

BYLAW NO. 1288-23
BEING A BYLAW OF
MACKENZIE COUNTY
IN THE PROVINCE OF ALBERTA

TO PROVIDE NON -RESIDENTIAL PROPERTY TAX INCENTIVES FOR NEW
COMMERCIAL AND INDUSTRIAL DEVELOPMENT AND EXPANSIONS WITHIN
AREAS OF MACKENZIE COUNTY

WHEREAS, pursuant to section 347 of the *Municipal Government Act*, a Council has the authority to cancel or refund all or part of a tax or defer the collection of a tax, with or without condition; and

WHEREAS, the Council of Mackenzie County, in the province of Alberta, has deemed it desirable to Provide Tax Exemptions to new commercial and industrial development and expansions within Mackenzie County; and

NOW THEREFORE, the Council of Mackenzie County, in the province of Alberta, duly assembled, hereby enacts as follows:

1. **CITATION**

1.1 This bylaw may be cited as the Mackenzie County Business Incentive Bylaw.

2. **DEFINITIONS**

2.1 For the purposes of this Bylaw the following definitions shall apply:

- a) **“Act”** – means the *Municipal Government Act*, RSA 2000, Chapter M-26, and amendments thereto.
- b) **“Administration”** – means Mackenzie County Administrative Staff;
- c) **“Alberta Corporate Registry”** – means office that registers a business to operate within Alberta;
- d) **“Applicant”** – means the registered business owner or authorized agent for the business owner, who applies for the Business Incentive pursuant to this Bylaw.
- e) **“Application”** – means an application for Business Incentive, pursuant to this Bylaw;
- f) **“Business”** – means a commercial merchandising or industrial activity or undertaking: a profession, trade, occupation, calling or employment or an

activity providing goods and services;

- g) **“Business Incentive”** – means the cancellation of part of the municipal portion of the taxes for an Eligible Business;
- h) **“Council”** – means the Municipal Council of Mackenzie County in the Province of Alberta, as duly elected and defined in the Municipal Government Act, RSA 2000, Chapter M-26 and amendments thereto;
- i) **“Crown Land”** – means land owned and/or managed by the federal or provincial governments;
- j) **“Eligible Business”** – means a business deemed eligible for Business Incentives under the provisions of this Bylaw;
- k) **“Expansion”** – means development that adds to an existing Structure to increase the existing Structures physical space;
- l) **“Primary Industry”** – means industry, such as mining, agriculture, or forestry, that is concerned with obtaining or providing natural raw materials for conversion into commodities and products for the consumer;
- m) **“Secondary Industry”** – means an industry that converts the raw materials provided by primary industry into commodities and products for the consumer;
- n) **“Structure”** – means a structure as defined by the Act as non-residential or Machinery and Equipment.

3. **ELIGIBILITY**

In order to qualify for the Business Incentive under this Bylaw:

3.1 The Applicant must:

- a) apply for the Business Incentive before November 1;
- b) Business must be either a new Primary or a Secondary industry, that is not already operational within the region or,
- c) a Business that is an existing Primary or Secondary industry expanding to increase manufacturing or processing in the region and,
- d) the Expansion would be required to be at minimum a twenty five percent (25%) increase of current floor space and,

- e) the development must meet the minimum threshold of generating a \$250,000 (or up to \$500,000) increase to the assessment may be considered for tax exemption and,
- f) would necessitate increasing staffing for operational requirements after the Expansion is complete or,
- g) the Expansion diversifies the Business as a Primary or Secondary industry;
- h) must own the Eligible Business which they are applying for the Business Incentive program;
- i) must own the Eligible Business for the full three (3) years to receive the full benefit of the Business Incentive;
- j) have a current Mackenzie County Business License;
- k) be a business that is registered with Alberta Corporate Registry;
- l) have their Eligible Business property taxes paid in full to date of application;

3.2 The Eligible Business must:

- a) be located in an area zoned for the applicable commercial or industrial land use district within Mackenzie County;
- b) all provincial and federal conditions and requirements shall be met to their specifications and standards prior to commencement of development on Crown land;
- c) not have any outstanding conditions of approval for development;
- d) comply with requirements as stated in the Mackenzie County Land Use Bylaw and Safety Codes Act;

4. **APPLICATION REQUIREMENTS**

4.1 The Applicant must complete the application attached in Schedule 1, in order to be considered for the Business Incentive. The application must include:

- a) business name, applicant name, address, and contact information;
- b) legal land location and street address of business;
- c) an active Mackenzie County business licence number;

- d) Alberta Corporate Registry number;
- e) proof of permit approvals as required by the Mackenzie County Land Use Bylaw and Safety Codes Act for business;

5. **DECISION PROCESS**

- 5.1 Once a complete application is accepted by administration, it will be reviewed to ensure it meets the eligibility requirements. If the application is eligible for the business incentive, the application will be brought before Council for a decision. Late applications will not be accepted.

6. **DURATION**

- 6.1 The Business Incentive may be applied to a new Eligible Business for a period no more than three years, from the date of the application approval.

7. **AMOUNT OF DEVELOPER INCENTIVES**

- 7.1 Tax reductions as Business Incentives may be granted for the municipal, improvement portion of taxes only and does not include school or other requisitions.
- 7.2 As Machinery and Equipment (Industrial) are already assessed at 77% of its value, tax reductions as Business Incentives may be granted at a lower percentage for municipal, improvement portion of taxes only and does not include school or other requisitions.
- 7.3 Business Incentives for new commercial development may be granted by Council according to the following guidelines:
- a) 75% of the value of the current years' municipal tax levy in the first year of taxation of the new development;
 - b) 50% of the value of the current years' municipal tax levy in the second year of taxation of the new development;
 - c) 25% of the value of the current years' municipal tax levy in the third year of taxation of the new development;
- 7.4 Business Incentives for the new industrial development and the expanded portion of the industrial expansion may be granted by Council according to the following guidelines:

- a) 50% of the value of the current years' municipal tax levy in the first year of taxation of the new development;
- b) 25% of the value of the current years' municipal tax levy in the second year of taxation of the new development;
- c) 25% of the value of the current years' municipal tax levy in the third year of taxation of the new development;

7.5 For the purposes of Section 6.1 of this Bylaw, the first year of incentive will apply to the tax year subsequent to the approval of the application.

8. Cancellation of Incentive

8.1 If at anytime after the Business Incentive is granted, the County determines that:

- a) Applicant or their Application did not meet or ceased to meet any of the criteria required in which formed the basis of granting the incentive; or
- b) there was a breach of any condition of the Business Incentive;
- c) Business Incentive is non-transferable, a change of ownership will null and void the remaining tax incentive years.

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

This Bylaw shall come into force and effect upon the date of the passing of the third and final reading.

READ a first time this 7th day of March, 2023.

READ a second time this 7th day of March, 2023.

READ a third time and finally passed this 7th day of March, 2023.

(original signed)

Joshua Knelsen
Reeve

(original signed)

Byron Peters
Interim Chief Administrative Officer

**Schedule 1
Business Incentive Application**
