

Town of Borden-Carleton Municipal Residential Property Tax Incentive Policy 2022-06-01

1.0 Housing Initiative

- 1.1 Construction of a new home with an assessment of at least \$100,000
- 1.2 Construction of a new apartment building assessed at least \$100,000 per dwelling unit.
- 1.3 Incentive applies to initial owner only and terminates once the property is sold. It is not transferable to subsequent owners of the property
- 1.4 Incentive only allowed to be used one time per property. For multi building housing projects built in phases, the incentive will apply as each building is completed and occupied as per signed separate agreement with the developer.
- 1.5 Incentive applies to year-round, owner occupied or tenant property.
- 1.6 Tourism, cottages, seasonal, short- term rentals and non-residential properties are not eligible for the municipal tax incentive.
- 1.7 Change of use of an existing structure will not make the property eligible for a municipal tax incentive.

2.0 Eligible applicants will receive a tax refund as follows:

- 2.1 For owner-occupied single-family homes: a 100% rebate for 5 years on the Municipal portion of their residential property tax.
- 2.2 For apartment buildings, built and 75% occupied prior to December 31, 2025: a 100% rebate for 5 years on the Municipal portion of their residential property tax
- 2.3 For multiple housing projects on the same lot built in phases and an agreement is in place as per section 1.4: a rebate for each building as per the terms outlined in the agreement.
 - 2.3.1 Notwithstanding the terms of the agreement, the rebate of the Municipal portion of the taxes shall not exceed 5 years for each individual building.

- 2.4 For all apartment buildings built and occupied after December 31, 2025 and for all multiple dwelling agreements signed after December 31, 2025, a phased tax incentive will apply once buildings are complete and 75% occupied:
- For year one – 100% rebate for 5 years on the Municipal portion of their residential property tax, and
 - For year two – 80% rebate for 5 years on the Municipal portion of their residential property tax, and
 - For year three – 60% rebate for 5 years on the Municipal portion of their residential property tax, and
 - For year four – 40% rebate for 5 years on the Municipal portion of their residential property tax, and
 - For year five – 20% rebate for 5 years on the Municipal portion of their residential property tax, and

3.0 Administration of the tax incentive program

3.1 An applicant must fill in an application form each year and return it along with a copy of their P.E.I. Real Property Tax bill, to the Municipal Office, 20 Dickie Road (Box 89), Borden-Carleton COB 1X0 prior to December 31st in any given taxation year.

3.2 The CAO may require proof of payment of property taxes prior to issuing an incentive payment to the property owner.

3.3 Any payment will be issued to the assessed owner of the property.

3.4 The CAO may deduct from the incentive payment, amounts to cover any outstanding fees or other charges owed to the town including and not limited to utility billings, servicing charges, permits, fees and fines.

4.0 interpretation and termination of Incentive Program

4.1 The Council of the Town of Borden-Carleton may amend or terminate the municipal residential property tax incentive by motion of Council at a duly held meeting of the Council.

4.2 If any dispute arises in respect to the application and interpretation of any provisions of this document, the opinion of the Town shall prevail and be final.

First reading: July 12, 2022

Second Reading: Oct 11, 2022

Date Adopted: Oct 11, 2022

Charles Mackenzie, Mayor

Jim Wentzell, CAO