

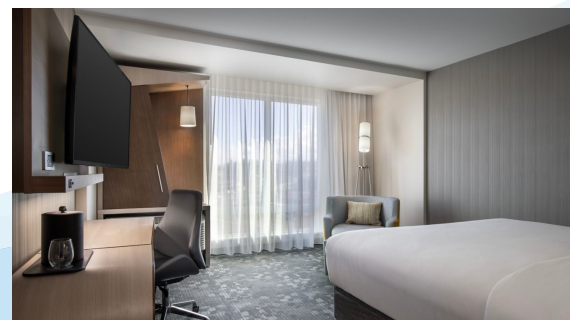
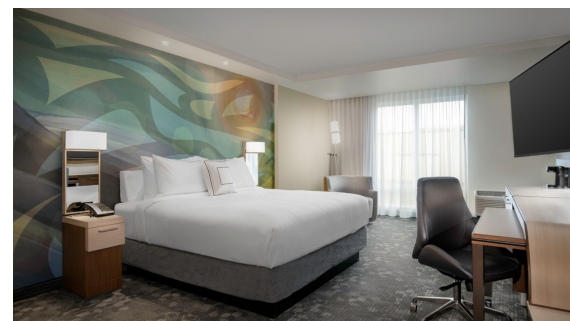
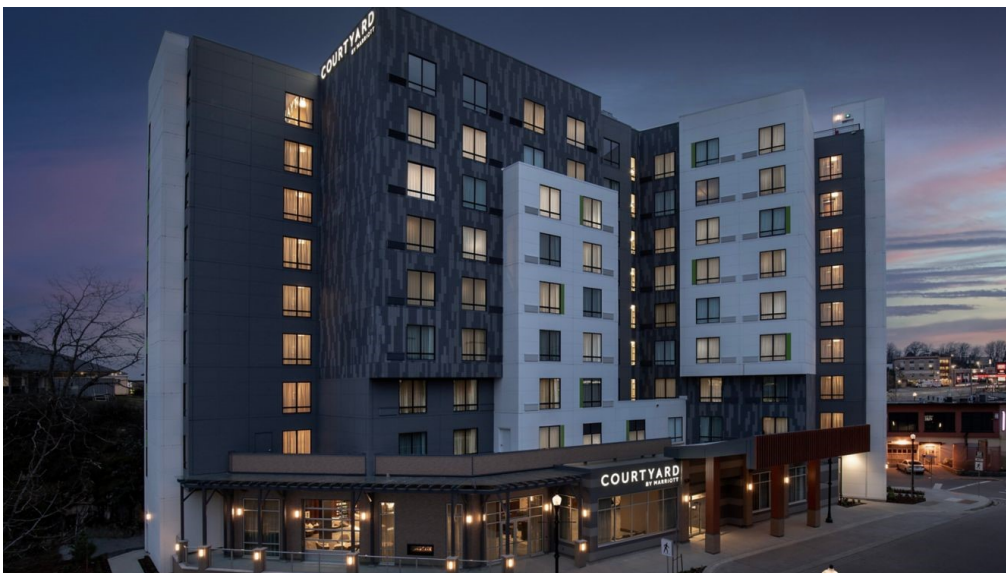
Hotel Motel Revitalization Tax Exemption Program (HM RTE)

PURPOSE

The City of Nanaimo is encouraging the development and redevelopment of hotels and motels to improve the inventory of quality rooms available for the many tourists that visit our community. To achieve this objective, development incentives are being offered through the *City of Nanaimo's Hotel Motel Revitalization Tax Exemption Bylaw, No. 7385, 2024*. Acceptance into this program must be prior to December 31, 2029.

PROGRAM DETAILS

- The construction value of the new project, as determined by the building permit value, must be three million dollars (\$3,000,000) or greater.
- The construction value of the renovation project, as determined by the building permit value, must be a quarter million dollars (\$250,000) or greater.
- This program provides a five-year tax exemption on the municipal portion of property taxes to hotel or motel projects located anywhere within the city of Nanaimo boundaries.
- The new developer **MUST** apply for the tax exemption before a building permit is issued.



HM RTE FREQUENTLY ASKED QUESTIONS AND ANSWERS

1. If I am eligible for the HM RTE does that mean that I don't have to pay any property taxes?

No. Pursuant to the *Community Charter*, only the municipal portion of property taxes are exempt (i.e. taxes collected for general, general debt, library, etc). HM RTE recipients are still required to pay property taxes that are collected for other services (i.e. tax levies for Hospital, RDN, schools, etc.).

2. How much of a tax exemption will I receive?

The exemption is equal to the difference between baseline assessment and current assessment as applied to the municipal tax rate. Property owners are required to pay municipal portion of taxes on pre-improvement value of both land and buildings.

2024 Tax Rate	Commercial	
Other Services (School, BCAA, MFA Hospital, Regional District)	6.9710	Portion of taxes that must be paid
Municipal (General, General Debt, Library)	12.4471	Portion of taxes that are exempt
TOTAL	19.4181	

3. Who determines the Assessed Values?

B.C. Assessment is responsible for assessing properties each year to determine their assessed value. The City of Nanaimo uses B.C. Assessment's information to administer property taxes on baseline and current assessment.

4. Does the exemption stay the same each year?

For eligible projects, the exemption varies each year depending on the municipal tax rate and the current assessed value as determined by B.C. Assessment Authority.

5. Can I utilize multiple Tax Exemption Programs?

No; however, if a hotel motel development project is below the \$3 million building permit threshold, and is located in the Downtown Revitalization Tax Exemption zone (DRTE bylaw 7384) and meets all the eligibility requirements, the DRTE program may be utilized in place of HM RTE program.

6. Where can I get more information?

Further details are available on www.nanaimo.ca

7. Who can I contact for more information?

Please contact Amrit Manhas, Economic Development Officer by phone (250) 755-4465 or by email amrit.manhas@nanaimo.ca