

## TOWN OF MUNDARE

**Policy: Commercial Tax Incentive Policy**

**No. 12-03**

**Date adopted/revised:** October 7, 2008

**Resolution #** 08/179

### **Statement**

To encourage development of commercial or industrial business by providing a short term property tax exemption.

### **Application**

1. An application for the tax exemption must be made in writing.
2. Any application will be referred to Council for final approval.
3. All applications received must comply with any land use regulation and receive approval from the development officer.
4. Any application must be received within one year of obtaining a development permit.
5. The applicant may request when the exemption period is to start subject to approval by Council.

### **Exemptions**

6. Exemption only applies to the municipal taxes.
7. Exemptions must be approved by council every year.
8. An approved tax exemption is tied to the property/tax roll not the owner/developer.
9. Exemptions do not apply to vacant land.
10. The exemption only applies to new construction. Repairs or maintenance do not qualify.
11. For an existing business, new construction must increase the assessment by \$100,000. The exemption will only apply to the taxes that are related to the new construction.

12. In the 2<sup>nd</sup> and 3<sup>rd</sup> year of an approved tax exemption, the percentage of exemption applied for that year is applied against the total tax bill for the development. i.e. any taxes applied as a result of completion of the development will not qualify for the 1<sup>st</sup> year exemption rate.
13. Council shall determine what development will be considered a new development.
14. Council shall determine when the exemption period will start.
15. The tax exemption rates are as follows:

-1 <sup>st</sup> year	75%
-2 <sup>nd</sup> year	50%
-3 <sup>rd</sup> year	25%