

SASKATCHEWAN BUSINESS INCENTIVES 2024

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MANUFACTURING AND PROCESSING

Manufacturing and Processing Profits Tax Reduction

The Manufacturing and Processing Profits Tax Reduction reduces the Saskatchewan corporate income tax (CIT) rate by up to two percentage points on Canadian manufacturing and processing profits, as reported on the federal T2 CIT return. Saskatchewan-based firms with a high allocation of income to Saskatchewan will receive a larger tax reduction than firms with a low allocation of income.

For further information about the Manufacturing and Processing Profits Tax Reduction, please contact:

Ministry of Finance

Taxation and Intergovernmental Affairs Branch

Phone: (306) 787-6722

Website: <http://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/manufacturing-and-processing-tax-credits>

Information Bulletin : <http://publications.gov.sk.ca/details.cfm?p=8026>

Manufacturing and Processing Investment Tax Credit

The Saskatchewan Investment Tax Credit (ITC) for Manufacturing and Processing (M&P) is available to manufacturing and processing corporations filing a T2 CIT return that have a permanent establishment (PE) in Saskatchewan. This is a refundable tax credit designed to encourage plant and equipment investment for M&P activities in Saskatchewan. The percentage rate of the ITC matches the rate of the Saskatchewan Provincial Sales Tax (PST). Therefore, for eligible purchases made after October 27, 2006, and before March 23, 2017, the ITC is equal to 5 per cent of the total capital cost of the asset. For eligible purchases made on or after March 23, 2017, the ITC is equal to 6 per cent of the total capital cost of the asset. Both sustaining capital and expansion capital investments qualify, as well as capital investments made in respect of both new and used equipment investments.

To be eligible for the M&P ITC Program, a corporation must:

- Conduct qualifying M&P activities in Saskatchewan
- Make qualifying M&P related purchases in Saskatchewan
- Meet the requirements under Federal ITA Regulation 4600(2)

For further information about the Manufacturing and Processing Investment Tax Credit, please contact:

Ministry of Finance

Taxation and Intergovernmental Affairs Branch

Phone: (306) 787-6722

Website: <http://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/manufacturing-and-processing-tax-credits>

Information Bulletin : <http://publications.gov.sk.ca/details.cfm?p=8027>

Corporation Income Tax Rebate for Capital Investment in Primary Steel Production

The Corporation Income Tax Rebate for Primary Steel Production will provide a tax incentive for eligible primary steel producers that make a minimum capital investment of \$100 million in new or expanded productive capacity. An eligible primary steel producer is a company that smelts and refines metals to produce steel in ingot or molten form, then rolls, draws, or casts that steel into sheet, strip, or other form at a production facility in Saskatchewan.

The tax incentive for each year of a five-year rebate period will be based on the incremental Saskatchewan Corporation Income Tax payable by the corporation as a result of the new investment. Incremental tax will be determined based on the proportionate increase in the facility's productive capacity resulting from the capital investment.

The tax incentive will rebate the full amount of incremental tax for each of the first two years of the rebate period, 75 per cent of the incremental tax for the third year of the rebate period, 50 per cent of the incremental tax for the fourth year of the rebate period and 25 per cent of the incremental tax for the fifth year of the rebate period.

For further information about the Corporation Income Tax Rebate for Capital Investment in Primary Steel Production, please contact:

Ministry of Finance

Taxation and Intergovernmental Affairs Branch

Phone: (306) 787-6722

Website: <https://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/corporation-income-tax-rebate-for-primary-steel-production#:~:text=The%20Corporation%20Income%20Tax%20Rebate,new%20or%20expanded%20productive%20capacity.tax-rebate-for-primary-steel-production>

Manufacturing and Processing Exporter Tax Incentive

The Manufacturing and Processing (M&P) Exporter Tax Incentive provides non-refundable tax credits to eligible businesses that expand the number of their M&P related full-time employees above the number that were employed in 2014. The incentive will provide \$3,000 in non-refundable tax credits for each incremental full-time employee for the 2015 through 2023 taxation years. Tax credits are applied against Saskatchewan corporate income tax and unused amounts can be carried forward for up to five taxation years.

To be eligible for the M&P Exporter Tax Incentive, companies must:

- Be in the M&P sector or be a “new economy” creative industry
- Must generate at least 25 per cent of their revenues from outside of Saskatchewan (either the rest of Canada or internationally)

For further information about the M&P Exporter Tax Incentive, please contact:

Bryan Dilling

Director, Investment Priorities

Ministry of Trade and Export Development

Phone : (306) 230-5374

E-mail : bryan.dilling@gov.sk.ca

Website: <http://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/manufacturing-and-processing-tax-credits/apply-for-the-saskatchewan-manufacturing-and-processing-exporter-tax-incentive>

Information Bulletin : <http://publications.gov.sk.ca/details.cfm?p=75971>

Manufacturing and Processing Exporter Tax Incentive for Head Office Jobs

The Manufacturing and Processing (M&P) Exporter Tax Incentive for Head Office Jobs will provide eligible businesses with non-refundable tax credits equal to \$10,000 in respect of each new head office employee hired for the 2015 through 2023 taxation years. This incentive will require employees to be performing typical head office duties. To qualify for this portion of the incentive, the business must establish an office located in Saskatchewan, where a minimum of 10 employees with current payroll of a minimum \$1 million are, performing at least five of the following head office functions: strategic planning, finance, information technology, human resources, corporate communications, taxation, legal, marketing or procurement.

To be eligible for the M&P Exporter Tax Incentive for Head Office Jobs, companies must:

- Be in the M&P sector or be a “new economy” creative industry
- Must generate at least 25 per cent of their revenues from outside of Saskatchewan (either the rest of Canada or internationally).

For further information about the M&P Exporter Tax Incentive for Head Office Jobs, please contact:

Bryan Dilling
Director, Investment Priorities
Ministry of Trade and Export Development
Phone : (306) 230-5374
E-mail : bryan.dilling@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/manufacturing-and-processing-tax-credits/apply-for-the-saskatchewan-manufacturing-and-processing-exporter-tax-incentive>

Information Bulletin : <http://publications.gov.sk.ca/details.cfm?p=75971>

Saskatchewan Chemical Fertilizer Incentive (SCFI)

The Saskatchewan Chemical Fertilizer Incentive (SCFI) offers a 15 per cent non-refundable tax credit for corporations that construct new or expand existing chemical fertilizer production facilities. To be eligible, a project must have a minimum of \$10 million in new capital expenditures, demonstrate that capital expenditures were made for the purposes of increasing productive capacity and meet the definition of eligible chemical fertilizer production. Redemption of the benefits are limited to 20 per cent in year one after the facility enters operation, 30 per cent in year two, and 50 per cent in year three. There will be a maximum carry-forward of 10 years on any remaining credit amount.

Eligible chemical fertilizer production is defined as: “All processing of mineral or chemical feedstock to create single or multi-nutrient synthetic fertilizer products. This definition excludes facilities that manufacture potash fertilizer products for which potash is the primary feedstock”.

For more information about SCFI, please contact:

Lindsay Quick
Deputy Director, Investment
Ministry of Trade and Export Development
Phone: (306) 229-0091
Email: lindsay.quick@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/investment-and-economic-development/business-incentives-and-tax-credits/saskatchewan-chemical-fertilizer-incentive>

Saskatchewan Technology Fund

The Saskatchewan Technology Fund (STF) provides funding to regulated emitters subject to the province's Output-based Performance Standards (OBPS) Program. Through a competitive process. The Fund supports industry-driven technology, innovation, and improvement projects that reduce emissions intensity through the mitigation, sequestration or capture of greenhouse gases (GHGs). Innovation Saskatchewan administers the program on behalf of the Ministry of Environment.

For further information about the Saskatchewan Technology Fund, please contact:

Matthew Hayduk

Program Specialist

Innovation Saskatchewan

Phone : (306) 371-4722

E-mail : matthew.hayduk@innovationsask.ca

Website: <https://innovationsask.ca/saskatchewan-technology-fund>

RESEARCH AND DEVELOPMENT INCENTIVES

Research and Development Tax Credit

The Research and Development (R&D) Tax Credit encourages innovative research and development activity in Saskatchewan. The 10 per cent income tax credit is refundable on the first million dollars of annual eligible expenditures for Saskatchewan Canadian-controlled private corporations. In all other cases, the credit is non-refundable and can be applied against Saskatchewan CIT otherwise payable in the subsequent 10 years (or the previous three taxation years). The total of refundable and non-refundable R&D Tax Credits that may be claimed by a corporation is limited to \$1.0 million per year.

Eligibility parallels the existing criteria for the Federal Scientific Research and Experimental Development Tax Credit (SRED), which offers a tax credit of up to 35 per cent of qualifying expenditures. Activities such as operations research, engineering or design, and computer programming, are generally eligible if they are undertaken directly in support of basic or applied research or experimental development. Leases and rentals qualify, but capital investments are ineligible. Marketing, quality control, and resources exploration/drilling activities also generally do not qualify.

For further information about the Research and Development Tax Credit, please contact:
Ministry of Finance
Taxation and Intergovernmental Affairs Branch
Phone: (306) 787-6722

Website: <http://www.saskatchewan.ca/business/taxes-licensing-and-reporting/tax-incentives/research-and-development-tax-credit>

Saskatchewan Advantage Innovation Fund (SAIF)

The Saskatchewan Advantage Innovation Fund (SAIF) is a research and development funding program designed to accelerate the commercialization of game-changing technologies in the province's core sectors (mining, energy, manufacturing and healthcare). Through the program, Innovation Saskatchewan (IS) provides non-repayable grants to projects that address a specific industry challenge. Projects must be driven by a group of private sector partners who represent the project's value chain (researchers, production and supply, customers and end users). IS will provide up to 30 per cent of a project's budget, while 50 per cent or more must be provided by industry partners.

For further information about the Saskatchewan Advantage Innovation Fund, please contact:
Matthew Hayduk
Program Specialist
Innovation Saskatchewan
Phone : (306) 371-4722
E-mail : matthew.hayduk@innovationsask.ca

Website: <https://innovationsask.ca/research/saskatchewan-advantage-innovation-fund>

Saskatchewan Commercial Innovation Incentive (SCII)

The SCII is a new growth tax incentive that offers eligible corporations a reduction of the provincial Corporate Income Tax (CIT) rate to 6 per cent, for a period of 10 or 15 years. A first of its kind in North America “patent box” style tax incentive, the SCII program is open to a wide variety of eligible intellectual property (IP) types, including patents, plant breeders’ rights, trade secrets and copyrights (computer programs and algorithms).

The SCII is open to any company operating in any sector, from anywhere in the world, regardless of where or when the research and development (R&D) for the qualifying IP occurred or was licensed. The benefit period can be extended to 15 years if the majority (50 per cent or greater) of related R&D has been conducted in Saskatchewan.

IP can be owned or licensed. New iterations of goods, services and processes tied to the original qualifying IP are eligible for the incentive without a separate application, and the SCII can be combined with other incentive and grant programs a corporation may qualify for in Saskatchewan.

For further information about the Saskatchewan Commercial Innovation Incentive, please contact:

Bryan Dilling
Director, Investment Priorities
Ministry of Trade and Export Development
Phone : (306) 230-5374
E-mail : bryan.dilling@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/investment-and-economic-development/business-incentives-and-tax-credits/saskatchewan-commercial-innovation-incentive>

Fact Sheet: <http://www.publications.gov.sk.ca/redirect.cfm?p=85091&i=98563>

Saskatchewan Technology Start-Up Incentive (STSI)

The Saskatchewan Technology Start-Up Incentive (STSI) is designed to encourage investment in the province’s technology sector. The program offers a non-refundable 45 per cent tax credit to individuals, corporations, and venture capital firms that invest in eligible technology start-ups. Eligible companies must be developing a new technology or applying existing technologies in a novel way, to create a new product, service, or process, or be a cleantech company as defined by the program. Investors can claim up to \$140,000 in tax credits per year, while eligible start-ups can raise a maximum of \$2 million of investment over their lifetime. The program will have an annual budget of \$7 million. The program is extended until review in 2026-27.

For further information about the Saskatchewan Technology Start-Up Incentive, please contact:

Nourin Ali
Innovation Saskatchewan
Phone: (306) 933-6609
E-mail: stsi@innovationsask.ca

Website: <https://innovationsask.ca/technology/stsi>

Made in Saskatchewan Technology Program (MIST)

The Made in Saskatchewan Technology Program (MIST) connects the Provincial Government to Saskatchewan technology-based companies whose products may improve the delivery of Government services. Companies who are successful in the program are awarded a contract of up to \$30,000 to have their technology piloted by Government.

This program is open to technology companies that meet the following criteria:

- Saskatchewan based;
- Annual revenue under \$500,000;
- Thirty employees or less;
- Technology is ready to be implemented; and,
- Company has the capacity to work with Government.

For further information about the MIST program, please contact:

Brea Dmytriw

Senior Manager,

Ecosystem Development

Innovation Saskatchewan

Phone: (306) 551-2544

E-mail : brea.dmytriw@innovationsask.ca

Website: <https://innovationsask.ca/initiatives/mist>

Agtech Growth Fund (AGF)

The Agtech Growth Fund (AGF) is a research and development (R&D) funding program designed to accelerate the commercialization of game-changing technological innovations in the province's agricultural sector. Through AGF, Innovation Saskatchewan (IS) provides non-repayable grants to projects that address a specific industry challenge. Projects must be proposed by a group of active private sector partners who represent the project's value chain (researchers, production and supply, customers and end users). IS will provide up to 30 per cent of a project's budget, while 50 per cent or more must be provided by industry partners.

For further information, please contact:

Matthew Hayduk

Program Specialist

Innovation Saskatchewan

Phone: (306) 371-4722

E-mail : matthew.hayduk@innovationsask.ca

Website: <https://innovationsask.ca/research/agf>

AGRICULTURE INCENTIVES

Saskatchewan Lean Improvements in Manufacturing (SLIM)

Funded through the Sustainable Canadian Agricultural Program (S-CAP), the Saskatchewan Lean Improvements in Manufacturing (SLIM) program provides funding assistance to agri-businesses for adoption of best practices, new state-of-the-art technologies and processes that stimulate significant improvements in productivity and efficiency. It enables agri-businesses to invest in greenhouse gas emissions reducing activities and to invest in their facilities or processes to improve the efficiency or expand their output potential

SLIM provides cost-shared funding to a maximum of \$750,000 per eligible applicant, based on project size. Projects must be a minimum of \$50,000. Before proceeding with a project, a Business Analysis will need to be completed. SLIM will support 50 per cent of the Business Analysis costs to a maximum of \$20,000. Internally prepared reports may be accepted but are not eligible for a rebate.

For more information about SLIM, please contact:

Obeyaa Ampofo-Hunstad
Director, Program Delivery
Ministry of Agriculture
Phone: (306) 787-0632

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/sustainable-canadian-agricultural-partnership/programs-for-agri-businesses-or-industry-organizations/saskatchewan-lean-improvements-in-manufacturing>

Saskatchewan Value-added Agriculture Incentive (SVAI)

The Saskatchewan Value-added Agriculture Incentive (SVAI) program offers a 15 per cent non-refundable tax credit for value-added agriculture facilities that make significant capital expenditures up to \$400M in value. The credit increases to 30 per cent of expenditures made between \$400M and \$600M, and to 40 per cent for expenditures in excess of \$600M. Capital expenditures must be made for the purpose of establishing the new facilities, or expanding the existing facilities, productive capacity. Projects may be eligible for tax credits valuing up to \$250M.

To be eligible, a project must have a minimum of \$10 million in new capital expenditures, demonstrate that capital expenditures were made for the purposes of increasing productive capacity, and meet the definition of value-added agriculture. Redemption of the benefits is limited to 20 per cent in year one after the facility enters operation, 30 per cent in year two, and 50 per cent in year three. There will be a maximum carry-forward of 10 years on any remaining credit amount.

For more information about SVAI, please contact:

Justin Redekop
Deputy Director, Investment
Ministry of Trade and Export Development
Phone: (306)-229-1680
Email: justin.redekop2@gov.sk.ca

Ron Kehrig
Deputy Director, Investment
Ministry of Trade and Export Development
Phone: (306) 221-8263
Email: ron.kehrig@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/investment-and-economic-development/business-incentives-and-tax-credits/Saskatchewan-value-added-agriculture-incentive>

Product Development Program

The Saskatchewan Ministry of Agriculture is partnering with the Saskatchewan Food Industry Development Centre (the Food Centre) to deliver the Product Development Program.

Funds will be provided at 50 per cent of the approved eligible project expenses to a maximum program payment of \$10,000 per company per year, for prototype and product development services to food, beverage and other agri-processing value-added companies. The client and the Food Centre will determine which service provider is most appropriate to provide the prototype and product development services. In some situations, the Food Centre may be suited to provide this service. When product or technology development activities fall outside of the Food Centre's capabilities or capacities, pathfinding services will be provided to identify a more appropriate third-party organization to meet client needs.

For more information about the Product Development Program, please contact:
The Saskatchewan Food Industry Development Centre
2335 Schuyler Street
Saskatoon, Saskatchewan S7M 5V1 CANADA
(306) 933-7555
info@foodcentre.sk.ca.

Food Centre Website: [Product Development Program \(PDP\) \(foodcentre.sk.ca\)](https://www.foodcentre.sk.ca/product-development-program)

Ministry Website: [Product Development Program | Programs for Agri-Businesses or Industry Organizations | Government of Saskatchewan](https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/sustainable-canadian-agricultural-partnership/programs-for-research/agriculture-development-fund)

Agriculture Development Fund (ADF)

The Agriculture Development Fund provides project funding of nearly \$15 million per year on a competitive basis to researchers in public and private research and development organizations. The funding is provided for basic and applied research in crops, agronomy, livestock, forage, agri-environment and value-added processing to create future growth opportunities and to enhance the competitiveness of the provincial agriculture sector. This investment results in new knowledge, information and choices of technologies for producers and food processors. Examples of knowledge and technology include feed and nutrition information for ranchers, new crop cultivars and production information for farmers. Approved projects may receive funding for up to 100 per cent of eligible costs. Co-funding from other sources is encouraged.

For more information about the Agriculture Development Fund, please contact:
Agriculture Research Branch
Ministry of Agriculture
Phone: (306) 787-6566
E-mail: arbonline@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/sustainable-canadian-agricultural-partnership/programs-for-research/agriculture-development-fund>

ENERGY AND RESOURCE INCENTIVES

Critical Minerals Processing Investment Incentive (CMPII)

The Critical Mineral Processing Investment Incentive (CMPII) complements the new Saskatchewan Critical Minerals Innovation Incentive (SCMII) program. The CMPII offers transferrable Crown royalty/freehold production tax credits for qualified greenfield or brownfield value-added processing projects at a rate of 15 per cent of eligible program costs. The CMPII is open to value-added processing projects across all segments of Saskatchewan's aluminum, cobalt, copper, gallium, helium, lithium, magnesium, nickel, rare earth elements, and zinc industries.

For more information about the Critical Mineral Processing Investment Incentive, please contact:

Austin Kot
Manager of Royalty Programs
Ministry of Energy and Resources
Phone: (306) 787-2604
Email: cmpii@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/mineral-exploration-and-mining/critical-minerals-processing-investment-incentive>

Saskatchewan Petroleum Innovation Incentive (SPII)

The Saskatchewan Petroleum Innovation Incentive (SPII) offers transferable royalty/freehold production tax credits for qualified innovation commercialization projects at a rate of 25 per cent of eligible project costs. The program targets a broad range of innovations deployed across all segments of Saskatchewan's oil and gas industry. The credits are fully transferrable.

The SPII program is open to both pilot projects and commercial scaling projects – giving applicants the ability to test their innovations in a pilot setting, then deploy them at larger commercial scales. In addition to this, projects executed on multiple sites and projects that include multiple phases may be considered eligible to the program under a single project application.

For more information about the Saskatchewan Petroleum Innovation Incentive, please contact:

Austin Kot
Manager of Royalty Programs
Ministry of Energy and Resources
Phone: (306) 787-2604
Email: austin.kot@gov.sk.ca

Website: <https://www.saskatchewan.ca/petroleum-innovation-incentive>

Saskatchewan Critical Minerals Innovation Incentive (SCMII)

The Saskatchewan Critical Minerals Innovation Incentive (SCMII) offers transferrable Crown royalty/freehold production tax credits for qualified innovation commercialization projects at a rate of 25 per cent of eligible projects costs. The SCMII targets a broad range of innovations deployed across all segments of Saskatchewan's aluminum, cobalt, copper, gallium, helium, lithium, magnesium, nickel, rare earth elements, and zinc industries.

The SCMII program is open to both pilot projects and commercial scaling projects – giving applicants the ability to test their innovations in a pilot setting then deploy them at larger commercial scales. In addition, projects executed on multiple sites and projects that include multiple phases may be considered eligible for the program under a single project application.

For more information about the Saskatchewan Critical Mineral Innovation Incentive, please contact:

Austin Kot
Manager of Royalty Programs
Ministry of Energy and Resources
Phone: (306) 787-2604
Email: scmii@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/mineral-exploration-and-mining/saskatchewan-critical-minerals-innovation-incentive>

Incentives for Enhanced Oil Recovery (EOR)

The Ministry of Finance provides an exemption and remission of Provincial Sales Tax and/or Fuel Tax on eligible injectable substances used in approved EOR projects. This exemption and remission was introduced in 2005 to provide an incentive for oil producers to apply advanced extraction processes to enhance the total recovery from an underground reservoir.

For more information, contact:

Ministry of Finance
Revenue Division
Phone : (306) 787-6645
E-mail : sasktaxinfo@gov.sk.ca

Website: <https://publications.saskatchewan.ca/#/products/8007https://www.saskatchewan.ca/government/news-and-media/2005/march/18/incentives-for-enhanced-oil-recovery-eor>

Multi-Lateral Well Program (MLWP)

The Multi-lateral Oil Well Program (MLWP) offers an additional volumetric drilling incentive for eligible multi-lateral horizontal oil wells drilled on or after April 1, 2024, and on or before March 31, 2028. The amount of additional volumetric incentive provided depends on the number of laterals drilled.

The new generation of multi-lateral wells (MLW) are considered an evolution in the drilling in Canada and can be drilled in multiple configurations to better to access more of the oil reservoir, which increases the well's recovery factor, reduces drilling costs, and improves reservoir management. They also reduce the number of surface leases and facilities required, making oil production and the capture of associated natural gas more economic.

For more information, contact:

Bruce Wilhelm

Director, Petroleum Royalties

Ministry of Energy and Resources

Phone: (306) 798-9511

Email: bruce.wilhelm@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/oil-and-gas/oil-and-gas-incentives-crown-royalties-and-taxes/multi-lateral-oil-well-program>

Oil and Gas Processing Investment Incentive (OGPII)

The Oil and Gas Processing Investment Incentive (OGPII) offers transferable royalty/freehold production tax credits for qualified greenfield or brownfield value-added projects at a rate of 15 per cent of eligible project costs. OGPII is open to value-added projects across all segments of Saskatchewan's oil and gas sector as well as chemical fertilizer facilities. The credits are fully transferable.

Examples of eligible projects include:

- Refineries;
- Upgrading facilities;
- Petrochemical facilities;
- Associated gas commercialization projects;
- Associated gas pipeline gathering systems;
- Carbon capture, utilization, and storage for enhanced oil recovery projects;
- Commercialization of oil and gas production byproducts or waste products projects;
- Chemical fertilizer facilities.

The project must result in a significant increase in processing capacity, have a minimum of \$10 million in eligible costs, and must not be operational prior to submitting an application under the program.

For more information, contact:

Austin Kot

Manager of Royalty Programs

Ministry of Energy and Resources

Phone: (306) 787-2604

Email: austin.kot@gov.sk.ca

Website: <https://www.saskatchewan.ca/oil-gas-processing-incentive>

Oil Infrastructure Investment Program (OIIP)

The Oil Infrastructure Investment Program (OIIP) offers transferable oil and gas royalty/freehold production tax credits for

qualified projects at a rate of 20 per cent of eligible project costs. The credits are fully transferable. OIIP recognizes all costs necessary to construct and bring an approved project into service.

OIIP is open to new or expanded oil or carbon dioxide pipeline projects, including:

- Transmission pipelines.
- Feeder pipelines (including trunk and branch pipeline systems).
- Pipeline terminals.

Enabling infrastructure investments that are directly linked and dedicated to an eligible project and are required to bring that project into service, may also be considered as eligible.

For more information, contact:

Austin Kot

Manager of Royalty Programs

Ministry of Energy and Resources

Phone: (306) 787-2604

Email: austin.kot@gov.sk.ca

Website: <https://www.saskatchewan.ca/oil-infrastructure-investment-program>

Waterflood Development Program (WDP)

The Waterflood Development Program (WDP) offers repayable royalty/freehold production tax deferral for eligible wells that have been converted to injection wells or newly drilled injection wells for the purpose of waterflooding an oil reservoir.

Waterflooding is a secondary oil recovery technique that utilizes non-potable water for re-injection into the oil reservoir to restore reservoir pressure and sweep the oil to nearby producing wells. Waterflooding is a capital-intensive undertaking and the time period before a response in the reservoir can be lengthy. As such, WDP is designed to help offset initial capital investments by providing a three-year repayable royalty deferral of \$500,000 for the conversion of an eligible waterflood injection well and \$1,000,000 for drilling a new dedicated waterflood injection well.

For more information, contact:

Bruce Wilhelm

Director, Petroleum Royalties

Ministry of Energy and Resources

Phone: (306) 798-9511

Email: bruce.wilhelm@gov.sk.ca

Website: www.saskatchewan.ca/waterflood-development-program

High Water-Cut Oil Well Program

This incentive, which encourages capital investment and increased oil production rates from high water-cut wells, provides a royalty benefit where substantial investments in water handling capacity are made. Eligible high water-cut oil wells drilled prior to October 1, 2002, will be assigned 4th Tier royalty status on their incremental oil production and eligible high water-cut oil wells drilled on or after October 1, 2002, will receive a two-per cent point royalty rate reduction on all their production. The new program begins April 1, 2021, and will remain in place for five years, with a sunset date of March 31, 2026.

For more information, contact:

Chad Easterby

Engineer

Ministry of Energy and Resources

Phone: (306) 787-7644

Email: chad.easterby@gov.sk.ca

Website: <https://www.saskatchewan.ca/high-water-cut-oil-well-program>

Associated Natural Gas Royalty Moratorium

This initiative implements a royalty rate of 0 per cent for a period of five years on all-natural gas produced in association with oil. This initiative is part of Saskatchewan's Methane Action Plan, which in turn is part of the province's overall climate change strategy. It is designed to encourage oil producers to invest in new methane emission reduction projects and further reduce venting and flaring of natural gas. The royalty moratorium begins April 1, 2021, and will remain in place for five years, with a sunset date of March 31, 2026.

For more information, contact:

Bruce Wilhelm

Director, Petroleum Royalties

Ministry of Energy and Resources

Phone: (306) 798-9511

Email: bruce.wilhelm@gov.sk.ca

Potash Production Incentives

Market development and research and development activity is incentivized through a 40 per cent tax credit within the Potash Production Tax. Subject to approval, applicable market development activities are those aimed to develop new potash markets or expand existing potash markets. Eligible research and development activities include those projects containing technical innovation and intended to improve production efficiency, mitigate environmental impacts, reduce the risks associated with mining, or develop new or improved products.

There is a 10-year holiday from the base payment portion of the Potash Production Tax for production from approved expansions and new potash mines. The province also provides an investment incentive that promotes expansion of production by removing the profit tax portion of the Potash Production Tax on potash sales in excess of certain defined amounts. All eligible capital expenditures at potash mines are now recognized at 120 per cent. Effective January 1, 2010, changes were made to the *Potash Production Tax Regulations* to include a \$100,000 allowance for new corporate office positions located in the province, as well as a \$25,000 allowance for existing corporate office positions in the province. After five years, new positions are counted as existing positions.

For more information about the Potash Production Incentives, please contact:

Kirk Brecht

Executive Director, Mineral Policy

Ministry of Energy and Resources

Phone : (306) 798-9000

E-mail : kirk.brecht@gov.sk.ca

Website: <http://www.publications.gov.sk.ca/freelaw/documents/English/Regulations/Regulations/M17-1R6.pdf>
[Potash Information Circular - Publications Centre](#)

Sodium Sulphate Incentive

Retroactive to April 6, 2020, there is an incentive in the sodium sulphate Crown royalty system for approved capital projects that diversify products or improve operating efficiency. With prior written approval of the Minister of Energy and Resources, producers may claim 10 per cent of eligible project expenditures incurred in the year.

For more information about the Sodium Sulphate Incentive, please contact:

Kirk Brecht
Executive Director, Mineral Policy
Ministry of Energy and Resources
Phone : (306) 798-9000
E-mail : kirk.brecht@gov.sk.ca

Base and Precious Minerals Production Incentives

Companies engaged in the production of base and precious metals from a new production unit are eligible for a 10-year holiday from the Crown royalty. In addition, all allocated pre-production expenses of a producer are recognized at 150 per cent.

For more information about the Base and Precious Minerals Production Incentives, please contact:

Kirk Brecht
Executive Director, Mineral Policy
Ministry of Energy and Resources
Phone : (306) 798-9000
E-mail : kirk.brecht@gov.sk.ca

Website: <https://pubsaskdev.blob.core.windows.net/pubsask-prod/77230/C50-2R29.pdf>
<https://publications.saskatchewan.ca/#/products/84366>

Diamond Production Incentives

Companies engaged in the production of diamonds from a new production unit are eligible for a five-year holiday from the basic portion of the Crown royalty. In addition, producers are eligible for a processing allowance deduction equal to 8 per cent of the original costs of the processing capital, up to 65 per cent of net revenue.

For more information about the Diamond Production Incentives, please contact:

Kirk Brecht
Executive Director, Mineral Policy
Ministry of Energy and Resources
Phone : (306) 798-9000
E-mail : Kirk.Brecht@gov.sk.ca

Website: <https://pubsaskdev.blob.core.windows.net/pubsask-prod/77230/C50-2R29.pdf>
<https://publications.saskatchewan.ca/#/products/84365>

Saskatchewan Mineral Exploration Tax Credit (SMETC)

Saskatchewan residents can invest in mineral exploration activities within the province by purchasing eligible flow-through shares issued by approved mineral exploration companies under the Saskatchewan Mineral Exploration Tax Credit (SMETC) program. The SMETC is a non-refundable tax credit totaling 45 per cent to 60 per cent (30 per cent provincial and 15 per cent to 30 per cent federal).

For more information about the SMETC, please contact:

Aaron Saufert
Director, Mineral Programs and Development
Ministry of Energy and Resources
Phone: (306)-787-3377
E-mail : aaron.saufert@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/mineral-exploration-and-mining/take-advantage-of-the-saskatchewan-mineral-exploration-tax-credit>

Mineral Processing Tax Incentive

Companies operating exclusively in the processing of imported minerals or mineral concentrate to the prime metal stage of development are eligible for a five-year corporate income tax (CIT) holiday. To qualify for the tax incentive, an eligible corporation must maintain a minimum capital investment of \$125 million in its Saskatchewan operation and maintain minimum incremental employment of 75 full-time employees in Saskatchewan.

The initial year of eligibility for the tax incentive by an eligible corporation will be the first year Saskatchewan CIT is payable and will extend for the following four consecutive taxation years.

For more information about the Mineral Processing Tax Incentive, please contact:

Ministry of Finance
Taxation and Intergovernmental Affairs Branch
Phone: (306) 787-6722
Email: SaskTaxInfo@gov.sk.ca
Website: <http://publications.gov.sk.ca/redirect.cfm?p=583&i=806> (Section 64.1)

Targeted Mineral Exploration Incentive (TMEI)

The TMEI incentive is part of the Mineral Development Strategy, that supports the diversification of Saskatchewan's mineral sector by encouraging exploration. Funding for the TMEI provides a rebate of 25 per cent to a maximum of \$50,000 for uranium projects and \$150,000 for all other hard-rock projects per year for eligible companies who undertake a drilling program in the province. The overall funding level for the TMEI program is established on an annual basis, to a maximum of \$4 Million per year.

For more information about the Targeted Mineral Exploration Incentive, please contact:

Ministry of Energy and Resources
Government of Saskatchewan
Phone: (306) 798-4212
Email: tmei@gov.sk.ca

Website: <https://www.saskatchewan.ca/business/investment-and-economic-development/business-incentives-and-tax-credits/targeted-mineral-exploration-incentive>

FIRST NATIONS / MÉTIS INCENTIVES

First Nations Trust

Through the First Nations Trust, 25 per cent of profits generated by the two casinos of the Saskatchewan Gaming Corporation and 50 per cent of profits generated by the seven casinos of the Saskatchewan Indian Gaming Authority (SIGA) are distributed to Saskatchewan First Nations on a per capita basis. Beneficiary First Nations have discretionary spending authority within 12 broadly defined criteria including economic developments, social programs, and health initiatives.

For more information about the First Nations Trust, please contact:

First Nations Trust

Saskatoon, SK

Phone: (306) 931-4424

E-mail: admin@firstnationstrust.com

Website: http://www.firstnationstrust.com/fnt_wp/?page_id=1479

Community Development Corporations

The Community Development Corporations (CDCs) were created pursuant to the 2002 Gaming Framework Agreement signed between the Government of Saskatchewan and the Federation of Saskatchewan Indian Nations. On an annual basis, the CDCs, in total, receive 25 per cent of the net profits generated by the seven casinos operated by SIGA. Currently, there are five CDCs, each of which is associated with a SIGA casino located on-reserve.

They include:

- Northern Lights – Prince Albert
- BATC – North Battleford
- Painted Hand – Yorkton
- Bear Claw – Kenosee Lake
- Dakota Dunes – Saskatoon, (306) 956-1799

CDCs may make payments to First Nation and non-First Nations organizations within a defined catchment area determined by the Board of each CDC based on 10 criteria, including economic development.

For more information and contact information for the five CDCs, please visit:

<https://www.saskatchewan.ca/business/first-nations-metis-and-northern-community-businesses/gaming-trusts-and-grants>

Clarence Campeau Development Fund

The Clarence Campeau Development Fund (CCDF) provides funding support for Métis businesses, community economic development initiatives and assistance for the development of the management skills of new and existing Métis business owners and entrepreneurs. Assistance may be in the form of equity participation, interest-free loans, and repayable or non-repayable contributions. Eight programs are administered by the fund, with varying levels of financial support available under each.

Program Title	Available Support
Business Development Program	<ul style="list-style-type: none"> CCDF can provide financial assistance of up to the lesser of \$300,000 per project or 50 per cent of the project costs, excluding pre-operating costs, working capital and goodwill, as identified in the program costs in order to increase the applicants' ability to leverage funds from other financial institutions.
Community Business Development Program	<ul style="list-style-type: none"> CCDF can provide a one-time, non-repayable contribution up to the lesser of \$300,000 or 50 per cent of the project costs, excluding pre-operating costs, working capital and goodwill, as identified in the program costs. In addition, CCDF can contribute up to a maximum of \$700,000 as a repayable contribution, method of investment can be preferred shares, convertible preferred shares, convertible debentures, common shares, or a mortgage. Repayable loan contributions and non-repayable grants will not exceed 85 per cent of approved project costs. <p>Maximum funding under this program will be \$1,000,000.</p>
Major Business Development Program	<ul style="list-style-type: none"> CCDF can provide financial assistance of 50 per cent of the project costs excluding pre-operating costs, working capital and good will. Minimum funding under this program will be \$300,001 up to a maximum of \$1,000,000. Projects funded must be for-profit and commercially viable with total project costs in excess of \$600,000. Priority will be given to, but not restricted to, projects that demonstrate a high degree of job creation.
Management Skills Program	<ul style="list-style-type: none"> This program supports training for existing CCDF clients to develop their management and marketing skills. CCDF can consider funding up to 75 per cent of the approved costs, to a maximum of \$10,000 over the life of the contribution.
Business Plan Program	<ul style="list-style-type: none"> Allows Métis entrepreneurs to engage the services of a professional consultant in order to undertake the quality of research and planning necessary to develop a business plan and attract financing. CCDF can consider funding up to 75 per cent of costs to a maximum of \$10,000 in the form of a non-repayable contribution.
Business Support Program	<ul style="list-style-type: none"> Provides professional support to new businesses in order to help improve the opportunity for success. Funding is intended to allow the business to engage the services of a professional consultant to examine the operations of the business in order to identify areas that may require special attention. CCDF can consider a non-repayable contribution of up to 100 per cent of costs, to a maximum of \$10,000 over the life of the contribution.
Women's Business Development Program	<ul style="list-style-type: none"> Assists Saskatchewan Métis Women who wish to become entrepreneurs overcome barriers and enhance their ability to leverage financing and support services from financial institutions and business support agencies. CCDF can provide equity assistance of up to 65 per cent of project costs to a maximum of \$100,000, excluding pre-operating costs and working capital costs. Applicants must contribute a minimum 2 per cent equity to the project.
Youth Business Development Program	<ul style="list-style-type: none"> Assists Saskatchewan Métis Youth ages 18 to 35, with the desire to become entrepreneurs, to overcome barriers and enhance their ability to leverage financing and support services from other financial institutions and agencies.
Program	<ul style="list-style-type: none"> CCDF can provide equity assistance of up to 65 per cent of project costs to a maximum of \$10,000. Total project costs cannot exceed \$ 25,000 (excluding working capital).

For more information about the Clarence Campeau Development Fund, please contact:

Clarence Campeau Development Fund

Saskatoon, SK

Phone: (306) 657-4870

Toll Free: 1-888-657-4870

E-mail: info@clarencecampeau.com

Clarence Campeau Development Fund

Regina, SK

Phone: (306)-790-2235

Toll Free: 1-877-359-2233

Website: <http://www.clarencecampeau.com>

GENERAL INCENTIVES

Municipal Property Tax Abatement

Legislation allows Saskatchewan municipalities to offer discretionary five-year property tax abatements. Municipal tax abatements and other incentives are managed by individual municipalities.

For details on programs in your area, contact your municipality or rural municipality.

Saskatoon Business Development Incentive (BDI)

The City of Saskatoon has established a capital expansion incentive program for new and expanding businesses within the City of Saskatoon. Eligible businesses will receive a five-year reduction in incremental property tax on an annual prorated basis. Additional tax abatement is available for businesses committing to create 100+ full-time equivalent positions.

For further information about municipal tax abatements, please contact:

Joanne Baczuk
Director, Economic Development
Saskatoon Regional Economic Development Authority
Phone : (306) 664-0728
E-mail : jbaczuk@sreda.com

Website: <http://sreda.com/>

Canada-Saskatchewan Job Grant

The Canada-Saskatchewan Job Grant (CSJG) is an employer-driven program that provides eligible employers with financial support to train new or existing employees to meet the skill requirements for available jobs. The program ensures businesses have the skilled workers they need to thrive in Saskatchewan. Training can help support a new hire to the organization, result in a new or better job for an existing employee or reduce the skills gaps of an employee.

Through the CSJG, the employer invests one-third of the training cost, while the federal and provincial governments reimburse the remaining two-thirds. Employers can make multiple grant applications to a maximum of \$100,000 per fiscal year, and up to \$10,000 per individual trainee.

For further information about the CSJG, please contact:

Ministry of Immigration and Career Training
Skills Training Branch, CSJG Unit
Saskatoon and Area Phone: (306) 964-1005
Regina and Area Phone: (306) 787-4677
Email: cansaskjobgrant@gov.sk.ca

Website: www.saskatchewan.ca/job-grant