



COMMERCIAL AND INDUSTRIAL VACANCY REBATE PROGRAM

The Vacant Unit Rebate provides a tax rebate to property owners who have vacancies in commercial and industrial buildings. This application-based program is administered by municipalities. The current rebate is 30% of the property tax for vacant commercial space and 35% for vacant industrial space.

To be eligible for a Vacancy Rebate, a building or portion of a building must satisfy the following conditions:

1. **Buildings that are Entirely Vacant** – A whole commercial or industrial building will be eligible for a rebate if the entire building was unused for at least 90 days.
2. **Buildings that are Partially Vacant** – A suite or unit within a commercial building will be eligible for a rebate if, for at least 90 consecutive days, it was:
 - Unused; and
 - Clearly delineated or physically separated from the used portion of the building; and
 - either
 - Capable of being leased for immediate occupation, or
 - Not capable of being leased for immediate occupation because it was undergoing or in need of repairs or renovations or was unfit for occupation.

A portion of an industrial building will be eligible for a rebate if it was, for at least 90 consecutive days:

- Unused, and
 - Clearly delineated or physically separated from the used portions of the building.
3. **Exclusions** – A building or portion of a building will not be eligible for a rebate if:
 - It is used for commercial or industrial activity on a **seasonal basis**
 - During the period of vacancy it was subject to a lease, the terms of which had commenced; or
 - During the period of vacancy it was included in a sub-class for vacant land.
 4. **How the Program Works** – An annual application must be received by the municipality for this program. The deadline for submitting an application is **February 28** of the year following the taxation year to which the application relates.

The applicant must agree to provide further information requested by the Municipality or the Municipal Property Assessment Corporation (MPAC) in order to demonstrate that eligibility requirements have been met.



5. Application Process

- Property owner or authorized representative submits an application to the Municipality
- The Municipality forwards a copy of the application to MPAC
- MPAC determines the assessed value that is attributable to the vacant area
- MPAC notifies the Municipality of the value of the eligible vacant area
- The Municipality calculates the rebate and notifies the property owner. The rebate may be issued as a credit against an outstanding tax liability or through direct payment to the property owner.
- The amount of the rebate is shared by the Municipality and the School Boards by the same proportion as they share in the revenues