Agenda – Executive Policy Committee - June 15, 2005

REPORTS

Item No. 1 **Tax Credit Program for Riverbank Stabilization Works on privately-owned land**
File FL

STANDING COMMITTEE RECOMMENDATION:

On June 7, 2005, the Standing Policy Committee on Property and Development referred the matter of a Tax Credit Program for Riverbank Stabilization Works on privately-owned lands to the Executive Policy Committee for consideration by the Standing Committee on Fiscal Issues.

Moved by Councillor

That Rule 9.3 of the Procedure By-law be suspended in order that the following item, which was received too late to be placed on the regular agenda, may also be considered by Committee at this time.

ADDENDUM REPORTS

CIVIC ENVIRONMENTAL COMMITTEE RECOMMENDATION:

On June 13, 2005, the Civic Environmental Committee passed the following motion:

> WHEREAS the Executive Policy Committee on June 15, 2005 is considering a report with respect to a Tax Credit Program for Riverbank Stabilization Works on Privately Owned Land;
>
> THEREFORE BE IT RESOLVED that the Civic Environmental Committee supports the Tax Credit Program for Riverbank Stabilization Works on Privately-Owned Land.

and forwarded to Executive Policy Committee.

Agenda – Executive Policy Committee - June 15, 2005

DECISION MAKING HISTORY:

CIVIC ENVIRONMENTAL COMMITTEE RECOMMENDATION:

On June 13, 2005, the Civic Environmental Committee passed the following motion:

> WHEREAS the Executive Policy Committee on June 15, 2005 is considering a report with respect to a Tax Credit Program for Riverbank Stabilization Works on Privately Owned Land;
>
> THEREFORE BE IT RESOLVED that the Civic Environmental Committee supports the Tax Credit Program for Riverbank Stabilization Works on Privately-Owned Land.

and forwarded to Executive Policy Committee.

STANDING COMMITTEE RECOMMENDATION:

On June 7, 2005, the Standing Policy Committee on Property and Development passed the following motion:

> WHEREAS riverbank stability is a major concern;
>
> THEREFORE BE IT RESOLVED THAT the recommendation from the Riverbank Management Committee be referred to the Executive Policy Committee for consideration by the Standing Committee on Fiscal Issues.

RIVERBANK MANAGEMENT COMMITTEE RECOMMENDATION:

On May 12, 2005, the Riverbank Management Committee requested the Administration to report back to Committee on the following:

1. Its review of the provisions of the Province of Manitoba Riparian Tax Credit program.

2. Ways by which this type of program could be applied to The City of Winnipeg.

3. The feasibility of implementing a similar tax credit program for riverbank stabilization works on privately-owned land,

and submitted its recommendation to the Standing Policy Committee on Property and Development.

THE RIPARIAN TAX CREDIT

INFORMATION FOR TAXPAYERS



The Riparian Tax Credit is a new green program initiated by the Manitoba Department of Finance – the first of its type in Canada. This property tax credit is 100% voluntary. It aims to encourage farm operators to upgrade their management of lakeshores and river and stream banks – and it recognizes those who have already done so. Benefits are available to agricultural and livestock producers across Manitoba who agree to make a five-year commitment to protect a strip of agricultural inland along a waterway.

Why manage riparian areas?

Proper management of the land along lakes and waterways helps prevent erosion and improve water quality. It may reduce emission of greenhouse gases. When lakeshore and river and stream banks are healthy over a wide area, it can even help reduce extremes of the flood and drought cycle.

Who may apply?

Owners of farm property with a lake or waterway running through it can apply for the credit if the area along the lake or waterway is

- suitable for cropping and has been used as crop land in the past; or
- suitable for grazing and is adjacent to current grazing land.

What qualifies as a lake or waterway for this program?

- All Order 4, 5, 6, 7 or 8 drains on a Manitoba Conservation map that shows designations of drains.
- An Order 3 drain qualifies if it is a natural water channel: i.e., it remains in its natural location and with its natural cross-section.
- The Red River, the Saskatchewan River, the Winnipeg River, the Carrot River, the Fairford River and the Dauphin River.
- Lakes with a surface area of at least two square kilometers (approximately 500 acres) and a natural water channel outlet.

Grassed waterways, seasonal creeks, dry riverbeds, roadside drainage ditches and wetlands are not eligible.

Maps showing the designation of lakes and waterways are available at your municipal or conservation district office.

What commitment must I make?

On former grazing land:

Agree to:

- set up a livestock exclusion zone at least 100 feet wide along each side of the lake or waterway. Livestock may not graze or water in the zone for five years starting in January 2005.
- maintain permanent fencing to separate grazing livestock from land in the exclusion zone. Fencing does not have to follow the lake or waterway. Fencing design may allow supervised water crossing, but not watering or grazing
- use the livestock exclusion zone for no agricultural activity other than haying.

Minimum size: If you own both sides of the lake or waterway, and there is former grazing land on both sides, the livestock exclusion zone must include both sides. The livestock exclusion zone must either be all the lakeshore or riverbank land within the quarter section for which you are applying; OR must be at least four acres of contiguous land. For example, it must run 1,760 feet along both sides of the bank.

On former crop land:

Agree to:

- keep a riparian strip 100 feet wide along the lake or waterway for five years. The land cannot be used for agricultural activity other than haying.
- maintain the riparian strip with suitable cover, which can include any combination of native and tame forage, bushes, and trees.

Minimum size: The riparian strip must makeup at least one acre of contiguous land. For example, it must run at least 440 feet along one bank.

For both crop and grazing land:

- Agricultural activities not allowed in the riparian strip include grazing, tilling and cutting trees for lumber or firewood.
- You must also agree to allow the province to inspect the land at any time during the five-year commitment.

Submitted by Councillor Swandel to the Riverbank Management Committee on May 12, 2005

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THE RIPARIAN TAX CREDIT

INFORMATION FOR TAXPAYERS



How much is the tax credit?

- Former crop land that is no longer cultivated, but that is maintained with native and tame forage, bushes and trees: $10 annually for five years, for a total of $50 per riparian acre.
- Former grazing land used only for haying: $10 annually for five years, for a total of $50 per riparian acre.
- Former grazing land with no agricultural activity: $14 annually for five years, for a total of $70 per riparian acre.
- The tax credit is paid only on acreage within the 100-foot strip along the waterway.

The tax credit's yearly amount cannot exceed the 2004 property taxes on your farm property. Installments are not paid until your property taxes for the previous year have been paid in full. Tax credits are paid by cheque to the first registered owner named on the application.

The tax credit is not reportable as income on your income tax return. Instead, it should reduce the amount of net property taxes you claim.

How do I apply?

- You may obtain application forms from your municipal office, conservation district, or by phoning the Tax Assistance Office (please see contact information) or on the Web site www.gov.mb.ca/finance/esa/riparian.
- The deadline for completed applications is March 31, 2005.
- Your municipal office has maps to help identify land or the order of drains on your land.
- If you need help with other aspects of your application, phone the Tax Assistance Office, and staff will help you.
- If you are planning a livestock exclusion zone but need more time to complete the required fencing, phone the Tax Assistance Office. You will still need to send in your application form by the deadline.

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For more information, contact:

The Manitoba Tax Assistance Office
c/o#910 – 386 Broadway
Winnipeg MB R3C 3R6

Telephone:
1-800-782-0771 (toll free)
(204) 948-2115 (in Winnipeg)

Fax:
(204) 948-2263

E-mail:
TAO@gov.mb.ca

Applications and information material are also available on our Web site:
http://www.gov.mb.ca/finance/esa/riparian



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