



RESIDENTIAL
REVITALIZATION
TAX EXEMPTION



CRESTON  VALLEY
TOWN of CRESTON



WHAT IS THE RESIDENTIAL REVITALIZATION TAX EXEMPTION PROGRAM?

The Residential Revitalization Tax Exemption (RTE) Program is a tool that provides an incentive in the form of partial relief from the municipal portion of your property tax to encourage rental housing development. The Residential RTE, provides tax exemptions for the increase in assessed property value resulting from the construction of rental residential dwelling units.

The RTE encourages:

- Purpose-built rental housing
- Apartment and multi-family rental developments
- Mixed-use residential rental developments
- Single family, duplex, and accessory dwelling unit rental developments in accordance with zoning bylaws.

IS YOUR PROJECT ELIGIBLE?

Many factors play into eligibility for the Program. Two key components are; a new dwelling unit must be constructed, and the owner must enter into a 'Housing Agreement' with the Town or BC Housing. The Housing Agreement secures the rental unit for 10-15 years, ensuring long-term rental opportunities for tenants.

Refer to the Residential Revitalization Tax Exemption Bylaw No. 1944 on the Town of Creston website to determine if you are eligible. In addition, feel free contact Community Planning and Development Staff to see if you qualify before applying.

IMPORTANT DATES

Applications must be received no later than August 31, following project completion. The project must be fully completed by this time. The tax exemption will be applicable in the following year. The Town of Creston will accept RTE applications in 2022, 2023, and 2024, with no applications accepted after August 31, 2024. The maximum term of an exemption under this Program is ten (10) years, commencing on January 1 year after the Revitalization Tax Exemption Certificate was issued as long as it was issued prior to October 31.



HOW TO APPLY

1. Submit application for Development Permit if required
2. Submit application for Building Permit
3. Following project completion, complete a Residential Revitalization Tax Exemption Program Application prior to August 31st. The application may be collected and dropped off at Town Hall. In addition to the application, please include the following information:
 - Project description, plans, and photographs;
 - Assessed value of the property (current year);
 - Confirmation that current taxes on the parcel are paid; and
 - Copies of development permits, building permits, and occupancy permits as applicable.
4. Sign a Housing Agreement with the Town of Creston or BC Housing, depending on the development type.
5. Sign a Revitalization Tax Exemption Agreement with the Town.



HOW DOES THE EXEMPTION WORK?

The Town of Creston will issue a Revitalization Tax Exemption Certificate upon execution of both agreements, and the tax incentive will begin in the tax year following project completion.

The municipal portion of the following year's tax notice should be similar to the amount paid prior to beginning construction. However, the actual amount depends on the tax rate adjusted annually through the Town budget process. The exemption only applies to the municipal portion of taxes that may have increased as a result of the development of rental dwelling units. School, RDCK, RCMP, and Hospital taxes will still be taxed at the full assessed value.

CANCELLATION

Revitalization Tax Exemption Certificates are subject to all requirements set out in the Revitalization Tax Exemption Agreement. The requirements must continue to be met throughout the agreed upon term. If the agreement is not adhered to, the owner will be responsible for repaying the municipal tax exemption received. Review the "Cancellation of Certificate" section in the bylaw for more information.



**For More Information on the
Residential Revitalization
Tax Exemption:**

Contact our
Community Planning and
Development team at
communityservices@creston.ca
or 250-482-2214 ext 422.



TOWN of CRESTON