

TOWN of EASTEND

Tax Incentives and Penalties

BYLAW NO 709/2015

A BYLAW TO ESTABLISH PROPERTY TAX INCENTIVES FOR NEW COMMERCIAL CONSTRUCTION AND PENALTIES ON ALL TAX ARREARS

The Council of the Town of Eastend in the Province of Saskatchewan enacts as follows:

1. Due Date
Property and other taxes imposed by the Town of Eastend are deemed to be imposed on the first day of January in each year and shall be due on December 31st of each year.
2. Penalty on Arrears of Taxes
 - a) Taxes which remain unpaid after the 31st day of December of the year in which they are levied shall be subject to a penalty.
 - b) The method of calculating the penalty shall be:
 - a simple rate of 12% per annum, added on the first day of each month applied to:
 - the total taxes, excluding any penalties previously added, that remain unpaid at the end of the month preceding the month
 - c) The penalty charges are to be added to and shall form part of the tax roll.
3. Incentive Program – New Commercial Construction
For the purpose of stimulating economic development, increased investment and the development of commercial property within the municipality, the Council of the Town of Eastend hereby enacts as follows:
 - a) Definitions:
For the purpose of this Bylaw:
 - i) “Improvements” shall mean any building or structure that is assessable for the purpose of property taxation;
 - ii) “Commercial” shall mean a property located within an area that is currently zoned or is about to be zoned as C1-Commercial.
 - b) Eligibility:
 - i) New construction of commercial improvements shall be eligible for any incentives contained herein;
 - ii) Any new expansion of existing commercial buildings will be considered at the discretion of Council; any incentives that may be granted shall apply to the amount of the increase in the assessed value that expansion causes;
 - iii) Incentives provided shall be only municipal taxes and shall apply to the assessed value of the improvements only. The land on which the improvements are constructed shall be subject to regular taxation rates including mill rate, mill rate factor, base tax, special levy or any other tax tool that Council may adopt in the future.
 - iv) No other class of property other than those specifically provided for in this Bylaw shall be eligible for the incentives contained herein.
 - c) Incentives:
 - i) Tax Incentives shall be applied to eligible improvements as follows:
 - Year 1 – 100% abatement of taxes on improvements
 - Year 2 – 66% abatement of taxes on improvements
 - Year 3 – 33% abatement of taxes on improvements
 - Year 4 - Full taxation rates apply.
 - ii) Year 1 shall refer to the first full calendar year after construction has been completed. Taxes on improvements will not be levied in the year that construction is taking place, provided that said construction does not take more than one year. If the duration of the construction will take more than one year, then at the discretion of Council, the tax abatement may be prorated in the year that construction is completed.
 - iii) Notwithstanding section c)ii), for the purpose of the application of this Bylaw, construction shall be considered complete at the time that business operations commence in a newly constructed improvement without regard for the state of the construction.
 - iv) Notwithstanding any other Section of this Bylaw, Council may, at their sole discretion, provide additional property tax incentives for Commercial or any class of property if they hold it to be advantageous to do so for the purpose of encouraging economic development.

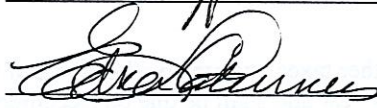
v) Notwithstanding any other Section of this Bylaw, a property owner undertaking any improvements that may be eligible for any of the incentives contained herein may, at their discretion, decline to accept any or all said incentives.

4. Repeal Previous Incentive and/or Penalty Programs
Bylaw #660/08 is hereby repealed.

5. Coming Into Force
This bylaw shall come into force upon the date of third reading and final adoption by the Council of the Town of Eastend.

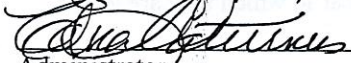
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Mayor


Administrator

Read a third time and adopted
this 15th day of April, 2015.



Administrator

