

**TOWN OF MORINVILLE
PROVINCE OF ALBERTA
NON-RESIDENTIAL PROPERTY TAX INCENTIVE BYLAW
Bylaw 2/2023
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A BYLAW OF THE TOWN OF MORINVILLE, IN THE PROVINCE OF ALBERTA, TO ESTABLISH A NON-RESIDENTIAL PROPERTY TAX INCENTIVE.

WHEREAS, the Town of Morinville intends to provide property tax incentives to encourage non-residential assessment growth and decrease the ratio of residential to non-residential assessment.

AND WHEREAS, section 364.2 of the *Municipal Government Act, R.S.A. 2000, c M-26* as amended, permits municipalities to offer multi-year tax exemptions, reductions, or deferrals for non-residential properties in order to attract investment, development and revitalization.

NOW THEREFORE, the Municipal Council of the Town of Morinville, Alberta, duly assembled, hereby enacts as follows:

1.0 BYLAW TITLE

1.1 This Bylaw shall be cited as the "Non-Residential Property Tax Incentive Bylaw".

2.0 DEFINITIONS

2.1 "**Applicant**" means the owner of the property on which the improvement subject to the application is located, or his/her designate.

2.2 "**Chief Administrative Officer (CAO)**" means the Chief Administrative Officer of the Municipality appointed by Council;

2.3 "**Council**" means the duly elected officers of the Municipality;

2.4 "**Municipal Government Act (MGA)**" means the *Municipal Government Act, R.S.A. 2000 Chapter M-26* as amended or legislation substituted, therefore;

2.5 "**Non-residential Improvement**" means a separately assessable structure classified as a non-residential property.

3.0 CRITERIA FOR TAX EXEMPTION

3.1 To be eligible for a tax exemption, the following criteria must be met:

- a) Construction of a new non-residential improvement with an assessed value of \$250,000 or more, or a refurbishment or renovation to an existing non-residential improvement that increases the assessed value of the improvement by \$50,000 or more;
- b) The construction or refurbishment/renovation must have commenced on or after January 1, 2023;
- c) All necessary development and building permits required by the Town of Morinville must be in place and in good standing;
- d) Applicants must not have compliance issues, be in violation of a development permit and/or agreement or be in violation of the *Safety Code Act* at any time from application to the end of the exemption period;
- e) Applicants must not be in arrears or have amounts owing to the Town relating to property taxes, utilities or any other fees and/or charges.

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4.0 INELIGIBLE PROJECTS

- 4.1 Any projects or properties that are classified as Designated Industrial Properties by the Province of Alberta as defined in section 284(1)(f.01) of the *MGA*.

5.0 DETAILS OF EXEMPTION

- 5.1 The exemption only applies to municipal taxes. Provincial Education and Senior Housing property tax levies are outside the jurisdiction of the Town of Morinville and, as such, excluded from any exemption.
- 5.2 The exemption period shall begin January 1, 2023, and end December 31, 2032.
- 5.3 Improvements meeting the criteria noted in Section 4 may be granted the following tax exemptions.
- a) New non-residential improvements:
 - Year 1: 75% municipal property tax exemption for the new improvement
 - Year 2: 50% municipal property tax exemption for the new improvement
 - Year 3: 25% municipal property tax exemption for the new improvement
 - b) Refurbished and/or renovated non-residential improvements.
 - Year 1: 75% municipal property tax exemption on the increase in assessed value
 - Year 2: 50% municipal property tax exemption on the increase in assessed value
 - Year 3: 25% municipal property tax exemption on the increase in assessed value
- 5.4 An eligible property shall receive the exemption outlined in Section 5.3 beginning in the first taxation year following the improvement being assessable and available for use.
- 5.5 A property is only eligible for one tax incentive exemption during the exemption period, beginning January 1, 2023 and ending December 31, 2032.

6.0 CHANGE IN OWNERSHIP

- 6.1 Change in ownership of a property will not affect the exemption unless the new owner(s) fall within one or more of the terms of disqualification.
- 6.2 To maintain eligibility for the exemption, the new owner(s) must assume the obligations that arise under the written decision in accordance with Section 9.

7.0 APPLICATION PROCESS

- 7.1 The CAO, or delegate, has the authority to determine whether an exemption will be granted in accordance with the terms and conditions of this Bylaw.
- 7.2 The application process is as follows:
- a) Applicants must submit a complete "Non-residential Tax Exemption Application" to the Town of Morinville Financial Services Department for consideration.
 - b) The Town has the discretion to reject applications that are incomplete, ineligible, or provided after the deadline provided for in this Bylaw;
 - c) Applications must be received within 365 days of the improvement being made available for use and included in the Town of Morinville's assessment roll.

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- d) Applicants may resubmit an application one additional time following the return of an application deemed to be incomplete;
- e) Resubmissions must be submitted to the Town of Morinville Financial Services Department within 14 days of the date of the letter communicating that the application is incomplete;
- f) Notwithstanding the complete application requirements, the Town may require any additional information that, at the discretion of the Town, is necessary to complete the application;
- g) The Town will advise applicants in writing if their application is accepted. Accepted applications will become the property of the Town and may not be returned.

8.0 DECISION ON EXEMPTION

- 8.1 If the CAO (or designate) approves the application, the Applicant will receive the following information in writing:
- a) The taxation years to which the exemption applies and the amount of exemption for each respective year;
 - b) Conditions, the breach of which, will result in the cancellation of the exemptions;
 - c) The date on which the exemption shall take effect;
 - d) Any other information the Town deems relevant.
- 8.2 Should the CAO (or designate) not approve the application, the CAO will issue a written decision to the Applicant outlining the following:
- a) The reasons the improvement fails to qualify for the exemption; and
 - b) The date by which an application for an appeal to Council must be submitted.

9.0 CANCELLATION OF EXEMPTION

- 9.1 If at any time after an exemption is granted, the Town determines that:
- a) The Applicant or their application did not meet or ceased to meet any of the criteria required for granting an exemption or;
 - b) There was a breach of any condition contained in the decision to grant the extension.

The Town may cancel the exemption for the taxation year or years in which the criterion was not met or to which the condition applies.

A written decision to cancel an exemption must be provided to the Applicant and must include reasons for the cancellation, identify the taxation year or years to which the cancellation applies and provide the date by which an application for an appeal to Council must be submitted.

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10.0 COUNCIL REVIEW

- 10.1 An applicant may apply to Town of Morinville Council for a review of a decision made by the CAO (or delegate) regarding an application for a non-residential property tax exemption in the following situations:
- a) An application for exemption is refused or rejected;
 - b) An exemption is cancelled
- 10.2 A request for review must be in writing and be received by the Financial Services Department no later than 30 days following the receipt of the written decision of non-approval of the exemption or cancelling a previously approved exemption.
- 10.3 Town Council shall conduct a review within 90 days of the receipt of an application for review submitted in accordance with Section 10.2 at a regularly scheduled meeting of Council.
- 10.4 Remedies available to Council upon conclusion of a review are:
- a) Council may uphold the decision of the CAO (or designate) to reject an application or revoke a previously approved exemption; or
 - b) Council may direct the CAO (or designate) to revise a decision with respect to the outcome of an application or cancellation of an exemption.

11.0 REVIEW

- 11.1 Bylaw 2/2023 must be brought before Council twice during the exemption period within the timelines outlined below:
- a) The first review must occur no later than December 31, 2026.
 - b) The second review must occur no later than December 31, 2030.

12.0 SEVERABILITY

- 12.1 If any Section or parts of this Bylaw are found in any court of law to be illegal or beyond the power of Council to enact, such Section or parts shall be deemed to be severable and all other Sections or parts of this Bylaw shall be deemed to be separate and independent there from and to be enacted as such.

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COMING INTO FORCE

That this Bylaw shall come into full force and effect upon the final passing thereof.

READ a first time in Council this 10th day of January, 2023.

READ a second time in Council this 24th day of January, 2023.

READ a third time in Council and finally passed this 24th day of January, 2023.

ORIGINAL SIGNED _____

✓
Simon Boersma
Mayor

ORIGINAL SIGNED _____

Naleen Narayan
Chief Administrative Officer