



URBAN PLANNING AND ECONOMY
ECONOMIC INVESTMENT SERVICES

Edmonton

INDUSTRIAL INCENTIVES INFORMATION

2025

City of Edmonton

INDUSTRIAL INCENTIVES

EDMONTON IS A THRIVING HUB OF OPPORTUNITY

With a population of just over one million, Edmonton is one of Canada's youngest and fastest growing cities. We are building a resilient and diverse economy, attracting top talent and striving to be a world leader in environmental sustainability. The City of Edmonton has one of the highest livability indexes in the world¹, and cost of living and cost of operating rank the lowest in North America².

The City's Economic Investment Services (EIS) department leads investment attraction and retention and expansion efforts. Our mission is to advance economic development strategies and urban renewal initiatives that support Edmonton City Council's vision for a vibrant and inclusive city that attracts investment and provides an excellent quality of life for its residents.

To support growth in key sectors – including, Advanced Manufacturing, Food Processing, Artificial Intelligence and Technology, Health and Life Sciences, Energy and Clean Technology and Transportation and Logistics – the City of Edmonton offers a range of municipal incentives. Additional incentives from the Government of Alberta and the Government of Canada can often be combined with these programs. These incentives provide additional financial support through tax credits, grants and rebates to promote investment and retention in industrial sectors.

The following incentives are available as of **July 2025**. Please visit the links provided for more information on how to apply, eligibility, and program requirements.

¹ <https://www.numbeo.com/quality-of-life/>

² <https://edmontonglobal.ca/>

CITY OF EDMONTON MUNICIPAL INCENTIVES

Brownfield Redevelopment Grant Program

Application Date: Ongoing

This incentive assists owners of Brownfield sites with the additional financing needed to address environmental Testing and remediation in preparation for redevelopment.

The program has four grants, and each grant has different funding opportunities. The total cumulative grant amount for Phase I, II, and IV grants is \$200,000. The maximum grant payable for Phase III grant is up to 100% of city approved remediation costs or the sum of six consecutive years of municipal tax uplift.

Industrial Infrastructure Cost Sharing Program

Application Date: Ongoing

The Industrial Infrastructure Cost Sharing program assists front-end developers in recovering additional costs (called over-expenditures) incurred when constructing new infrastructure required by the City for future development. This Program acts as a hybrid financial tool using development levies and tax increment financing to support sustainable infrastructure development, and economic growth in Edmonton's industrial areas.

- + Front-end developers can recover over-expenditures through up to 100% of yearly Incremental Tax Revenue resulting from the construction of Cost Shareable Infrastructure and through development levies collected in the benefiting area.
- + Developers receive Incremental Tax Revenue until either their over-expenditures are fully recovered, or 25 years after the Servicing Agreement if they have recovered 50% of their over-expenditures.
- + If 50% of over-expenditures are not recovered after 25 years, developers can continue receiving Incremental Tax Revenue until that 50% is recovered.

- + When the City contributes more than 25% of the Cost Shareable Infrastructure costs, that amount is considered the City's over-expenditure, recoverable through development levies, and transferred to the City's general revenues.
- + The Benefiting Area Development Levy may be reduced by up to 25% when the City contributes Incremental Tax Revenue towards Cost Shareable Infrastructure.

Machinery and Equipment Tax Exemption

Application Date: Ongoing

This is a unique incentive that provides a 100% exemption from municipal property tax for all Machinery and Equipment, that would otherwise have machinery and equipment tax levied as part of the municipal tax assessment in most other jurisdictions in the province of Alberta.

Industrial Carbon Capture Facility Tax Incentive

Application Date: Ongoing, June 30th of current year to qualify for current year abatement

Edmonton's Industrial Carbon Capture Facility Tax Incentive offers up to \$2.4 million per year in municipal tax exemptions for up to 10 years, starting once your facility becomes operational. This incentive supports major industrial projects that include carbon capture and storage facilities. To qualify, facilities must capture at least 300,000 tonnes of CO₂ annually and involve a minimum capital investment of \$75 million, including land, construction and equipment. This incentive helps reduce costs, accelerate innovation and position your project for long-term success.

PROVINCIAL INCENTIVES

Strategic Energy Management for Industry (SEMI) (Emissions Reductions Alberta)

Application Date: Ongoing
(program ends March 31, 2027)

SEMI helps industrial and manufacturing facilities enhance organizational practices and fund capital retrofits. It covers up to 50% of eligible project costs for for-profit organizations and up to 100% for non-profit organizations. Eligible sectors include: agriculture, forestry, fishing and hunting; mining, quarrying, and oil and gas extraction; utilities; construction; manufacturing; transportation; administrative support, waste management and remediation services.

Alberta Agri-Processing Investment Tax Credit (APITC)

Application Date: Ongoing

Offers a 12% non-refundable tax credit for corporations investing at least \$10 million in new or expanded agri-processing facilities. Eligible food manufacturers and bioprocessors must add value to agricultural products. A tax credit of up to \$175 million are available per project, claimable within 10 years.

Innovation Employment Grant

Application Date: Ongoing

Supports up to 20% of qualifying research and development expenditures, with benefits of up to \$4 million annually. The grant targets small and medium-sized companies with taxable capital under \$50 million.

Alberta Petrochemicals Incentive Program

Application Date: Ongoing
(program ends November 1, 2030)

Provides grants based on 12% of the eligible capital costs for new or expanded petrochemical projects valued at \$50 million and above. Grants are issued after operations begin and projects must create permanent jobs. Both new facilities as well as brownfields and expansions on existing facilities will be eligible for the program.

Alberta Carbon Capture Incentive Program

Application Date: Ongoing

The Program will support and accelerate the development of new carbon capture, utilization and storage (CCUS) infrastructure for facilities to incorporate this technology into their operations. The Program offers a 12% grant on eligible new CCUS capital costs. Payments are made in three annual installments starting after one year of operations.

AIHA Heartland Incentive Program

Application Date: Ongoing

Encourages industrial development in Alberta's Industrial Heartland. Projects valued over \$50 million may receive incentives valued between 1.0– 2.0% of the total capital cost, depending on the project's criteria.

FEDERAL INCENTIVES

Strategic Innovation Fund (SIF)

Application Date: Ongoing

Supports large-scale projects with a minimum SIF contribution of \$10 million for projects with at least \$20 million in total eligible supported costs. Projects include those that invest in research and development activities that lead to technology transfer and commercialization of new products, processes and services.

Clean Fuels Fund

Application Date: Ongoing

Provides repayable and non-repayable funding to build, retrofit or expand clean fuel production facilities in Canada, including funding for feasibility and engineering studies.

Business Scale-up and Productivity Program (BSP) (PrairiesCan)

Application Date: Ongoing

Offers interest-free, repayable funding to incorporated, high-growth businesses producing innovative goods, services or technologies in the Prairies, covering up to 50% of eligible project costs. Funding ranges from \$200,000 to \$5 million.

NSERC Alliance Grants

Application Date: Ongoing

Support research partnerships between academic researchers and partner organizations across sectors. Funding is available for a range of project sizes and complexities.

Clean Technology Investment Tax Credit (ITC)

**Application Date: Ongoing
(program ends December 31, 2034)**

Refundable tax credit of up to 30% for capital invested in the adoption and operation of new clean technology property in Canada.

Carbon Capture, Utilization and Storage (CCUS) Investment Tax Credit (ITC)

**Application Date: Ongoing
(program ends December 31, 2040)**

Refundable tax credit for eligible property used in capturing, transporting and storing CO₂ from various sources, available through 2040.

Clean Hydrogen Investment Tax Credit (ITC)

**Application Date: Ongoing
(program ends December 31, 2034)**

Refundable tax credit for eligible clean hydrogen projects on property acquired and operational from March 28, 2023 to December 31, 2034.

Clean Technology Manufacturing Investment Tax Credit (ITC)

**Application Date: Ongoing
(program ends December 31, 2034)**

Provides 30% refundable tax credit for investments in machinery and equipment for clean tech manufacturing and processing of critical minerals.

Sustainable Canadian Agricultural Partnership

**Application Date: Ongoing
(program ends March 31, 2028)**

A \$3.5-billion federal-provincial-territorial initiative supporting the agriculture, agri-food, and agri-based sector through funding and cost-shared activities.

Scientific Research and Experimental Development (SR&ED) Tax Incentives

Application Date: Ongoing

Encourages R&D in Canada through tax incentives available to corporations, individuals, trusts and partnerships conducting eligible work.

For more information on available incentives and how to apply, contact our Industrial Growth Hub at invest@edmonton.ca.