Saskatchewan Agricultural Processing Incentive Programs

saskatchewan.ca

Saskatchewan

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

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 $1million. Claim amounts greater than $1million 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/clmngsrd-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.sdtc.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

Innovate. Grow. Prosper.

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

Innovate. Grow. Prosper.

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 Efficienty 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

Innovate. Grow. Prosper.

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

Saskatchewan