

**Title:** TAX FREE FOR THREE

**Date Approved:** May 1, 2013

**Date Last Reviewed:** August 19, 2009

**Date Next Review:** May, 2014

**Resolution Number:** 91/2013

**Administrative Responsibility:** Chief Administrative Officer

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**POLICY STATEMENT:**

"Tax Free for Three" will provide an opportunity to build new houses, commercial businesses, and industrial facilities without having to make Municipal Property Tax payments on the improvements to the land for the first three years.

**GUIDELINES:**

**RESIDENTIAL**

New Construction

- in all cases the land on which the residence is situated will be assessed for taxation
- the tax holiday will be calculated from January 1<sup>st</sup> following the start of construction ( All homes on which construction was started during 2009 will be assessed effective January 2013)
- if an existing home is demolished to accommodate the construction of a new residence, the taxes for the period of the year following the date of removal will be abated for the then current year and the above noted tax holiday shall apply.

**BUSINESS**

New Construction

- in all cases the land on which the business is situated will be assessed for taxation
- the tax holiday will be calculated from January 1<sup>st</sup> following the start of construction. (All buildings on which construction was started during 2009 will be assessed effective January 2013)
- if an existing building is demolished to accommodate the construction of a new building, the taxes for the period of the year following the date of removal will be abated for the then current year and the above noted tax holiday shall apply.

Additions

- additions qualify if the increase in assessment is equal to at least 50% of the original assessment.
- the tax holiday will be calculated from January 1<sup>st</sup> following the start of construction. (All businesses on which construction was started during 2009 will be assessed effective January 2013)

## **INFILLING OF EXISTING BUILDINGS**

### Owner Occupied Premises

- new businesses that occupy existing buildings that have been vacant will qualify for the reductions in taxes as follows:

- 75% in the first year of operation
- 50% in the second year of operation
- 25% in the third year of operation

### Rented Premises

- new businesses that occupy existing buildings that have been vacant will qualify for the reductions in taxes via a grant payable to the business operator equal to:

- 75% of the annual taxes on the premises at the end of the first year of operation
- 50% of the annual taxes on the premises at the end of the second year of operation
- 25% of the annual taxes on the premises at the end of the third year of operation