|  |  |
| --- | --- |
| **POLICY:** Services – Town of Herbert |  **COUNCIL RESOLUTION:**Resolution:Effective:  |
| **DEPARTMENT:**Administration | **POLICY NUMBER:** 2019-7.0  |  **Amended Date:**Resolution:   |

**7.1 B. Commercial/Industrial Tax Incentives**

 **ASSESSMENT EXEMPTION**

 **1. New Construction**

* 1. For commercial/industrial buildings of new construction only.
	2. Upon new assessment the following tax exemption in each of a four (4) year consecutive period will apply:
		+ Year 1 - 100%
		+ Year 2 - 75%
		+ Year 3 - 50%
		+ Year 4 - 25%

c. The exemption does not apply to the assessment of the land.

d. School taxes are not eligible for exemption.

 **2. Permanent Facility Improvements**

 a. Major physical improvements to an existing facility that increase the current assessment by at least 25%.

 b. Upon new assessment the following tax exemption in each of a four (4) year consecutive period will apply:

* + - Year 1 - 100%
		- Year 2 - 75%
		- Year 3 - 50%
		- Year 4 - 25%

c. The exemption does not apply to the assessment of the land.

d. School taxes are not eligible for exemption.

 **3. Vacant Building**

 a. When a building that has been vacant for one year or more is purchased and a business is established.

 b. Upon start-up of the business the following tax exemption in each of a two (2) year consecutive period will apply:

* + Year 1 - 50%
	+ Year 2 - 25%

 c. The exemption does not apply to the assessment of the land.

 d. School taxes are not eligible for exemption.

 e. Only one tax concession shall be granted per property every four (4) years.

**4. Exclusion**

A business subject to commercial taxation, thus home-based businesses and businesses subject to grants in lieu are excluded.