

MUNICIPALITY OF GRASSLAND

Development Incentive Tax Credit By-Law

BY-LAW No. 2026-06

**BEING A BY-LAW** of the Municipality of Grassland to establish a development incentive program to attract new residents and businesses; to encourage existing residents and businesses to remain; and encourage new residential, commercial and industrial development.

**WHEREAS** under The Municipal Act a Council may, by by-law, establish financial assistance programs;

**AND WHEREAS** financial assistance means a tax credit for property taxes;

**AND WHEREAS** Council is of the opinion that all efforts must be made to promote development in the municipality to support economic growth

**NOW THEREFORE BE IT RESOLVED** that the Council of the Municipality of Grassland, in open meeting assembled, enacts as follows:

1. PURPOSE

The purpose of this by-law is to provide for taxation incentives for new residential development, new or expanding commercial and industrial development, thus demonstrating the Municipality of Grassland’s commitment and readiness to invest in the development of the municipality.

2. DEFINITIONS

2.1. **Base Year:** the first year in which the Municipality receives notice of the supplementary assessment and the property is added to the tax roll for taxation purposes following completion of the eligible development.

2.2. **Tax Credit:** a cancellation or reduction of general municipal taxes applied directly to the property tax account of an eligible property in accordance with this by-law.

2.3. **Residential Property:** real property assessment on buildings located within the Municipality of Grassland classified as “Residential – Taxable” in the assessment roll;

2.4. **Portioned Assessment:** the percentage of assessed value of a property that is subject to taxation as determined by provincial legislation

2.5. **General Municipal Taxes:** the portion of taxes collected that go to the Municipality. This does not include the education portion of taxes collected or any special service levies, frontage levies, local improvement charges, or other similar charges.

2.6. **Registered owner:** a person that holds the title to the property as registered within the Land Titles Office.

3. ELIGIBILITY

3.1. The Development Incentive Tax Credit shall be applied against the property tax account of a property within the Municipality where the portioned assessment of the property, as determined by the Manitoba Assessment Branch, meets or exceeds the minimum thresholds established in Schedule “A”. Eligibility for the incentive is based on the total portioned assessment of the property and is not dependent on, or limited to, any increase from a prior assessed value.

3.2. A tax credit provided pursuant to this program does not terminate due to the sale of the eligible building project.

3.3. Eligible developments include new residential construction, including multi-unit residential developments; and new construction or expansion of commercial / industrial structures that results in an increase in building area, provided the total portioned assessment of the property meets the applicable threshold in Schedule “A”.

3.4. A property is not eligible for the Development Incentive Tax Credit if there are any outstanding taxes, utility charges, or other amounts owing to the Municipality at the time of application or at the time the tax credit would otherwise be applied.

#### 4. GUIDELINES

- 4.1. All eligible developments must meet or exceed the minimum portioned assessment thresholds established in Schedule “A”, as determined by the Manitoba Assessment Branch.
- 4.2. Incentive categories, eligibility thresholds, and tax credit percentages shall be established in Schedule “A” attached to and forming part of this by-law. All development must comply with building code standards and applicable by-laws.
- 4.3. The Municipality reserves the right to approve or deny eligibility to applicants or developers who have or will receive any other form of financial support, incentives, grants or refunds from any level of government or agencies thereof.
- 4.4. Development agreements may be required, depending on the complexity of the development. If applicable, incentives will not be granted until all aspects to the Agreement have been met.
- 4.5. The incentive program is available to developments that achieve the substantial completion status in 2024 or later.

#### 5. APPLICATION

- 5.1. Applications for the Development Incentive Tax Credit Program shall be made to the Municipality of Grassland in the form attached as Schedule B – “*Development Incentive Tax Credit Program Application Form*”, prior to the completion of construction, but no later than December 31st in the year of substantial completion, to qualify for the program.
- 5.2. Any applicable tax credit shall be applied to the property tax account in the Base Year, as defined in Section 2.1. The tax credit shall be applied as a cancellation or reduction of general municipal taxes in each qualifying year, subject to continued eligibility under Section 3.
- 5.3. The determination of portioned assessment for the purposes of this program shall be based on the assessment values provided by the Manitoba Assessment Branch.
- 5.4. All required permits, certificates, development agreements, and other authorizations must be obtained before the development project commences construction to be eligible for the program.
- 5.5. Commercial / Industrial businesses must remain in business for the duration of the commercial tax incentive period.
- 5.6. Development approved under the program will be granted by resolution of council.
- 5.7. In the event there is a dispute regarding eligibility for the program and / or credit amount available, the decision of the council of the Municipality of Grassland shall be final.
- 5.8. Upon meeting all eligibility criteria, the applicable tax credit shall be applied directly to the property tax account of the registered owner in each qualifying year.
- 5.9. For greater certainty, tax credits provided under this by-law shall be applied as cancellations or reductions of taxes on the property tax roll and shall not be paid as a grant, refund, or reimbursement to the property owner.

#### 6. TERMINATION OF THE PROGRAM

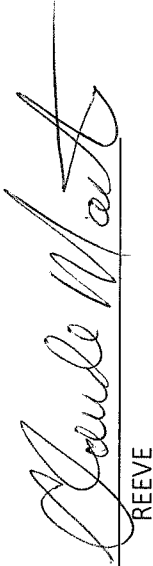
- 6.1. Property tax accounts must be in good standing at both the time of agreement execution and throughout the duration of the incentive program. Failure to keep an account in good standing will result in discontinuation of the agreement and full taxes being due and payable.
- 6.2. Council has the right to terminate the Development Incentive by-law Tax Credit Program. All applications made prior to the repeal of the By-Law will receive their tax credits for the remainder of the program.
- 6.3. In instances whereby a property under construction is transferred or sold, the tax incentives will accrue to the new owner of the said property.
- 6.4. Any previous agreements made with the Municipality of Grassland shall remain in effect until expiry.

#### 7. REPEAL

- 7.1. By-Law No. 2024-07 is hereby repealed.

All attached schedules forming part of this by-law may be amended by resolution of Council.

**DONE AND PASSED** as a By-Law of The Municipality of Grassland at Hartney in the Province of Manitoba,  
this 26<sup>th</sup> day of May 2026.

  
REEVE

  
CHIEF ADMINISTRATIVE OFFICER

Read a first time this 14<sup>th</sup> day of May, 2026  
Read a second time this 26<sup>th</sup> day of May, 2026  
Read a third time this 26<sup>th</sup> day of May, 2026

SCHEDULE "A"  
DEVELOPMENT INCENTIVE TAX CREDIT SCHEDULE

Pursuant to By-Law No. 2026-06, the following incentive categories, eligibility thresholds, and tax credit percentages shall apply.

| Category                            | Portioned Assessment       | Year 1                          | Year 2                          | Year 3                          | Year 4                          | Year 5                          |
|-------------------------------------|----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Residential Development             | \$200,000 and above        | 50%                             | 50%                             | N/A                             | N/A                             | N/A                             |
| Commercial / Industrial Development | \$500,000 – \$2,499,999.00 | 75%                             | 50%                             | 25%                             | N/A                             | N/A                             |
| Major Commercial Development        | \$2,500,000 and above      | 75%<br>To a maximum of \$30 000 | 75%<br>To a maximum of \$30 000 | 50%<br>To a maximum of \$24 000 | 50%<br>To a maximum of \$24 000 | 25%<br>To a maximum of \$18 000 |

Tax credits apply only to the general municipal taxes levied on properties that meet or exceed the minimum portioned assessment thresholds outlined above.

Eligibility is determined based on the total portioned assessment of the property and is not limited to, or calculated on, any incremental increase in assessment.

**SCHEDULE “B”**  
**DEVELOPMENT INCENTIVE TAX CREDIT APPLICATION**

**Applicant Information**

Registered Owner(s): \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

**Property Information**

Civic Address: \_\_\_\_\_

Legal Description: \_\_\_\_\_ Roll Number: \_\_\_\_\_

Current Property Classification:

- ☐ Residential  
☐ Commercial  
☐ Industrial

**Project Details**

Type of Development:

- ☐ New Construction  
☐ Expansion of existing commercial / industrial structure

Description of Project: \_\_\_\_\_

Project Start Date: \_\_\_\_\_

Expected Completion Date: \_\_\_\_\_

Building Permit Number(s): \_\_\_\_\_

*Note: Interior renovations or alterations that do not result in new construction or commercial / industrial expansion (increase in building area) are not eligible under this program.*

**Estimated Project Value / Assessment**

Estimated Total Project Value: \$ \_\_\_\_\_

Expected Portioned Assessment Category (if known):

- ☐ Residential (≥ \$200,000)  
☐ Commercial / Industrial (\$500,000 - \$2,499,999)  
☐ Major Commercial (≥ \$2,500,000)

**Declaration**

I/We hereby certify that:

- The information provided in this application is true and complete;
- All required permits and approvals will be obtained prior to construction;
- There are no outstanding taxes or municipal charges on the property;
- I/We understand that approval of this application is subject to Council resolution and eligibility under By-Law No. 2026-06;
- I/We understand that any approved tax credit shall be applied as a reduction of taxes on the property tax account and will not be paid as a grant or reimbursement;
- I/We acknowledge that incentives may be discontinued if eligibility conditions are not maintained.

**Applicant Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Applicant Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_