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INNOVATION SASKATCHEWAN DOUBLES SASKATCHEWAN TECHNOLOGY STARTUP INCENTIVE CAP TO \$7.0 MILLION, STRENGTHENS SUPPORT FOR CLEANTECH AND AGTECH COMPANIES

Innovation Saskatchewan, the provincial government's central agency responsible for implementing research and development priorities and growing the technology sector, is expanding support for key innovation industries, including cleantech and agtech.

The 2024-25 Budget doubles the annual tax credit cap for the Saskatchewan Technology Startup Incentive (STSI) and expands eligibility to include cleantech startup investments.

Innovation Saskatchewan will also begin redeveloping the west wing of the Galleria Building at its Innovation Place research and technology park in Saskatoon, providing specialized infrastructure that benefits agtech companies.

"Saskatchewan's strong innovation ecosystem is fueled by our world-class research community and scaling technology firms," Minister Responsible for Innovation Saskatchewan Jeremy Harrison said. "Together, the STSI expansion and park infrastructure investment accelerate growth in areas where the province has a strategic advantage, notably in the cleantech and agtech sectors. These investments will help grow our economy and create new jobs in emerging fields."

The 2024-25 Budget investment doubles the STSI annual tax credit cap from \$3.5 million to \$7.0 million. This high-demand program is among the most aggressive tax credit programs for startups in Canada, providing a non-refundable 45 per cent tax credit to Saskatchewan-based investors while supporting early-stage technology startups.

STSI has also expanded to include investments in cleantech startups, a change that aligns with the province's commitment to sustainability and competitiveness of its resource sectors.

The program expansion is part of a suite of new, expanded, or improved incentives outlined in *Securing the Next Decade of Growth: Saskatchewan's Investment Attraction Strategy*, the government's roadmap to increase investment in the province, announced last week.

"Overall, we are seeing growing investment demand from digital technology companies and expect similar demand from the increasing number of cleantech companies emerging in the province," Innovation Saskatchewan CEO Kari Harvey said. "The increased tax credit cap and expanded eligibility requirements will strengthen Saskatchewan's innovation economy by allowing more startups to benefit than ever before."

Since launching in 2018, STSI has helped Saskatchewan technology startups raise more than \$90.0 million in private investment and supported the creation of more than 400 jobs. To date, over 370 investors and 90 companies in the province have benefited from the program. With 59 per cent of approved investors being new to angel investing, STSI has significantly increased the size of Saskatchewan's investor pool.

In addition to STSI program changes, one of the agency's two research and technology parks, Innovation Place in Saskatoon, will undergo significant infrastructure investments. The Galleria Building's west wing will be redeveloped to accommodate scaling companies, particularly those in agtech.

Laboratory and other specialized infrastructure will be constructed in a multi-tenant, multi-use occupancy space to support the province's efforts to grow the technology sector.

"Our Innovation Place parks are the perfect home for scaling agtech companies, providing access to specialized infrastructure, funding programs and innovation resources in a highly collaborative environment," Harvey said. "This infrastructure investment will further the high-growth trajectory of these companies and allow us to do what we do best - support Saskatchewan's innovation communities to strengthen and diversify our economy."

Design and planning work will commence in spring 2024.

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