

Revitalization Tax Exemption Application Guide

To encourage new development and property improvement within Dawson Creek, the City of Dawson Creek Council adopted Revitalization Tax Exemption Bylaw No. 4609, 2025. The Revitalization Tax Exemption Bylaw refers to an incentive program that provides a municipal tax exemption for a time-limited period on construction projects that are valued over \$75,000. The tax exemptions apply only to the municipal portion of your property taxes; they do not apply to other taxes such as school, hospital and regional district taxes.

Steps to Success

- 1. Review tax exemption amounts and timelines according to property classification
- 2. Check eligibility
- Review and submit application form and required documents before September 15, 2025 (July 31 in future years)
- 4. Wait for approval

Tax Exemption Amounts and Timelines

If you construct, alter, or renovate a property the increase in its assessed value won't be taxed by the City for a certain period, as listed below. Only the original assessed value of the improvements will be taxed - not the new, higher value after construction or upgrades.

Residential Properties (Class 1)

The municipal tax exemptions that will be given over a span of five years for new development or property improvements on approved residential properties are:

- Year 1: 100% of the increased assessed value of improvements on the Property
- Year 2: 80% of the increased assessed value of improvements on the Property
- Year 3: 60% of the increased assessed value of improvements on the Property
- Year 4: 40% of the increased assessed value of improvements on the Property
- Year 5: 20% of the increased assessed value of improvements on the Property

All Other Property Types

The municipal tax exemptions that will be given over a span of five years for new development or property improvement on all other approved property types, such as commercial or light industry properties are:

- Year 1-2: 100% of the increased assessed value of improvements on the Property
- Year 3-4: 80% of the increased assessed value of improvements on the Property
- Year 5-6: 60% of the increased assessed value of improvements on the Property
- Year 7-8: 40% of the increased assessed value of improvements on the Property
- Year 9-10: 20% of the increased assessed value of improvements on the Property

Eligible Applicants

If you own land with the City of Dawson Creek on which an eligible project is to be constructed, you (or your designate) are eligible to apply for municipal tax exemptions, so long as the total construction costs surpass \$75,000.

Review and Submit Application

An application form must be filled out. Application forms are available in person at the Engineering counter at City Hall, 10105 12A Street or online at www.dawsoncreek.ca/revitalization-tax. Completed applications should be submitted to tax_dept@dawsoncreek.ca or in person at City Hall.

Deadline

Applications for municipal tax exemptions must be submitted on or before September 15, 2025, or for future years, on or before July 31, 2025.

 Applications must be submitted before any building permit has been issued for any part of the project. For 2025, applications will also be considered for projects with previous building permit applications, provided that the application was not made prior to January 1, 2025.

Requirements

The following documents should be submitted together with each application form:

• A certificate showing that all taxes and fees that were owing on the land before the date of the application have been paid.

- A copy of the most recent property assessment notice of the land.
- A complete description of the eligible project including:
 - Plans prepared by a qualified professional to show it is an eligible project.
 - A construction cost estimate certifying the construction value of the eligible project.

Approval Process

A Revitalization Tax Agreement will be drafted for each application and considered by Council annually.

- If the Agreement is approved by Council and it has been signed by the property owner, a Tax Exemption Certificate will be issued by the City by October 31. BC Assessment will then adjust the assessed value of improvements in future years to account for the exemption, as the impact of construction is realized on the property.
- The Tax Exemption Certificate may be cancelled if any of the conditions are not met and you may be required to pay back taxes that you were exempted from paying.

Questions

If you have questions regarding this program, please reach out to <u>tax_dept@dawoncreek.ca</u> or call 250-784-3600.

This information is meant for general guidance only and is not to be regarded as a right to approval if the steps indicated are followed. Applicants should review the City of Dawson Creek Revitalization Tax Exemption Bylaw for full details.