

Saskatchewan Agricultural Processing Incentive Programs

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Provincial PROGRAMS

Saskatchewan Value-Added Agriculture Incentive (SVAI)

(Tax Incentive)

Figures

Offers a 15% tax rebate for value-added agriculture facilities that make a significant capital investment to expand production capacity.

Advantages

Designed to encourage expansion of value-added agriculture production capacity.

Requirements

Project must have \$10 million in new capital expenditures for the purpose of increasing value-added agriculture production capacity.

Application Process

Program started accepting applications in September 2018. Administered by the Saskatchewan Ministry of Trade and Export Development.

[http://publications.gov.sk.ca/documents/310/106617-Sask%20Value-Added%20Ag%20Incentive%20\(SVAI\).pdf](http://publications.gov.sk.ca/documents/310/106617-Sask%20Value-Added%20Ag%20Incentive%20(SVAI).pdf)

Saskatchewan Commercial Innovation Incentive - Patent Box (SCII)

(Innovation Focused)

Figures

Lowers the Corporate Income Tax (CIT) from 12% to 6% on income earned on the commercialization of patents and other intellectual property into new products by Saskatchewan companies.

Advantages

Competitive/innovative investment reward.

Requirements

Open to any company operating in any sector, from anywhere in the world, regardless where or when the research and development for the qualifying intellectual property occurred or was licensed. Eligible commercialization must take place in Saskatchewan.

Application Process

Administered by the Saskatchewan Ministry of Trade and Export Development.

Provided to innovative companies that contribute through job creation and new investment.

<http://www.saskatchewan.ca/innovation-incentive>

Saskatchewan Manufacturing and Processing (M&P) Exporter Tax Incentive

(Tax Incentive)

Figures

The incentive will offer an eligible business non-refundable tax credits equal to \$3,000 per each incremental full-time employee for each of the

2015-2019 taxation years, or non-refundable tax credits equal to \$10,000 per employee for the 2015-2019 taxation years for head-office function employees.

Advantages

A tax deduction per employee, making it easier to hire more people for increased production and other operational capacities.

Requirements

Eligible businesses are those that derive at least 25% of revenues from the export to the rest of Canada or internationally of their manufactured goods each year. Must expand the number of full-time employees in Saskatchewan head offices.

Application Process

Administered by the Saskatchewan Ministry of Finance.

Full-time employees

<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>

Saskatchewan Manufacturing and Processing Investment Tax Credit (ITC)

(Tax Incentive)

Figures

This is a refundable income tax credit applied to total capital costs on new/used machinery/equipment per year. This tax credit's rate is equivalent to the provincial sales tax (PST) rate, currently at 6%.

Advantages

Designed to encourage plant and equipment investment.

Requirements

Included in the corporate income tax return with some allocation of taxable income to Saskatchewan.

Application Process

Filed as part of the federal T2 corporate income tax return for new equipment purchases. Saskatchewan Ministry of Finance administers claims for used equipment purchases.

Sustaining capital and expansion capital investments qualify, as well as new and used equipment investments.

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

Saskatchewan Manufacturing and Processing (M&P) Profits Tax Reduction

(Tax Incentive)

Figures

An opportunity to reduce the CIT rate from 12% to as low as 10%.

Advantages

Reducing the amount of profit subject to taxation, which allows the firm more flexibility and stability for future decisions.

Requirements

Saskatchewan-based firms with a high allocation of income to Saskatchewan receive a larger tax reduction than firms with a low allocation of income.

Application Process

Filed as part of the federal T2 corporate income tax return.

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

Saskatchewan Advantage Innovation Fund (SAIF)

Requirements

Must benefit a sector, address technically challenging issues, display benefits, have funding from other sources.

Application Process

Administered by Innovation Saskatchewan.

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

Canada-Saskatchewan Job Grant

(Labour Focused)

Figures

Up to \$10,000 in training resource assistance per trainee. Maximum of \$250,000 per company per year.

Advantages

Help employers train workers to meet their specific workforce needs.

Requirements

For Saskatchewan employers. Employer contributes 1/3 of training costs, remaining 2/3s comes from the Job Grant.

Application Process

Administered by the Saskatchewan Ministry of Immigration and Career Training. Online checklist to verify eligibility.

Training is flexible but must be provided by a third party. Tuition, mandatory fees, textbooks, software, exam fees.

<http://www.saskatchewan.ca/job-grant>

Saskatchewan Immigrant Nominee Program (SINP)

(Labour Focused)

Figures

Approx. 10,000 immigrants arrive through the SINP each year.

Advantages

Allows businesses greater access to skilled workers to fill labour shortages/needs.

Requirements

Skilled and experienced workers.

Application Process

Administered by the Saskatchewan Ministry of Immigration and Career Training. Create an online account and upload the necessary documents.

Applicable fees to the applying person range from 0 to \$2,500

<https://www.saskatchewan.ca/sinp>

SINP Entrepreneur and Farm Owner/Operator Program

Figures

Up to 500 entrepreneurs and farm owners per year

Advantages

Allows entrepreneurs and farmers with relevant qualifications and assets to immigrate to Saskatchewan to operate a business or farm. If requirements are met, can obtain permanent residency.

Requirements

Entrepreneurs must own 1/3 or more of the Saskatchewan business or make an equity investment of at least \$1 million; live in the province and provide ongoing management of the business; have relevant experience and invest \$200,000-\$300,000; minimum net worth of \$500,000. Farmers must meet separate criteria for the farmer/owner category or young farmer stream.

Application Process

Administered by Saskatchewan Ministry of Immigration and Training. Create an online account and upload necessary documents.

Application fees are \$2,500.

Prairie Agricultural Machinery Institute (PAMI)

Figures

Services include design, development, fabrication and evaluation of vehicles, machinery and components, as well as value-added process reviews, pilot plant design and optimization.

Advantages

Highly experienced and technical staff.

Application Process

Offices located in Humboldt and Saskatoon.

<http://www.pami.ca>

Municipal Roads for the Economy Program (MREP)

(Infrastructure Assistance)

Figures

Can provide matching investments (at 50%) up to \$750,000.

Advantages

Improve grid roads/bridges and access for regular traffic/heavy haulers.

Application Process

Administered by MREP and supported by Saskatchewan Ministry of Highways and Infrastructure. Rural municipality must put in application. Can cost share with company or other entity.

<https://sarm.ca/programs/administered-programs/mrep>

Saskatchewan Trade and Export Partnership (STEP) Program

(Market Access)

Figures

Must be a member; 50% reimbursement of travel costs up to \$5,000.

Advantages

STEP supports the domestic and international marketing efforts of its members in entering new markets and assists with "export readiness".

Requirements

Become a STEP member, supply to markets outside of Saskatchewan, produce products that have at least 50% Saskatchewan content (labour/materials).

Application Process

Apply online. STEP is supported by Saskatchewan Ministry of Trade and Export Development and administers itself to serve member companies.

<https://www.sasktrade.com>

Saskatchewan Research and Development Tax Credit – R&D

(Research Tax Assistance)

Figures

For Canadian Controlled Private Corporations (CCPCs) - a refundable credit equal to 10% of qualifying expenditures up to a maximum of \$1 million (or \$100,000). For all other corporations (and for CCPC claims greater than \$100,000) - a 10% non-refundable tax credit of up to \$1 million. Claim amounts greater than \$1 million to be carried forward.

Advantages

Reduces total tax due and designed to encourage further private investment.

Requirements

Qualifying R&D (engineering/design/computer programming, etc.) expenditures incurred in Saskatchewan.

Application Process

Administered by Canada Revenue Agency.

Scientific research and experimental development incurred in Saskatchewan

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

Federal PROGRAMS

AgriInnovate Program

(Innovation)

Figures

Repayable contributions up to \$10 million per project, for projects that aim to accelerate the demonstration, commercialization and/or adoption of innovative products, technologies, processes or services that increase agri-sector competitiveness and sustainability. Projects must be completed by March 31, 2023.

Advantages

Help companies utilize and commercialize new knowledge to be applied commercially.

Requirements

Must be a for-profit organization or a co-operative and be innovative.

Application Process

Administered by Agriculture and Agri-Food Canada. Can apply anytime before program funding is exhausted.

<http://agr.gc.ca/eng/programs-and-services/agriinnovate-program/?id=1515682916298>

AgriMarketing Program

Figures

\$50,000 per year up to a maximum of \$100,000 over two years.

Advantages

Funding for promotional and market development activities in international markets, incoming/outgoing missions.

Requirements

SMEs ready for export and market activity.

Application Process

Administered by Agriculture and Agri-Food Canada.

<http://www.agr.gc.ca/eng/programs-and-services/agrimarketing-program-small-and-medium-sized-enterprise-component/?id=1515088228849>

Going Global Innovation

Figures

Up to \$75,000 to help Canadian innovators to commercialize, validate or adapt their technologies to bring them to market and meet with foreign collaborators.

<http://tradecommissioner.gc.ca/funding-financement/ggi-vmi/index.aspx?lang=eng>

Canada Scientific Research and Experimental Development (SR&ED) Program

(R&D Tax Assistance)

Figures

Offering up to 35% refundable tax credit of qualifying expenses (wages, materials, contract expenditures, lease, overhead, capital); up to maximum of \$3 million.

Advantages

Reduces total tax due and designed to encourage further investment.

Requirements

Complements and likely to be combined with the Saskatchewan Research and Development Tax Credit and based on the same criteria.

Application Process

Administered by Canada Revenue Agency.

<http://www.cra-arc.gc.ca/txcrdt/sred-rsde/clmng/clmngsrde-eng.html>

Farm Credit Canada (FCC) Young Entrepreneur Loan Program

Figures

Qualify up to \$1 million, closed variable rates at prime plus 1%, 5-year fixed rates.

Advantages

Purchase or improvement of an agriculture-related business; purchase shares in an agriculture-related business.

Requirements

Apply to the program.

Application Process

Contact an FCC official.

<https://www.fcc-fac.ca/en/we-finance/agribusiness-agri-food/young-entrepreneur-loan.html>

National Research Council (NRC) – Industrial Research Assistance Program (IRAP)

(Innovation)

Figures

Can cover up to \$1 million.

Advantages

Assistance to take on technology innovation.

Requirements

Available to small- to medium-sized enterprises (SMEs).

Application Process

Administered by Innovation, Science and Economic Development Canada. Direct consultation on specific projects with a technology adviser.

<https://www.nrc-cnrc.gc.ca/eng/irap>

Strategic Innovation Fund

Figures

- Stream 1: Encourage research and development that will accelerate technology transfer and commercialization of innovative products, processes and services.
- Stream 2: Facilitate the growth and expansion of firms in Canada.
- Stream 3: Attract and retain large-scale investments to Canada.
- Stream 4: Advance industrial research, development and technology demonstration through collaboration between academia, non-profit organizations and the private sector.

Requirements

Must be for-profit corporation (of any size).

Application Process

Administered by Innovation, Science and Economic Development Canada.

Repayable and non repayable contributions.

<https://www.canada.ca/en/innovation-science-economic-development/programs/strategic-innovation-fund/innovation-funding/application-toolkit/program-guide.html>

Regional Economic Growth through innovation - Business Scale-up and Productivity (BSP) program stream

Figures

Provides repayable contributions of up to 50% of total eligible costs for each project, to a maximum of \$5 million per project and \$10 million per recipient over the life of the program.

Advantages

Assistance to support late-stage technology commercialization, as well as productivity improvement and business scale-up activities.

Requirements

Available to incorporated companies operating in western Canada for a minimum of 2 years. Preference may be given to SMEs with less than 500 full-time employees. Project must support one of the following priorities: Clean Technology, Clean Resources, Digital Technology, Advanced Manufacturing, Value-added Agriculture, Life Sciences.

Application Process

Administered by Western Economic Diversification Canada. Provide all project and business information outlined in the online Applicant Guide, and confirmed non-government funding of at least 50% proposed project costs.

<https://www.wd-deo.gc.ca/eng/19762.asp>

Sustainable Development Technology Canada (SDTC)

(Pre-commercialization)

Figures

Coverage, on average, is up to 40% of eligible costs

Advantages

Assistance with pre-commercial demonstration of emerging (clean) technologies

Requirements

Tech, natural gas, joint government projects, next-generation biofuels funding streams

Application Process

Contact an SDTC funding adviser

Flexible

<https://www.sdte.ca/en/apply/funds>

Canada Border Services Agency (CBSA) Trade Incentive Programs

Figures

Per application.

Advantages

Opportunity to lower tax and allow for free flow of goods.

Requirements

Check program links.

Application Process

Administered by CBSA.

<http://www.cbsa-asfc.gc.ca/trade-commerce/tip-pec-eng.html>

Accelerated Investment Incentive for Manufacturing

(Tax Assistance)

Figures

The full cost of machinery and equipment used in manufacturing and processing of goods may be written off immediately for tax purposes. Applies to assets acquired after Nov. 20, 2018, and will be gradually phased out starting in 2024.

Advantages

Helps businesses to invest in the machinery and equipment they need in order to increase productivity and allow taxpayers to more quickly recover the cost of their capital investment.

Requirements

File income tax.

Application Process

Administered by Canada Revenue Agency.

Manufacturing and processing equipment

<https://www.budget.gc.ca/fes-eea/2018/docs/nrc/2018-11-21-en-html>

Federal - Provincial PROGRAMS

Agriculture Development Fund (ADF)

(Assistance for Growth)

Figures

Project funding of nearly \$15 million per year; up to 100% of eligible costs; can leverage funds from other sources. To be used for applied research, no official project cap.

Advantages

Create future growth opportunities and enhance competitiveness

Requirements

Public- and private-sector researchers with an idea that may be of practical value to Saskatchewan agriculture and food industry.

Application Process

Administered by the Saskatchewan Ministry of Agriculture. Complete a Letter of Intent and the formal application. One intake per year.

Canadian Agricultural Partnership

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<https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/canadian-agricultural-partnership-cap/science-research-and-innovation/adf>

Product2Market: Value-Added

Figures

Projects are eligible for up to \$100,000 per company per year to cover 50% of eligible expenses

Advantages

Promotes the development and expansion of SMEs by supporting agri-business product development and marketing of value-added products

Requirements

Applicants must be agriculture value-added processors that operate and file taxes in Saskatchewan. All applicants will be required to demonstrate activities are part of an ongoing, sustainable business plan.

Application Process

Administered by the Saskatchewan Ministry Agriculture

Canadian Agricultural Partnership

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<https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/canadian-agricultural-partnership-cap/value-added-agriculture-and-agri-food-processing/product-2-market-value-added>

Saskatchewan Lean Improvements in Manufacturing (SLIM)

(Efficiency Focused)

Figures

50% of eligible expenses for gap analysis and facility improvements. Maximum of \$500,000 per proponent including maximum of \$20,000 for an Efficiency Analysis. Only facility modifications and equipment, and associated installation and training identified in the Efficiency Analysis will be eligible for reimbursement.

Advantages

Assistance to adopt best practices, new technologies and state-of-the-art processes that improve productivity and efficiency

Requirements

Must be in operation for at least 2 years in Saskatchewan before applying. Businesses in value-added processing of crops and livestock into food/feed or bioproducts.

Application Process

Administered by Saskatchewan Ministry of Agriculture. Pre-approval before any project commences. Encouraged to speak with an official to discuss project.

Businesses involved in the value-added processing of crops and livestock into food, feed or bioproducts are eligible to apply.

<https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/agribusiness-farmers-and-ranchers/canadian-agricultural-partnership-cap/value-added-agriculture-and-agri-food-processing/saskatchewan-lean-improvements-in-manufacturing-slim>

Canadian Agricultural Partnership

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Please note that many of the programs listed in this document apply to multiple sectors and are not dedicated to agri-value and agriculture alone.

For more information, contact:

Saskatchewan Ministry of Trade and Export Development

Email: invest.sask@gov.sk.ca

<http://www.saskatchewan.ca/invest>

Additional Support References

Ag-West Bio Inc.

University of Saskatchewan - Crop Development Centre (CDC)

Saskatchewan Food Industry Development Centre Inc. (Food Centre)

Canadian Light Source Inc.

Saskatchewan's Economic Overview Brochure:

<http://www.publications.gov.sk.ca/details.cfm?p=81817>

The Canadian Trade Commissioner Service - Saskatchewan

<http://www.international.gc.ca/investors-investisseurs/cities-villes/west-ouest/saskatchewan.aspx>

