



**BYLAW : 41-2018**

**BUSINESS INCENTIVE AND INVESTMENT GRANT PROGRAM FOR  
MACHINERY AND EQUIPMENT BYLAW**

**BEING A BYLAW OF THORHILD COUNTY, IN THE PROVINCE OF ALBERTA, TO  
ESTABLISH A BUSINESS INCENTIVE AND INVESTMENT GRANT PROGRAM  
FOR MACHINERY and EQUIPMENT WITHIN THORHILD COUNTY**

**WHEREAS**, pursuant to Section 3 of the Municipal Government Act one of the purposes of a municipality is to develop and maintain safe and viable communities.

**AND WHEREAS**, Thorhild County has adopted a Ten (10 ) year Strategic Plan that sets goals that are focused on ensuring that Thorhild County supports development and remains a safe and viable community.

**AND WHEREAS**, Thorhild County's Ten (10) year Strategic Plan includes Goal E "Thriving Business Community: County Businesses will operate in a growing, progressive jurisdiction that values their contributions to the community. New business and new additions to existing business that fall within values of the community will be embraced and supported to enhance employment and offer service to residents."

**AND WHEREAS**, in support of Goal E of its Strategic Plan Thorhild County wish to encourage development and provide support to local businesses along with stimulating permanent employment opportunities within Thorhild County.

**AND WHEREAS**, the Council of Thorhild County deems it in the best interest of the municipality to adopt and implement a Business Incentive and Investment Grant Program for Machinery and Equipment.

**NOW THEREFORE**, the Council of Thorhild County, duly assembled, enacts as follows:

**1. TITLE**

- 1.1. This Bylaw may be cited as the "Business Incentive and Investment Grant for Machinery and Equipment Bylaw".

## 2. DEFINITIONS

When used in this Bylaw:

- 2.1. "Act" means the *Municipal Government Act*, RSA 2000, M-26, as amended or repealed and replaced from time to time;
- 2.2. "Arrear taxes" shall mean taxes remaining unpaid after December 31 of the year in which it is levied;
- 2.3. "Assessment" has the meaning given to it in the Act;
- 2.4. "Assessor" has the meaning given to it in the Act;
- 2.5. "Base Assessment Year" shall mean the assessment year immediately prior to the assessment year that has an increased Assessment as a result of New Development. The Base Assessment Year shall not be prior to the 2018 assessment year;
- 2.6. "Business Incentive and Investment Grant for Machinery and Equipment" shall mean the result of the calculation performed in Section 3.9;
- 2.7. "Chief Administrative Officer" shall mean the Chief Administrative Officer of the County, or designate;
- 2.8. "County" shall mean Thorhild County;
- 2.9. "Current taxes" shall mean property taxes levied for the current year;
- 2.10. "Grant Agreement" shall mean an agreement between the County and the property owner, setting out the terms and conditions applicable to the payment of the Business Incentive and Investment Grant for Machinery and Equipment;
- 2.11. "Improvements" has the meaning given to it in the Act;
- 2.12. "Linear Property" has the meaning given to it in the Act;
- 2.13. "Machinery and Equipment" has the meaning given to it in the Matters Relating to Assessment and Taxation Regulation, 2018, AR 203/2017.
- 2.14. "New Development" shall mean new Machinery and Equipment that increases the Assessment of the Machinery and Equipment, but does not include any "kind-for-kind" replacement of any component of existing Machinery and Equipment or any regular maintenance of existing Machinery and Equipment;

- 2.15. "Residential Property" shall mean any property falling within class 1 residential as defined in the Act; and
- 2.16. "Working day" shall mean days the County's central Administration Building is open to serve the general public.

### **3. BUSINESS INCENTIVE AND INVESTMENT GRANT FOR MACHINERY AND EQUIPMENT**

#### *Qualification for the Business Investment and Incentive Grant for Machinery and Equipment*

- 3.1. New Developments are eligible for a Business Incentive and Investment Grant for Machinery and Equipment provided that
- a) the property tax account for the property that is the subject of the application for a Business Incentive and Investment Grant Program for Machinery and Equipment must not have any Arrear taxes and Current taxes must be paid in full;
  - b) there is a valid development permit for the New Development;
  - c) all applicable provincial or federal approvals, along with all Safety Codes permits are in place;
  - d) the New Development is in compliance with all required permits and approvals; and
  - e) as a result of the New Development the current Assessment of the Machinery and Equipment on the property has increased by at least \$1,000,000.00 compared to the Base Assessment Year.
- 3.2. Linear and residential properties are not eligible for a Business Incentive and Investment Grant.

#### *Application for the Business Incentive and Investment Grant for Machinery and Equipment*

- 3.3. A property owner must apply for the Business Incentive and Investment Grant for Machinery and Equipment on the form prescribed by the County.
- 3.4. As part of the grant application the property owner must agree to enter into a Grant Agreement with the County, in the form prescribed by the County, if their application for the Business Incentive and Investment Grant for Machinery and Equipment is approved.

- 3.5. The Chief Administrative Officer is hereby authorized to review and make the final decision on whether or not a grant application is approved and to enter into Grant Agreements with respect to approved applications.
- 3.6. Applications received by May 31 of any year shall be evaluated and if the Chief Administrative Officers determines that the property qualifies for a Business Incentive and Investment Grant for Machinery and Equipment, the payment of Business Incentive and Investment Grant for Machinery and Equipment shall commence in the same tax year.
- 3.7. Applications received after May 31 of any year shall be evaluated and if the Chief Administrative Officers determines that the property qualifies for a Business Incentive and Investment Grant for Machinery and Equipment, the payment of Business Incentive and Investment Grant for Machinery and Equipment shall commence in the next tax year.
- 3.8. The Business Incentive and Investment Grant for Machinery and Equipment shall not be paid until the Grant Agreement is signed by the property owner.

*Calculation of the Business Incentive and Investment Grant for Machinery and Equipment*

- 3.9. Subject to subsections 3.10 and 3.11, the amount of the Business Incentive and Investment Grant for Machinery and Equipment will be calculated by
  - (a) determining the difference between the Assessment of the Machinery and Equipment for the current assessment year to the assessment for the Base Assessment Year;
  - (b) dividing the result of subsection 3.9(a) by \$1,000,000, then rounding down to the nearest dollar and if the result is less than \$1.00, round down to \$0.00;
  - (c) multiplying the result of subsection 3.9( b) by \$20,000; and
  - (d) rounding the result of subsection 3.9(c) down to the nearest increment of \$20,000 or to zero if the result of subsection 3.9(c) is less than \$20,000.
- 3.10. If the result of the calculation described in subsection 3.9(c) is less than \$20,000, then no Business Incentive and Investment Grant for Machinery and Equipment is available.
- 3.11. For the purposes of the calculation described in subsection 3.9(a), increases in the Assessment for the current assessment year which are the result of changes in Provincial assessment regulations applicable to the determination of the assessment of Machinery and Equipment, rather than

the result of New Development, will be deducted from the Assessment for the current Assessment Year.

*Payment of the Business Incentive and Investment Grant*

3.12. Subject to the terms of the Grant Agreement:

- (a) the amount of the Business Incentive and Investment Grant for Machinery and Equipment shall be paid to the property owner each year for a period of no more than 5 years provided that in each of those years the current taxes are paid in full;
- (b) payment shall be made to the property owner within twenty (20) working days from the date Current taxes are paid in full; and
- (c) if the Current taxes are not paid in full by December 31 of any year the Business Incentive and Investment Grant Machinery and Equipment shall not be paid to the property owner for that year nor shall the property owner be eligible to receive the Business Incentive and Investment Grant for Machinery and Equipment for any subsequent years.

*Duration of the Business Incentive and Investment Grant program*

3.13. The Business Incentive and Investment Grant Program for Machinery and Equipment as authorized by this Bylaw will be in available for qualifying properties commencing with the 2018 assessment year and shall operate in accordance with the terms of this Bylaw until such time as this Bylaw is amended or repealed.

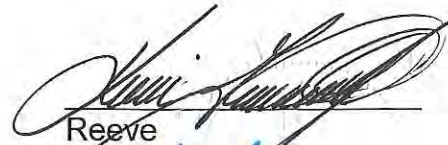

**4. SEVERABILITY**

4.1. Should any provision of this Bylaw be declared to be invalid, then such invalid provision shall be severed and the remaining Bylaw shall be maintained.

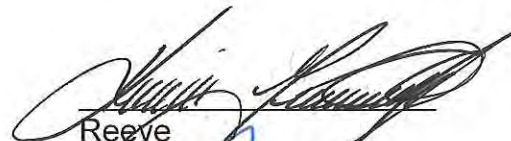
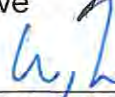
**5. EFFECTIVE DATE**

5.1 The adoption of this Bylaw to establish the Business Incentive and Investment Grant for Machinery and Equipment is effective upon the date of the passing of the third and final reading of this Bylaw.

FIRST READING THIS 9<sup>th</sup> DAY OF October 2018

  
\_\_\_\_\_  
Reeve  
  
\_\_\_\_\_  
Chief Administrative Officer

SECOND READING THIS 23<sup>rd</sup> DAY OF October 2018

  
\_\_\_\_\_  
Reeve  
  
\_\_\_\_\_  
Chief Administrative Officer

THIRD AND FINAL READING THIS 23<sup>rd</sup> DAY OF October 2018

  
\_\_\_\_\_  
Reeve  
  
\_\_\_\_\_  
Chief Administrative Officer