

**CITY OF WARMAN  
BYLAW NO. 2013-16**

**BUSINESS TAX INCENTIVE BYLAW**

**A BYLAW OF THE CITY OF WARMAN TO PROVIDE TAX EXEMPTIONS TO  
PROMOTE COMMERCIAL AND INDUSTRIAL DEVELOPMENT.**

The Council of the City of Warman, in the Province of Saskatchewan, enacts the following:

**1. Purpose:**

This Bylaw is intended to provide a framework for Council to encourage and foster business development in Warman through the use of property tax exemption agreements.

This Bylaw is set in place to achieve the following objectives:

- a) To encourage businesses to locate or expand their operations in Warman;
- b) To increase employment opportunities in Warman;
- c) To provide tax exemptions to businesses within their start-up year(s);
- d) Improve Warman's competitive position;
- e) To increase the long term viability of a commercial project; and
- f) To demonstrate the City's commitment to business and industry.

**2. Selection Criteria:**

The Economic Development Officer will consider the following selection criteria when reviewing an application for tax exemptions.

- a) The increase in property tax assessment from any new construction or improvement;
- b) The impact the business will have on the City;
- c) The increase in business services or products available;
- d) Potential job creation as a result of the development;
- e) Investment into the new business venture;
- f) Esthetic improvements to land or property the development will bring; and
- g) Other factors.

**3. Application of the Exemption:**

The Economic Development Committee may provide up to a five (5) year exemption on property taxes to the increased assessed value of the improvement, of new construction on bare land, or expansion to an existing site as per Schedule A attached.

- a) The exemption does not apply to the assessment of the land; base and minimum taxes where applicable will remain on land and any pre-existing buildings or improvements;
- b) The exemptions are applied once the improvement is assessable and remain in effect providing the development proceeds within the provided timeframes and for its intended use;
- c) The exemption is transferable to other parties for the duration of the pre-existing exemption agreement only with the City of Warman's written consent;
- d) The Economic Development Committee reserves the right to approve each incentive package individually and to customize incentives to any specific project;
- e) The Tax Exemption forms will be distributed to the applicant on approval of their Building Permit. The Economic Development Officer reserves the right to set a date as to when the application is due; and

- f) The city agrees that the exemption from levied taxes provided to the Developer by this Agreement, shall include school taxes pursuant to The Cities Act, Section 263 (5), (6), (7) and (8).
- The applicant/developer agrees that the exemption from levied taxes, including school taxation, shall at all times be subject to the City having the statute authority to provide the exemption from levied taxes, without the City having to:
    - Make up the school tax revenue, or
    - Obtain the consent of the school board for the exemption.

#### **4. Evaluation**

- a) Application:  
A person or business requesting a tax exemption for a commercial or industrial development shall complete the application form attached as Appendix A, to the best of their knowledge and ability;
- b) Confidential:  
The application form shall be confidential and shall not be disclosed to the public. The information shall be used solely by the municipality to confirm the application meets the criteria and intent of this bylaw;
- c) Job Creation:  
The applicant should provide an estimate of any part time or full time jobs being created directly through their venture as well as construction and trades jobs in the construction and expansion of the project; and
- d) Ineligible Costs:  
GST and PST are not considered eligible costs.

#### **5. Exclusions**

The Municipality will not normally consider providing a tax exemption in the following situations:

- a) Unfair competition  
New businesses which will be in direct competition with an existing business offering similar services or products may be excluded. Council may decide not to provide such tax exemptions where it believes it is not in the public interest and does not enhance the economic progress of the community;
- b) Existing Business  
Tax exemptions will not normally be provided to:
  - New owners of an existing business as the business is established;
  - New businesses that are renting or leasing commercial space from a landlord.
- c) Municipal Discretion  
The Municipality may not provide such tax exemptions where it is believed it is not in the best interest of the public or where it does not enhance the economic progress of the community.

#### **6. Agreement**

A business tax incentive exemption will be provided by agreement between the applicant and the City. The applicant shall abide by all terms and conditions of the agreement in order to receive the incentive.

Exemptions will be applied only when the project or improvements are completed per the timeframes indicated in the application and the development remains for its intended use.

Tax Exemptions may be rescinded:

- If the development is not completed within the specified timeframes;
- The development changes from its intended use as noted in the application;
- The information provided in this application is fallacious or misleading; and
- If any taxes and fees are in arrears.

**7. Authorization**

The Economic Development Officer and City Manager are authorized to approve a tax exemption application. The City Manager and Economic Development Officer are authorized to sign agreements, for the purpose of exempting those specified property parcels for the year(s) indicated on said schedule.

**8. Repeal**

The tax exemption may be repealed at anytime with 30 days notice at the Economic Development Officer’s discretion. Circumstances where the tax exemption agreement may be repealed include but are not limited to:

- The applicant failing to complete their project or improvements as specified in the application or having an expired development permit;
- The applicant not undertaking the business activity or providing services as detailed in their application as the intended use;
- Providing fallacious or misleading information in the application for an economic development tax rebate;
- Failure to comply with any of the terms specified in the application and subsequent agreement; and
- If any taxes and fees become in arrears.

**9. Previous Policy**

This bylaw shall be applicable to commercial/industrial development that is not covered under previous tax incentive policies.

**10. Adoption**

This Bylaw shall come into force and take effect upon the date of the final passing thereof.

\_\_\_\_\_  
Mayor

S E A L

\_\_\_\_\_  
City Clerk

Read a third time and adopted this 13<sup>th</sup> day of May 2013.

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**Schedule A**

<b>Assessment Value</b>	<b>Exemption Term</b>
\$150,000-\$250,000	One Year
\$250,001-\$400,000	Two Years
\$400,001-\$600,000	Three Years
\$600,001-\$750,000	Four Years
More than \$750,001	Five Years

**BUSINESS TAX INCENTIVE BYLAW**

**Appendix A to Bylaw 2013-16**

**CONFIDENTIAL**

***Application To Access The Business Tax Incentive Bylaw***

Any business that wishes to access tax exemptions under this Bylaw will be required to complete the following Application. This will outline the nature of the project.

This application shall be submitted to the City of Warman, to the attention of the Economic Development Officer.

The values provided on this form are for application purposes only and exemptions will be based on assessed values as assigned by Saskatchewan Assessment Management Agency (SAMA).

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

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

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

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

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

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

Proposed Development Civic Address: \_\_\_\_\_

Legal Land Description: \_\_\_\_\_

Estimated Project Start Date: \_\_\_\_\_

Estimated Completion Date: \_\_\_\_\_

**Intended Use:**

Please provide a brief description of the business/development you are proposing. What products or services will be delivered? What will the day to day operations consist of?

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

**Estimated Cost of Construction:** \$ \_\_\_\_\_

**Estimated New Jobs to be Created:**

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

Full-time Jobs: \_\_\_\_\_

Part-time Jobs: \_\_\_\_\_

**Declaration of Applicant**

I, \_\_\_\_\_ of \_\_\_\_\_  
(Name of Applicant) (Name of Municipality)

In the Province of Saskatchewan, solemnly declare that all the above statement contained within the Application are true, and I make this solemn declaration conscientiously believing it to be true, knowing that is the same force and effect as if made under oath, and by virtue of "The Canada Evidence Act". I certify that the above information is true and accurate to the best of my knowledge. I understand that knowingly providing false costs will nullify and void the Business Tax Incentive Agreement.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Witness: \_\_\_\_\_

<b>OFFICE USE ONLY</b>	
Value of Construction: _____	SAMA Assessed Value: _____