

Going Green Table

Manitoba and
Saskatchewan

Select Manitoba and Saskatchewan Incentives

Part 1 of 2

The business environment is changing. With change comes opportunity.

Manitoba

INCOME TAX INCENTIVES	CONTACT	DESCRIPTION	REQUIREMENTS/RESTRICTIONS	POTENTIAL DOLLAR VALUE
Green Energy Equipment Tax Credit	Manitoba Finance	<ul style="list-style-type: none"> Manufacturer's tax credit: 5% refundable tax credit on the sale of qualifying geothermal heat pumps manufactured primarily in Manitoba. 	Property must be new and sold before 2019 to a purchaser to produce green energy in Manitoba.	No maximum.
		<ul style="list-style-type: none"> Purchaser's tax credit – geothermal systems: Refundable tax credit on the eligible capital cost of qualifying property: <ul style="list-style-type: none"> - 10% for geothermal systems (excluding heat pumps manufactured in Manitoba) purchased to produce green energy in Manitoba; and - 5% for geothermal heat pumps manufactured in Manitoba. 	Property must be new, purchased before 2019 and installed by a member of the Manitoba Geothermal Energy Alliance (MGEA).	No maximum.
		<ul style="list-style-type: none"> Purchaser's tax credit – solar thermal systems: 10% refundable tax credit on the eligible capital cost of qualifying solar thermal systems purchased for use in Manitoba. 	Property must be new conventional active solar heating equipment used in Manitoba primarily to heat air or water.	No maximum.
Manufacturing Investment Tax Credit (ITC)	Manitoba Finance	10% ITC (70% refundable) for manufacturing and processing (M&P) equipment, which includes clean energy generation and energy conservation equipment.	Clean energy generation and energy-conservation equipment must qualify for federal capital cost allowance class 43.1 or 43.2 and be purchased before January 1, 2012, for use in the company's Manitoba M&P business.	No maximum.
Odour-control Tax Credit	Manitoba Finance	10% non-refundable (refundable for agricultural corporations and farmers) tax credit on eligible capital property acquired to prevent, reduce or eliminate nuisance odours from the use or production of organic waste.	Expenditures must be incurred before 2012.	No maximum.
Research and Development Tax Credit	Manitoba Finance	20% tax credit on qualifying scientific research and experimental development expenditures incurred in Manitoba. The credit will be fully refundable for eligible expenditures incurred after 2009 under a contract with a qualifying research institute for new technologies and biotechnologies (details to be announced).	Expenditures must qualify for the federal ITC.	No maximum.
SALES TAX INCENTIVES	CONTACT	DESCRIPTION	REQUIREMENTS/RESTRICTIONS	POTENTIAL DOLLAR VALUE
Tax exemption for bio-fuel	Manitoba Finance	Manitoba-produced bio-fuel is exempt from sales tax and the 11.5 cents per litre motive fuel tax, until March 31, 2011.	Bio-fuel must meet the American Association for Testing and Materials (ASTM) D-6751 standard.	No maximum.
OTHER INCENTIVES	CONTACT	DESCRIPTION	REQUIREMENTS/RESTRICTIONS	POTENTIAL DOLLAR VALUE
Agri-Food Research & Development Initiative	Manitoba Agriculture, Food and Rural Initiatives	Funding for the development of new technologies, production methods and markets. Projects will benefit Canada's water resources, soil, air or bio-diversity. New funding to be announced in the summer of 2009.	Projects must demonstrate a return on investment and a probable industry impact within five years of completion, address a research need, target the creation of new opportunities and result in additional farm income streams or reduced costs of primary production.	Up to 50% of eligible costs. No maximum.
Ethanol Production Grant	Manitoba Science, Technology, Energy and Mines	Grant for the production of ethanol in Manitoba, available under <i>The Biofuels Act</i> until December 31, 2015.	Ethanol must be sold in Manitoba to fuel suppliers or used to make gasohol for retail sale in Manitoba. Producers must have a licence issued under <i>The Biofuels Act</i> to produce ethanol.	Grant is based on 98% of eligible litres. Grant rate depends on the calendar year.
Hybrid Electric Vehicle Rebate	Manitoba Science, Technology, Energy and Mines	Rebate for the purchase or lease of hybrid vehicles.	Qualifying hybrid vehicles must be new and purchased or leased in Manitoba.	\$2,000 per vehicle. No maximum.
Manitoba Biodiesel Testing and Quality Assurance Support Program	Manitoba Science, Technology, Energy and Mines	Funding for bio-diesel testing to meet the ASTM standards, or for consulting services to resolve start-up problems or create in-house quality assurance programs.	Applicants must plan to obtain BQ9000 certification for the bio-diesel production plant. Final claims for repayment must be submitted before April 1, 2010. Eligible costs must be incurred from April 1, 2009, to March 31, 2010, inclusive.	50% of eligible costs. Maximum \$50,000.
Manitoba Geothermal Energy Incentive Program	Manitoba Science, Technology, Energy and Mines	Grants for eligible new district geothermal systems.	The system must be geographically separate and independent, serve a minimum number of buildings on permanent foundations and fulfill a minimum threshold of BTUs for heating and cooling. The heat pump equipment must meet minimal coefficient of performance requirements. Installations must meet CSA Standard C448 for earth energy systems and the installer/contractor must be accredited by the Manitoba Geothermal Energy Alliance (MGEA).	Up to \$150,000.
Power Smart Programs	Manitoba Hydro	<ul style="list-style-type: none"> Commercial business programs: <ul style="list-style-type: none"> - Commercial Building Envelope: Incentives for installing insulation upgrades and energy-efficient windows. - Commercial Building Optimization: Incentives for the upfront costs of the investigation process (scoping, investigation study, implementation and persistence) to recommend strategies to improve energy efficiencies (retrocommissioning projects). - Commercial Clothes Washers Program: Incentives for installing ENERGY STAR® rated energy-efficient front-loading commercial clothes washers. - Commercial Custom Measures: Incentives for feasibility studies and installation to upgrade to energy-efficient electrical and natural gas equipment and systems not covered by other Manitoba Hydro programs. - Commercial HVAC Program: Incentives for upgrading to energy-efficient furnaces, boilers, chillers and CO₂ sensors. - Commercial Kitchen Appliances Program: Rebates for the purchase of ENERGY STAR® qualified commercial steamers and natural gas fryers. - Commercial Lighting Program: Incentives for installing energy-efficient lighting. - Commercial Parking Lot Controllers Program: Incentives for installing energy-efficient parking lot controllers. - Commercial Refrigeration Program: Rebates for installing energy-efficient refrigeration equipment and technology upgrades. - Commercial Earth Power Program: Incentives for installing a geothermal heat pump system to replace a conventional electric heating system. - Network Energy Management Program: Incentives to purchase software programs to shut down personal computers when they are inactive. - New Buildings Program: Incentives to design and construct energy-efficient buildings. - Power Smart Shops: Free energy, water and waste assessment and installation of energy-efficient upgrades (e.g., fluorescent light bulbs and faucet aerators). - Commercial Rinse and Save program: Free installation of energy-efficient pre-rinse valves. 	<p>Pre-approval may be required. Applicants must be billed at general service electricity or natural gas rate and, for some programs, remain a customer for a minimum period.</p> <p>Insulation upgrades are for renovation projects only and must meet the required Power Smart-recommended levels. Energy-efficient windows must have a U-Value of 2.0 or less.</p> <p>Available to larger commercial buildings. Applicant must commit to implementing measures with a pay-back period of two years or less (capped at \$0.20/ft²).</p> <p>Applicants must own or control the building. Washers must have a Modified Energy Factor (MEF) of 1.80 or greater. In-suite installations are not eligible.</p> <p>Applicants must complete a feasibility study. Minimum energy-saving criteria apply. Equipment must be operating within 24 months of the approval date, be used for at least 36 months and have an expected life of at least 10 years.</p> <p>Specifications must be met (e.g., minimum boiler combustion efficiency, AFUE, capacity and baseline ratings apply).</p> <p>The appliances must be used for a minimum number of hours per year. Replacements must replace an appliance using the same fuel. New installations also qualify.</p> <p>Applicants must operate lighting at least 2,000 hours/year. Lighting must be installed within one year of the approval date.</p> <p>Controllers must be installed within one year of the approval date and automatically vary the amount of energy delivered to the electrical outlets depending on the temperature.</p> <p>Existing buildings heated by natural gas are not eligible. A feasibility study may be required. Specific requirements apply to energy sector and natural gas sector customers.</p> <p>Applicants must use the software for three years from the installation date. Software must be installed within one year from the date of purchase.</p> <p>The Prescriptive Building path is for smaller buildings designed to meet Power Smart Design Standards. The Custom Building Design path is for larger buildings designed to achieve an energy efficiency level at least 33% more than the Model National Energy Code of Canada for Buildings 1997.</p> <p>Applicants must be small business owners (e.g., restaurants, convenience stores and small offices) with a maximum property size of 5,000 ft². Franchises and chains are not eligible.</p> <p>Applicant must own or operate a restaurant or food service company, have an existing pre-rinse assembly and have a minimum water pressure of 40 psi.</p>	<p>Depends on the product. Maximum incremental costs: 75% for insulation upgrades and 80% for window installation.</p> <p>Scoping: \$2,500. Investigation study: up to \$0.14/ft² of conditioned space for the study. Implementation: Maximum \$10,000. Persistence: Maximum \$5,000.</p> <p>\$180 per eligible washer.</p> <p>Feasibility study: Maximum \$10,000. Installation: Project maximum: \$250,000 for all electrical measures; \$100,000 for all natural gas measures.</p> <p>Depends on item.</p> <p>\$2,500 per eligible steam cooker and \$1,250 per eligible fryer.</p> <p>Depends on item.</p> <p>\$50 per controlled circuit.</p> <p>Depends on item.</p> <p>Feasibility study: Maximum \$10,000. Installation: lesser of \$1.25/ft² heated by the system or \$60/MBH of installed capacity. Maximum \$15 per software licence.</p> <p>Prescriptive Building path: \$0.50/ft² on construction completion. Custom Building Design path: \$0.50/ft² for design, \$0.50/ft² on construction completion and additional incentives if building meets proven performance levels. Depends on item.</p> <p>Free valve and installation.</p>

Going Green Table

Select Manitoba and Saskatchewan Incentives

The business environment is changing.
With change comes opportunity.

PRICEWATERHOUSECOOPERS 

Going Green Table

Select Manitoba and Saskatchewan Incentives

August 2009

Leading companies recognize that social, environmental, economic and ethical factors directly affect their business strategy and success. As sustainability becomes an integral component of the executive agenda, organizations need to find the appropriate balance between generating profits and reducing the impact of operations on people and the environment.

This is not an impossible task. Numerous incentives could help your company embrace sustainability and going green concepts.



For more information, contact any of the following:

Robert Reimer
204 926 2442
robert.j.reimer@ca.pwc.com

Duncan Birnie
204 926 2424
duncan.j.birnie@ca.pwc.com

Leanne Sereda
403 509 7586
leanne.a.sereda@ca.pwc.com

Domenico Baruffaldi
403 509 6676
domenico.baruffaldi@ca.pwc.com

Christine Schuh
403 509 7517
christine.schuh@ca.pwc.com

From within North America call 800 301 4301 toll free. To connect to a global network with insight, visit our web page at www.pwc.com/ca/sustainability.

Tax News Network

Tax News Network (TNN) provides subscribers with Canadian and international information, insight and analysis to support well informed tax and business decisions. Try it today at www.ca.taxnews.com.