Not Allowed	Capacity Fee			Allowed
IMPACT FEE: • Automatically assessed on developer as condition of development; • Calculated to fund future capital costs of water/sewer system *Unless unit has local act authority*	1. Assessed on developer as condition of development 2. Assessed when property connects (or contracts to connect) to water/sewer system; Calculated solely to cover future expansion costs	1. Assessed when property connects (or contracts to connect) to water/sewer system; Calculated to cover some measure of reserved capacity in system (combined or hybrid approach—includes both existing and planned capacity) 1. Assessed when property connects (or contracts to connect) to water/sewer system; Calculated to cover unknown future maintenance / upgrade costs of system	1. Assessed when property connects (or contracts to connect) to water/sewer system; Calculated by equity or system buy-in method as reimbursement for past investments in system 2. Assessed when property connects (or contracts to connect) to water/sewer system; Calculated to cover known or predictable future maintenance / upgrade costs necessary to provide service to property	**CONTRACTUAL CHARGE:** • Assessed on developer or property owner pursuant to development agreement or other contractual agreement; • Calculated to cover direct and indirect costs of expanding / extending public infrastructure to serve property(ies) **TAP/CONNECTION FEE:** • Assessed on developer or property owner when property connects to water or sewer system; • Calculated to cover direct and indirect costs of connecting property to system **USER FEE:** • Assessed on water/sewer customer (after property connected); • Calculated to cover past, current, and future costs necessary to serve property; • May include profit component