



COUNTY OF BARRHEAD NO. 11
Province of Alberta

BYLAW NO. 7-2021

NON-RESIDENTIAL TAX INCENTIVE
BYLAW

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A BYLAW OF THE COUNTY OF BARRHEAD NO. 11, in the Province of Alberta, to provide non-residential property tax and/or machinery and equipment tax incentives for new industrial and commercial development and expansions.

WHEREAS it is deemed expedient by Council to provide tax incentives to encourage assessment growth and promote industrial and commercial development and expansion,

AND 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 and on machinery and equipment to encourage economic growth.

NOW THEREFORE, the Council of the County of Barrhead No. 11, in the Province of Alberta, duly assembled, enacts as follows:

1. TITLE

1.1 This Bylaw may be cited as the “Non-Residential Tax Incentive” Bylaw.

2. PURPOSE

The purpose of this Bylaw is to:

2.1 Encourage new development and redevelopment of non-residential properties resulting in improvements within the County of Barrhead.

2.2 Establish tax exemptions in accordance with *MGA* s. 364.2 for assessed persons when there is a new project or an expansion project that meets the criteria and requirements set out in this Bylaw.

2.3 Provide a process for application for tax exemption under this Bylaw.

2.4 Provide a process for review by Council of the refusal or cancellation of a tax exemption under this Bylaw.

3. DEFINITIONS

In this Bylaw:

3.1 “*Applicant*” means the Assessed Person as defined under *MGA* s. 284(1) or authorized agent for the Assessed Person who applies for an exemption under this Bylaw.

3.2 “*CAO*” means Chief Administrative Officer as appointed by Council of the County of Barrhead No. 11;

3.3 “*County*” means the municipality of the County of Barrhead No. 11;

3.4 “*Council*” means the elected officials as a whole who comprise the municipal Council for the County of Barrhead.

3.5 “*Designated Industrial Property*” has the same meaning as defined under *MGA* s. 284(1) (f.01).

3.6 “*Exemption*” means the portion of municipal taxes on non-residential property and/or machinery and equipment that have been determined to be exempt in accordance with this Bylaw.

3.7 “*Machinery and Equipment*” means the type of property falling within the assessment class specified under *MGA* s. 297(1) (d).

3.8 “*MGA*” means the *Municipal Government Act*, R.S.A. 2000, c. M-26 as amended from time to time.

3.9 “*Non-residential*” has the same meaning as defined under *MGA* s. 297(1)(b).



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- 3.10 “*Project*” means new construction or expansion of a structure, facility or addition of new machinery and equipment and improvements that increases the assessment value.
- 3.11 “*Requisitioned Tax*” means the tax that is collected by the County on behalf of the Province of Alberta or housing authorities, including but not limited to education and social housing tax.
- 3.12 “*Tax Incentive Agreement*” means a written agreement between the County and the Assessed Person setting out the terms and conditions for an exemption under this Bylaw.

4. ELIGIBILITY

- 4.1 Development shall conform to the County’s Land Use Bylaw 5-2010 and amendments thereto, and all other applicable provincial legislation.
- 4.2 All eligible development shall be of a permanent nature.
- 4.3 Benefits under the Non-Residential Tax Incentive Bylaw cannot be combined with any other tax credit policy that may be offered by the County or the Province of Alberta.
- 4.4 Utilities and other fees owed to the County by the Assessed Person that are associated with the property will be current.
- 4.5 Taxes associated with the property are paid by the due date in the Tax Penalty Bylaw as amended from time to time.
- 4.6 Assessed Person must not be in bankruptcy or receivership.
- 4.7 Only the municipal portion of taxes is eligible for exemption. Requisitioned taxes are excluded from any exemption.
- 4.8 (1) Exemptions only apply to:
- (a) Assessment Class 2 – Non-Residential and
 - (b) Assessment Class 4 – Machinery and Equipment.
- (2) Exemptions shall not apply to:
- (a) Assessment Class 1 – Residential, Assessment
 - (b) Assessment Class 3 – Farmland,
 - (c) Land,
 - (d) Designated industrial properties including linear properties.
- 4.9 New construction or projects and improvements that aligns with Section 4.7 and meets the minimum threshold of generating a \$20,000 increase to the assessment may be considered for tax exemption under this Bylaw and in accordance with *Schedule A – Exemption Levels & Duration*.
- 4.10 Tax exemption shall only apply to the increased assessment amount.
- 4.11 The 2022 taxation year will be the first tax year that a tax exemption may be granted under this Bylaw.
- 4.12 Tax exemption may be transferrable to new ownership unless the new owner fails to meet all requirements under this Bylaw.



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5. APPLICATION & PROCESS

- 5.1 Applicants will need to apply for this tax exemption using *Schedule B – Application* of this Bylaw.
- 5.2 Applicants are encouraged to apply prior to commencement of construction or undertaking a project, or before completion of construction or improvements that result in an increased assessment.
- 5.2 Notwithstanding section 5.1, a complete application must be received no later than May 1 of the year in which a property and Assessed Person would qualify for a tax exemption.
- 5.3 The County may require any additional information that, in the discretion of the County, is necessary to consider eligibility of the application or to confirm ongoing compliance with the eligibility criteria of the exemption.
- 5.4 CAO will consider each application in accordance with this Bylaw and:
 - (a) Grant the exemption and enter into a Tax Incentive Agreement with the Applicant; or
 - (b) Reject the application and advise the Applicant with written reasons as to why, including means to appeal to Council.
- 5.5 CAO shall be authorized to enter into a Tax Incentive Agreement with the Applicant if an exemption is granted.
- 5.6 Tax exemption will begin in the taxation year following the completion of the construction, development or improvement that generated an increase in assessment pending the Applicant meets all requirements of this Bylaw including but not limited to the execution of the Tax Incentive Agreement.
- 5.7 When a condition of the Tax Incentive Agreement is breached or the property and Assessed person no longer qualifies for an exemption under this Bylaw the CAO will provide a written decision cancelling or modifying the exemption as appropriate.

6. TERM

- 6.1 Tax exemptions on a new construction or improvement that increases assessment may be granted to a maximum term of three years in accordance with *Schedule A – Exemption Levels & Duration*.
- 6.2 Tax exemptions for subsequent construction and improvements on the same property may be considered as a new application and be granted a further maximum term of three years in accordance with *Schedule A – Exemption Levels & Duration*.
- 6.3 Tax exemptions on a single property may be considered for up to a maximum total of fifteen (15) consecutive taxation years.

7. TAX INCENTIVE AGREEMENT

Tax Incentive Agreement shall be required for all granted exemptions. The Tax Incentive Agreement will include the following:

- 7.1 Taxation years to which the exemption applies.
- 7.2 Exemption percentages that will apply over the term of the Tax Incentive Agreement.



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7.3 Conditions which if breached will result in the cancellation of the Tax Incentive Agreement.

7.4 Any other information or conditions provided by the County.

8. DISPUTE

8.1 Any dispute regarding the calculation of tax exemption, cancellation of tax exemption, or any entitlement under this Bylaw, shall be referred to Council for resolution.

8.2 An applicant may appeal to Council by submitting a written request for appeal to the CAO within thirty (30) days of the initial dispute.

8.3 Council, after considering an appeal, may:

(a) Uphold or revoke a decision of the CAO with respect to the outcome of an application or cancellation of an exemption or tax incentive agreement.

(b) Direct CAO to revise or amend a decision with respect to the matter.

8.4 The decision of Council shall be final and binding upon all parties except in the case where the decision is the subject of an application for judicial review, and such application must be filed with Court of Queen's Bench not more than sixty (60) days after the date of decision.

8.5 In accordance with *MGA* s. 460(7), complaints about a decision under this Bylaw may not be heard by the Assessment Review Board.

9. FORCE & EFFECT

9.1 If a portion of this Bylaw is found by a court of competent jurisdiction to be invalid, the invalid portion will be voided, and the rest of the Bylaw remains valid and effective.

9.2 This Bylaw shall come into full force and take effect upon third and final reading.

FIRST READING GIVEN THE 1ST DAY OF JUNE, 2021.

SECOND READING GIVEN THE 1ST DAY OF JUNE, 2021.

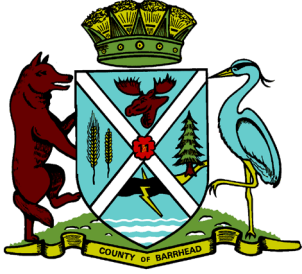
THIRD READING GIVEN THE 1ST DAY OF JUNE, 2021.

ORIGINAL SIGNED

Reeve

ORIGINAL SIGNED

County Manager



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SCHEDULE A – Exemption Levels & Duration

	New or Increased Assessment				
	\$20,000 - \$100,000	\$100,001 - \$500,000	\$500,001 - \$1,000,000	\$1,000,001 - \$5,000,000	+5,000,000
	Exemption Level				
Year 1	100%	100%	100%	100%	100%
Year 2	-	50%	75%	75%	100%
Year 3	-			50%	100%



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Schedule B - Application

Non Residential Property Tax Incentive

Date:

Name of Property Owner (as per tax roll):			
Contact Name:			
Mailing Address:	City/Town/Village:	Province:	Postal Code:
Telephone Number (Main):		Telephone Number (Alternate):	
Email Address:			

Legal Description of Lands or Location of Machinery and Equipment for Tax Exemption:

Roll:	Plan:	Block:	Lot:
Roll:	Plan:	Block:	Lot:

I/We, the undersigned, understand the conditions of eligibility and further terms set out in Bylaw 7-2021 (*Non-Residential Tax Incentive Bylaw*), and acknowledge I/we have authority to request taxation exemption on the above mentioned properties.

Full Name

Signature

Full Name

Signature

Office Use Only:

Development Permit #:	Development Permit Issue Date:	Development Completion Date:
Previous Assessment:	Current Assessment:	Increase in Assessment:
Exemption % Year 1	Exemption % Year 2	Exemption % Year 3
Approved By:		