

## TOWN OF HIGH PRAIRIE

<b>Policy Number</b> No.56-2014	<b>Approval Date</b> September 25, 2013	<b>Resolution Number</b> 538/13
<b>Supersedes</b> N/A	<b>Effective Date</b> September 25, 2013	<b>Legal Authority</b>
<b>Amendments:</b> 1.1.1 1.4	<b>Amendment Date</b> <b>September 10, 2014</b>	<b>Resolution Number</b> <b>592/14</b>

<b>TITLE:</b> <b>Property Tax Development Incentive Policy</b>
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### 1. General:

#### 1.1 PROGRAM SCOPE

- All *new* residential development (not applicable to additions).

##### 1.1.1 Conditions

- A Development permit must be applied for and issued.
- A tax grant must be applied for using the administration prescribed application form.
- Applications for the current tax year will be accepted from the date of mailing of the current year Tax Notice and up to 90 days from the date of mailing. Applications will be closed after this period.
- Property taxes owing (both arrears and current) must be paid by the due date as indicated on the current year Tax Notice.
- Approved Tax Grants will be issued after property taxes have been verified as paid in full (i.e. the tax account is not in a debit position).
- The approved tax grant will either be issued as a check or left on the tax account according to the written instructions from the tax payer (see tax grant application form) .

#### 1.2 TAX GRANT

- Grant is based on an increase in basic municipal taxes (not including special municipal levies) due to an increase in non-land assessment (i.e. the new development).
- The tax grant applies only to increases in basic municipal taxes due to increases in assessment that is due to building construction improvements (i.e. the new development).

#### 1.3 ELIGIBLE DEVELOPMENTS

- To qualify for this program all development must conform to the Town of High Prairie Land Use Bylaw and other pertinent regulations.

#### 1.4 TAX GRANT PERIODS

- The period of tax grant will begin the year following the issuance of a development permit.
- A tax grant application must be filled out by the developer in the year following the issuance of the development permit (application due date for the current tax year is 90 days from the mailing date (date of issuance) on the current year Tax Notice).

- Each developer will be limited to a maximum of two annual tax grants per property provided the property is currently unoccupied at the time the Tax Grant application is received and has not been occupied since the development permit was issued.
- Once the property is occupied it becomes ineligible for a tax grant under this program.
- If the property subsequently becomes occupied in the tax year after a tax grant has been paid the tax grant may be kept by the developer.
- Provided the tax grant application meets the criteria as set out in this policy the administration shall have the authorization to approve the grant subject to budget restrictions set by Council.

### **1.5 GRANT CALCULATION**

- Examples of tax grant eligibility and calculations are provided in Appendix A.

### **1.6 ADDITIONS**

- Additions to existing improvements do not qualify for this program.

This Policy supersedes Policy #56-2013

Dated September 10, 2014

TOWN OF HIGH PRAIRIE											
Property Tax Development Incentive Policy - Examples of Tax Grant eligibility and calculation											
Appendix A											
Scenario 1: Property remains unoccupied											
YEAR	DATE	COMMENT	Property status June 1st	Eligible for tax grant	assessment: LAND	assessment: IMPROVEMENT	assessment: TOTAL	municipal levy MILLRATE	TAXES	TAX GRANT	NET TAXES
0	2013	dev. permit issued this year	unoccupied	no	50000	0	50000	10.3674	518.37	-	518.37
1	2014		unoccupied	yes	50000	50000	100000	10.3674	1036.74	-518.37	518.37
2	2015		unoccupied	yes	60000	150000	210000	10.3674	2177.154	-1,555.11	622.04
3	2016		unoccupied	no	70000	150000	220000	10.3674	2280.828	-	2,280.83
Scenario 2: Property is occupied in May of year 2											
YEAR	DATE	COMMENT	Property status June 1st	Eligible for tax	assessment: LAND	assessment: IMPROVEMENT	assessment: TOTAL	MILLRATE	TAXES	TAX GRANT	NET TAXES
0	2013	dev. permit issued this year	unoccupied	no	50000	0	50000	10.3674	518.37	-	518.37
1	2014		unoccupied	yes	50000	50000	100000	10.3674	1036.74	-518.37	518.37
2	2015	occupied in May	occupied	no	60000	150000	210000	10.3674	2177.154	-	2,177.15
3	2016		unoccupied	no	70000	150000	220000	10.3674	2280.828	-	2,280.83
Scenario 3: Property is occupied in October of year 2											
YEAR	DATE	COMMENT	Property status June 1st	Eligible for tax	assessment: LAND	assessment: IMPROVEMENT	assessment: TOTAL	MILLRATE	TAXES	TAX GRANT	NET TAXES
0	2013	dev. permit issued this year	unoccupied	no	50000	0	50000	10.3674	518.37	-	518.37
1	2014		unoccupied	yes	50000	50000	100000	10.3674	1036.74	-518.37	518.37
2	2015	occupied in October	unoccupied	yes	60000	150000	210000	10.3674	2177.154	-1,555.11	622.04
3	2016		unoccupied	no	70000	150000	220000	10.3674	2280.828	-	2,280.83