# Industrial Incentives



The City of Fort Saskatchewan offers several municipal incentives to support investment in key sectors like petrochemicals, hydrogen, value-added agriculture, and manufacturing. These include financial incentives on eligible capital costs to help businesses develop, expand, or upgrade facilities.

In addition, provincial and federal governments provide their own incentive programs for businesses in areas such as hydrogen energy, petrochemicals, and agri-processing. These programs offer further financial support, such as tax credits and grants, to encourage large-scale investments across various industries.

# **Municipal Incentives**



#### **Heartland Incentive Program**

This incentive supports projects in key sectors such as petrochemicals, energy value chains, and their associated infrastructure. This incentive provides a 2.5% return on eligible capital costs over \$50 million for up to 10 years.



#### **Hydrogen Tax Incentive**

The Hydrogen Tax Incentive supports the hydrogen energy industry with financial incentives for large capital investments. This incentive provides a 2.5% return on eligible capital costs over \$10 million for up to 10 years.



#### Value-Added Agriculture Tax Incentive

The Value-Added Agriculture Tax Incentive supports the development, growth, and competitiveness of the agricultural processing and production sectors. This incentive provides a 2.5% return on eligible capital costs over \$10 million for up to 10 years.



# Industrial Support and Manufacturing Tax Incentive

The Industrial Support and Manufacturing Tax Incentive provides financial support for small and medium-sized businesses in sectors like logistics, specialized industrial services, and manufacturing. This incentive provides a 5% return on eligible capital costs over \$1 million up to \$250,000 for up to 10 years.





# Industrial Incentives



### **Provincial Incentives**

#### Alberta Petrochemical Incentive Program

The Alberta Petrochemical Incentive Program (APIP) aims to attract investment in the petrochemical sector by offering grants to companies that build, expand, or upgrade petrochemical facilities in Alberta. The program covers up to 12% of capital costs for eligible projects with a minimum capital investment of \$50 million.

#### <u>Agri-Processing Investment Tax Credit</u>

The Agri-Processing Investment Tax Credit (APITC) provides a 12% non-refundable tax credit when corporations invest at least \$10 million to build or expand a value-added agri-processing facility in Alberta. Up to \$175 million in tax credits is available for each project.

#### Alberta Carbon Capture Incentive Program

The Alberta Carbon Capture Incentive Program (ACCIP) is designed to encourage investment in carbon capture, utilization, and storage projects in Alberta. Similar to the Alberta Petrochemical Incentive Program, ACCIP offers grants that cover up to 12% of eligible capital costs for CCUS projects.

## **Federal Incentives**

#### Clean Hydrogen Investment Tax Credit

The Clean Hydrogen Investment Tax Credit is a refundable tax credit that applies to eligible clean hydrogen property. To be eligible, the property must be acquired and available for use in a qualified clean hydrogen project.

#### **Accelerated Capital Cost Allowance**

The Accelerated Capital Cost Allowance allows approved investment companies to write off a larger share of the costs of newly acquired capital assets in the year the investment is made, or when the asset becomes available for use.

#### Strategic Innovation Fund (SIF)

The SIF supports large-scale strategic projects in business innovation, growth, collaborations, and networks. The SIF administration team recommends contacting them early to keep projects aligned and ensure a quality application.

#### <u>Carbon Capture, Utilization, and Storage (CCUS)</u> <u>Investment Tax Credit (ITC)</u>

The CCUS ITC is a refundable tax credit for eligible expenses on qualified CCUS projects. It covers property used to capture CO2 from combustion, industrial processes, or air, transport it, and store or utilize it in industry.



ECONOMIC DEVELOPMENT



