



Town of Nanton

BYLAW NUMBER: 1386/24

A BYLAW OF THE MUNICIPALITY OF THE TOWN OF NANTON IN THE PROVINCE OF ALBERTA TO PROVIDE NON-RESIDENTIAL PROPERTY TAX INCENTIVES FOR NEW INDUSTRIAL AND COMMERCIAL DEVELOPMENT AND EXPANSION

WHEREAS the *Municipal Government Act*, RSA 2000, c. M-26, and amendments thereto, permits municipalities to offer multi-year tax exemptions, reductions, or deferrals for non-residential properties to encourage economic growth.

AND WHEREAS the Town of Nanton wishes to provide property tax incentives to encourage assessment growth and promote non-residential expansion for all sizes of non-residential development.

AND WHEREAS Council considers it desirable to encourage the development or revitalization of non-residential properties for the general benefit of the municipality.

NOW THEREFORE the Council of the Town of Nanton in the Province of Alberta, duly assembled, enacts as follows:

PART I – General Rules and Special Provisions

1. Criteria for Tax Exemption:

To be eligible for tax exemption under this Bylaw, the following criteria must be met when the application is made and be maintained over the course of the tax exemption period:

- a) Construction of a new non-residential development with an assessed value at or above \$25,000 OR a renovation of or addition to an existing non-residential development that results in an increased assessed value of at least \$25,000;
- b) Construction of the new non-residential development or renovation of or addition to an existing non-residential development must be commenced subsequent to the adoption of this Bylaw;
- c) Non-residential developments are those developments assigned "class 2 – non-residential" or class 4 – machinery and equipment" by the assessor pursuant to s. 297(1)(b) and (d) of the *Municipal Government Act*, as amended;
- d) All necessary development approvals for the non-residential development must be obtained from the Town;
- e) An applicant must not be in the process of foreclosure, bankruptcy, or receivership;
- f) An applicant must not have development compliance issues, be in violation of a subdivision approval, development permit and/or development agreement under s. 650 or 655 of the *Municipal Government Act*, as amended, or be in violation of the *Safety Codes Act*, as amended, or the subject of any other enforcement action by the Town; and
- g) An applicant must not be in arrears with regards to property tax, utilities, or other fees owed to the Town and the property must not be subject to tax forfeiture proceedings under the *Municipal Government Act*, as amended.

2. Citation:

This Bylaw may be cited as the "Non-Residential Tax Incentive Bylaw".

3. Ineligible Non-Residential Projects

Any projects or properties that are assessed as linear property are ineligible for tax exemption under this Bylaw.

4. Details of Tax Exemption:

- a) The tax exemption under this Bylaw only applies to municipal taxes. Provincial School Requisitions and Seniors Housing Requisitions are excluded from this program.
- b) Applications for a tax exemption under this Bylaw program shall be permitted from February 1, 2025, until December 31, 2035.
- c) Provided a tax exemption under this Bylaw is granted prior to December 31, 2025, the exemption period may extend beyond December 31, 2035. By way of example, if a property is granted a tax exemption under this Bylaw prior to December 31, 2035, the property may receive the full 3 years of tax exemption, whereas properties granted a tax exemption under this Bylaw after December 31, 2035, shall not be eligible for a tax exemption under this Bylaw unless it is extended by Council.
- d) Eligible properties shall receive the first year's tax exemption under this Bylaw prorated to the date of eligibility for tax exemption under this Bylaw.
- e) Notwithstanding Section 3c, complete applications for a tax exemption under this Bylaw may be considered and a tax exemption granted in accordance with this Bylaw before construction on the qualifying property is complete; however, the calculation of the tax exemption and tax exemption period will not be confirmed until all construction on the qualifying property is complete in terms of *Safety Codes Act* compliance, the development is inspected and approved by the Town or its designated agents, and the property is assessed for taxation.
- f) A property is only eligible for one tax exemption under this Bylaw during the period beginning January 1, 2025, and ending December 31, 2035, unless a further increase in assessment occurs due to a separate property improvement or expansion project that meets the eligibility criteria of this Bylaw.

5. Change of Ownership

- a) Any change in ownership of the property will not affect the tax exemption under this Bylaw unless the new owner(s) fails to meet the eligibility criteria.
- b) To maintain eligibility for the tax exemption under this Bylaw, the new owner(s) are required to assume the obligations of the property owners upon the CAO or delegate granting a tax exemption under this Bylaw.

6. Application for Tax Exemption Program

- a) The CAO or delegate has the authority to determine whether a tax exemption will be granted in accordance with the terms and conditions of this Bylaw.
- b) The application process for a tax exemption under this Bylaw is as follows:
 - i. The applicant must submit a complete application for a tax exemption to the CAO or delegate;
 - ii. A complete application must be received before construction of a new project or expansion project has commenced;
 - iii. The Applicant must be the assessed person as defined under s. 284(1) of the *Municipal Government Act*, as amended; and
 - iv. An applicant whose application is returned as incomplete or ineligible may resubmit their application to the CAO or delegate one additional time.
- c) Notwithstanding the complete application requirements, the CAO or delegate may require additional information that, in the discretion of the CAO or delegate, is necessary to



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complete the application or determine program eligibility and may require the applicant's consent to be given for the CAO or delegate to obtain such additional information.

- d) The CAO or delegate will advise applicants in writing if a tax exemption is granted. Applications accepted for consideration will become the property of the Town and may not be returned.
- e) Year 1 of the tax exemption period shall be the first year the new development or expansion of the property is assessed.
- f) Applications for a tax exemption under this Bylaw shall be accompanied by a non-refundable application fee of \$50.00

7. Calculation of Exemption:

- a) An approved tax exemption under this Bylaw will be applied to the municipal portion of property taxes based on the increase in assessment attributable to the new non-residential development or renovation of or addition to an existing non-residential development as determined by the Town in accordance with the following schedule:
 - i. **\$25,000 - \$75,000** = 1 year of exemption on the new development
 - 75% exemption in year 1
 - ii. **\$75,001 - \$250,000** = 1 year of exemption on the new development
 - 100% exemption in year 1
 - iii. **\$250,001 - \$1,000,000** = 2 years of exemption on the new development
 - 100% exemption in year 1
 - 50% exemption in year 2
 - iv. **\$1,000,001 - \$10,000,000** = 3 years of exemption on the new development
 - 100% exemption in year 1
 - 75% exemption in year 2
 - 50% exemption in year 3
 - v. **Greater than \$10,000,000** = 4 years of exemption on the new development
 - 100% exemption in year 1
 - 75% exemption in year 2
 - 50% exemption in year 3
 - 25% exemption in year 4

8. Decision on Exemption:

- a) If the CAO or delegate grants a tax exemption under this Bylaw, a written decision shall be issued to the applicant outlining the following information:
 - i. The taxation years to which the tax exemption applies, which must not include any retroactive exemptions for years prior;
 - ii. Conditions of the tax exemption, the breach of which will result in cancellation of the tax exemption;
 - iii. The date on which the tax exemption begin;
 - iv. The amount of the tax exemption, to be calculated and applied in accordance with Section 7; and
 - v. Any other relevant information or conditions imposed by the CAO or delegate.
- b) If an applicant or property no longer qualifies for a tax exemption under this Bylaw or there is a breach of any condition of the tax exemption, the CAO or delegate may cancel the tax exemption.
- c) If the CAO or delegate denies an application for a tax exemption or cancels a tax exemption, the CAO or delegate shall issue a written decision to the Applicant outlining the following information:
 - i. The reason(s) the application was denied or cancelled; and
 - ii. The date by which an appeal must be submitted to Council.



- d) A request for an appeal must be in writing and be received by the Council no later than the time and date specified in the decision in which the tax exemption was denied or cancelled.
- e) Council, after considering the appeal, may:
 - i. Uphold or revoke a decision of the CAO or delegate with respect to the denial or cancellation of a tax exemption; or
 - ii. Direct the CAO or delegate to revise or amend the decision with respect to the matter.
- f) The decision of Council on appeal shall be final.

9. Severability

If any Section or parts of this bylaw are found in any court of law to be illegal or beyond the power of Council to enact, such Sections or parts shall be deemed to be severable and all other Sections or parts of this bylaw shall be deemed to be separate and independent there from and to be enacted as such.

10. Effective Date:

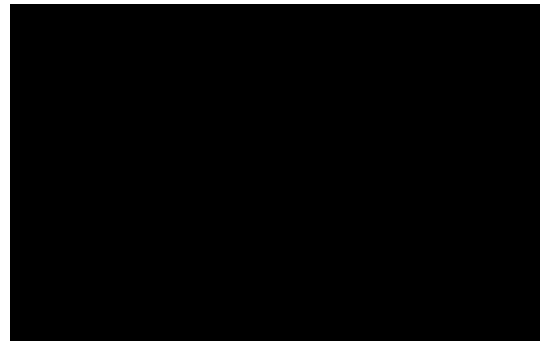
A bylaw comes into force at the beginning of the day that it is passed unless otherwise provided for in an enactment or in the bylaw. No bylaw may come into force on the day before it is passed unless the enactment authorizing its passage specifically allows it to come into force that day.

READINGS:

This bylaw comes into effect upon the date of final reading and signing thereof.

Read a **first** time this 4 day of March, 202

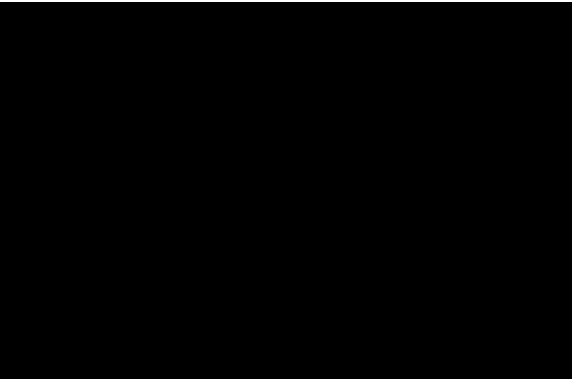
TOWN OF NANTON



Read a **second** time this 18 day of March, 202.

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Read a **third** time this 18 day of March, 202.

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