

**POLICY TITLE: Commercial-Industrial
Change of Business Occupancy Tax Incentive**

Policy Objective	To encourage recruitment of new businesses within the Town of Outlook
Authority	<i>The Municipalities Act, The Education Property Tax Act Resolution # 145/22</i>
Supporting bylaw	
Related Policy(s)	TAX-001, TAX-002, TAX-005, TAX-006

OBJECTIVE

The purpose of this policy is to encourage recruitment of new business within established properties within the Town of Outlook Commercial and Industrial zoned areas through the use of property tax exemptions and defined development incentives.

SCOPE

This policy applies to all commercial and industrial zones in the Town of Outlook and, where noted, it can apply to specific subdivisions in the Town of Outlook.

DEFINITION

“**Improvement**” according to the Municipalities Act means, subject to the regulations:
 (i) a building or structure erected or placed on, over or under land or over or under water but does not include machinery and equipment unless the machinery and equipment is used to service the building or structure;
 (ii) anything affixed to or incorporated in a building or structure affixed to land but does not include machinery and equipment unless the machinery and equipment is used to service the building or structure

ELIGIBILITY

In order to be eligible for this incentive the property (including land and improvement if any) shall be located in a commercial or industrial zone, or mixed use commercial/industrial zone and shall consist of the following:

1. Arm's length sale of any properties; or
2. Non Arm's length sale or transfer of property with assessed value of greater than \$100,000; or
3. No transfer of property but a change of occupancy permit is required in a property with assessed value of greater than \$100,000.

POLICY GENERAL REGULATIONS

1. No loading of incentives – One property can not benefit from more than one development incentive at any given time.
2. Year 1 of the abatement period begins January 1 of the calendar year immediately following approval of change of occupancy permit prior to September 30 of the previous calendar year.
3. There must be at least three full calendar years between any one property being the recipient of any new development incentive.
4. All property owners in receipt of development incentives must be in good standing with regards to all accounts with the Town of Outlook (all properties with taxes levied, all utility accounts and all general accounts payable) at every May 1 of the calendar year of which the development incentive is applied.
5. Abatements will be applied in these cases as follows:
 - a. Year 1 100% of Municipal Taxes levied on the improvement only
 - b. Year 2 50% of Municipal Taxes levied on the improvement only
 - c. Year 3 25% of Municipal Taxes levied on the improvement only
 - d. Year 4 Full Taxation
6. Properties may be eligible for abatements to the Education Property Tax as well up to a maximum of 5 years as per Section 295 of *The Municipalities Act* and Sections 21 and 22 of *The Education Property Tax Act*.
7. Town Council reserves the right to make exceptions to this policy by Council resolution on a case-by-case basis.
8. This policy and other related policies replace Commercial Tax Incentive 2019, is effective immediately and only applies to changes of occupancy following May 1, 2022.