 31<sup>st</sup>. For permits issued after August 31<sup>st</sup> of any given year, they shall be assessed and become taxable as though the permit was issued in the following year.

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

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

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

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

\_\_\_\_\_

\_\_\_\_\_

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

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

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

Location of Construction/Business: \_\_\_\_\_

**Type of Construction Activity:**

- New Building
- Addition to Existing Building
- Interior Improvements to Existing Building

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

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

Description of Business: \_\_\_\_\_

\_\_\_\_\_

Estimated New Jobs To Be Created:

Construction Jobs: \_\_\_\_\_

Full Time Jobs: \_\_\_\_\_

Part Time Jobs: \_\_\_\_\_

Please check which incentive you are applying for:

- Expanding Business Incentive Policy
- New Business Incentive Policy

If any of the above information needs to be treated as confidential, please indicate reasons:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Declaration of Applicant**

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

in the Province of Saskatchewan, 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: \_\_\_\_\_

**For Office Use Only**

Date Application Received: \_\_\_\_\_

Attachments included (i.e. business plan, letter about business, letters of support, etc.):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved:  Comments: \_\_\_\_\_

Rejected or  Reasons specified: \_\_\_\_\_  
Delayed:

\_\_\_\_\_  
\_\_\_\_\_

Referred to  Reasons specified: \_\_\_\_\_  
Planning & Development  
Committee:

\_\_\_\_\_  
\_\_\_\_\_

Date Application Finalized: \_\_\_\_\_

*Notification will be forwarded to the entrepreneur on the status of his/her application.*