

Town of Kipling  
Policy Manual



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**POLICY DESCRIPTION:**

Community Incentive Policy (CIP)

**POLICY NUMBER:**

TAX001

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**DATE APPROVED:** October 11 , 2011  
**REVISED:** September 14, 2015

**RESOLUTION #:** 189 /11

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**Commercial Incentive Policy (CIP)**

Each commercial/industrial property may only qualify for one incentive offered by the Town of Kipling.

Purpose:

1. Stimulate new commercial development within the Town of Kipling.
2. Increase the long term commercial assessment in Kipling.
3. Promote job creation within the Town of Kipling.

**New Business Construction**

The Town will provide a three year tax incentive for new business construction. The incentive offered is as follows:

**First Year: 100% base and mill rate tax exemption**  
**Second Year: 75% base and mill rate tax exemption**  
**Third Year: 50% base and mill rate tax exemption**

- \*The first year is the year in which construction of the new business is commenced.
- \*The business owner must own the land being developed.
- \* Tax exemption may include both municipal and school portions; it does not include special levies.

### Business Expansion Incentive

The Town will provide a three year tax incentive on the municipal portion of the taxes for new construction, approved by Town Council, of an existing business which increases the physical space of the commercial improvements. The incentive shall be calculated on the difference between the old assessment value and the assessed value of the new construction.

**First Year: 100% base and mill rate tax exemption on value of the expansion**

**Second Year: 75% base and mill rate tax exemption on value of the expansion**

**Third Year: 50% base and mill rate tax exemption on value of the expansion**

\*The first year is the year following completion of construction.

\* This incentive does not include special levies.

### Conditions for Commercial Incentives

- Commercial incentives granted shall be conditional to that business being in active operation.
- If at any time the taxes are in arrears on the affected property, all incentives will be withdrawn and full taxes become payable for the project.
- Application for these incentives must be made to Council in the form of a development application. **Council reserves the right to approve each incentive package individually** and customize incentives to any specific project when investment dollars of the commercial improvements exceed \$400,000.00.
- Each commercial property receiving an incentive may be required to submit an annual report to Council confirming that the terms of the incentive are being met.
- The incentives apply to the main building of the business not surrounding properties.



*Mayor*