

COUNCIL POLICY



Document Name: Property Tax Relief

Department Name: Financial Services

Document Number: FIN-280

Effective Date: June 28, 2022

Next Revision Date: June 28, 2025

STRATEGIC PLAN LINKAGE

Strategic Priority 1 – Responsible Government

PURPOSE AND OBJECTIVE

The purpose of the Property Tax Relief Policy (the “Policy”) is to help guide Council’s discretionary power to grant Property Tax cancellations, reductions, refunds, and deferrals pursuant to section 347 of the *Municipal Government Act* (MGA). The Policy ensures that Property Tax Relief requests are dealt with in an equitable, consistent, and transparent manner.

GENERAL PRINCIPLES

1. Definitions:

- 1.1. “Council” means the collective group of elected officials who govern the Municipality.
- 1.2. “Property Owner” means a party holding an ownership interest in real property, including, but not limited to:
 - 1.2.1. the party registered as an owner on the property’s certificate of title,
 - 1.2.2. a part owner, joint owner, tenant in common, or joint tenant of the property; or
 - 1.2.3. a trustee, guardian, executor, or other legal representative in the case of the absence or incapacity of the person having title to the property, where proof of such legal agent status is provided.
- 1.3. “Property Tax” means the property tax that:
 - 1.3.1. is comprised of the municipal property tax and provincial portion of the property tax; and
 - 1.3.2. is levied by the Municipality on the value of a property as determined from the property assessment process.
- 1.4. “Property Tax Relief” means the cancellation or reduction of Property Tax arrears, cancellation or refund of all or part of a Property Tax, or deferral of collection of a Property Tax, pursuant to section 347 of the MGA.
- 1.5. “Taxation Year” means the twelve-month period from January 1 to December 31 to which a property assessment is related.

2. Responsibilities:**2.1. Council to:**

- 2.1.1. approve this Policy and any future amendments, as required; and
- 2.1.2. exercise sole discretionary authority to make decisions regarding Property Tax Relief, pursuant to Section 347 of the MGA.

2.2. Chief Administrative Officer to:

- 2.2.1. recommend amendments to this Policy; and
- 2.2.2. support the implementation of this Policy.

2.3. Chief Financial Officer to:

- 2.3.1. report to Council on requests for Property Tax Relief, including summary details for each request along with a recommendation to either deny or approve the request.

3. General Procedures:**3.1. Scope:**

- 3.1.1. This Policy solely addresses requests for Property Tax Relief brought forward pursuant to section 347 of the MGA.
- 3.1.2. Unless Council expressly states otherwise, Property Tax Relief applies to all municipal and provincial components of the Property Tax.
- 3.1.3. If Council chooses to cancel the provincial portion of the Property Tax for a property, the Municipality still has to submit the provincial portion of the Property Taxes to the province of Alberta.

3.2. Requests for Property Tax Relief:

- 3.2.1. Requests for Property Tax Relief shall be initiated by the Property Owner submitting a completed Property Tax Relief Form to the Taxation Branch. Refer to Appendix I – Property Tax Relief Form for additional information.
- 3.2.2. After reviewing the request for Property Tax Relief, the Taxation Branch shall prepare a report for the Chief Financial Officer, which summarizes the information provided in the submitted Property Tax Relief Form.
- 3.2.3. The Taxation Branch shall recommend that Council approve the request for Property Tax Relief if any of the following are true:
 - 3.2.3.1. the cancellation, reduction, refund, or deferral of taxes is equitable to all taxpayers; or
 - 3.2.3.2. the request is from a non-profit organization and meets criteria set forth in the *Community Organization Property Tax Exemption Regulation* (COPTER):
 - i. the request is related to Property Taxes levied in the current Taxation Year or previous two Taxation Years against a property while it was under construction that is now used for non-profit purposes; or

- ii. the request concerns Property Taxes levied in the current Taxation Year or previous Taxation Year against a property which is eligible for taxation exemption under COPTER but for which the Property Owner did not apply for tax exemption status.
- 3.2.4. While all decisions relating to Property Tax Relief are at the sole discretion of Council, the Taxation Branch will normally recommend to Council that the request be denied if any of the following are correct:
- 3.2.4.1. the Property Tax Relief Form contains a material error, omission, or misrepresentation that was not able to be corrected through contact with the Property Owner;
 - 3.2.4.2. the cancellation, reduction, refund, or deferral of taxes is not equitable to all taxpayers;
 - 3.2.4.3. the request is for relief of penalties due to the death or critical illness of the Property Owner or an immediate family member of the Property Owner;
 - 3.2.4.4. the request is related to an estate that is under review (probate) following the death of the Property Owner;
 - 3.2.4.5. the Property Owner failed to receive an assessment or tax notice;
 - 3.2.4.6. the request is for relief due to payment errors or delays resulting in late payment;
 - 3.2.4.7. the request is for relief due to damage, devaluation, or destruction of property due to natural disaster;
 - 3.2.4.8. the request is for relief due to the occurrence of a structural fire involving loss or damage of an existing home, building, structure, or business;
 - 3.2.4.9. the request for relief is for charges, levies, or amounts added to the tax roll that do not relate to the annual property assessment and taxation process;
 - 3.2.4.10. the request for relief is related to the demolition of existing buildings or improvements performed or permitted by the Property Owner;
 - 3.2.4.11. the request concerns a piece of land or a building that is being used in an illegal manner, including situations where final approvals have not been granted;
 - 3.2.4.12. the request was submitted by a party other than the party responsible for paying the Property Tax unless the party responsible for paying the Property Tax in question provides written consent for the application;
 - 3.2.4.13. the request for relief involves Property Taxes or penalties that arise from the failure to make payments as a result of probate, administration of an estate, foreclosure, receivership, or bankruptcy proceedings, unless a court has ordered that no payments relating to municipal taxes should be paid during the proceedings;
 - 3.2.4.14. the Property Owner has received a grant or other financial assistance from the Municipality or any other government agency, and there is a dispute concerning whether the Property Owner has abided by the terms of that grant or assistance;

- 3.2.4.15. the Property Owner is attempting to claim a set-off against the Municipality; or
 - 3.2.4.16. the request is related to an error of fact which resulted from the Property Owner failing to comply with a request from the Assessment Branch for property information or to enter and inspect the property for assessment purposes.
 - 3.2.5. The Taxation Branch will also normally recommend to Council that the request for Property Tax Relief be denied if the request is related to Property Tax that was levied more than two years prior to the current Taxation Year, unless otherwise indicated in this Policy.
 - 3.2.6. The Municipality retains the ability to cancel, reduce, or refund all or part of a Property Tax or Property Tax penalty applied during the current Taxation Year or previous two Taxation Years without presenting to Council if it is determined that the Assessment Branch or Taxation Branch has made an error, omission, or misrepresentation in the administration of the assessment and tax account in question.
- 3.3. Presentation to Council:**
- 3.3.1. The Chief Financial Officer shall present the request for Property Tax Relief to Council, including all relevant details and the recommendation to deny or approve the request.
 - 3.3.2. The Property Owner or an agent approved by the Property Owner should be prepared to summarize the rationale for Property Tax Relief and to answer any questions Council may have in relation to the request.
 - 3.3.3. Council will decide on requests for Property Tax Relief on a case-by-case basis and shall not be bound by any prior decisions.
 - 3.3.4. When considering a request for Property Tax Relief, Council shall consider whether the cancellation, reduction, refund, or deferral taxes is equitable to all taxpayers.
 - 3.3.5. When considering a request for Property Tax Relief, Council may also consider additional factors, including, but not limited to:
 - 3.3.5.1. sustainability of municipal revenues;
 - 3.3.5.2. simplicity, transparency, and efficiency of the tax levy process; and
 - 3.3.5.3. predictability and stability.
 - 3.3.6. For any request for Property Tax Relief, Council shall consider whether it is appropriate to relieve both the Property Tax amount and any arrears or penalties associated with the Property Tax. Council may decide to approve relief of the Property Tax amount but still require payment of associated arrears or penalties.
- 3.4. Council Discretion:**
- 3.4.1. This Policy does not prevent Council from exercising its broad discretion to grant tax relief pursuant to section 347 of the MGA if it determines, after due consideration of the impacts on the tax burden of other Property Owners in the municipality, that the granting of such relief is equitable in the particular circumstances.

4. Appendices


4.1. Appendix I – Property Tax Relief Form

APPROVAL

This Policy was approved by Council. It will be reviewed not later than its next Revision Date to determine its effectiveness and appropriateness. It may be assessed before that time, as necessary.



Sandy Bowman, Mayor



Jade Brown, Chief Legislative Officer

June 28, 2022
Date

SUPPORTING REFERENCES AND POSITION RESPONSIBLE

Legal References: *Community Organization Property Tax Exemption Regulation, Alta Reg 281/98*
Municipal Government Act, RSA 2000, c M-26

Cross References: Conflict of Interest Disclosure Administrative Directive HRM-610-D
 Property Tax Relief Administrative Procedure FIN-280-P01
 Tax Penalty Bylaw No. 95/041
 Tax Rate Bylaws

Position Responsible: Chief Financial Officer

COUNCIL POLICY DETAILS AND REVISION HISTORY

Date	Action	Description
June 28, 2022	Introduction	New Policy to guide Council’s discretionary power to grant Property Tax cancellations, reductions, refunds, and deferrals.

PROPERTY TAX RELIEF FORM

Important Information

The purpose of this form is for an assessed person(s) or taxpayer, or their authorized agent, to request under section 347(1) of the Municipal Government Act (MGA), that Council consider property tax relief, in the form of a reduction, cancellation, refund, or deferral, in respect to municipal property tax levied on the property as listed in Section B below.

Section A: Applicant Information

Applicant:	Property Owner <input type="checkbox"/>	Property Owner's Agent <input type="checkbox"/>
Name:	_____	Address: _____
Phone Number:	_____	Email: _____

Section B: Property Information *(From your tax notice)*

Assessment/Taxation Account Number(s):	_____	Property Address: _____
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Section C: Type of Property Tax Relief Requested *(Please check ONE of the below boxes)*

Property Tax Cancellation <input type="checkbox"/>	Property Tax Refund <input type="checkbox"/>	Property Tax Reduction <input type="checkbox"/>
Property Tax Penalty Cancellation <input type="checkbox"/>	Property Tax Deferral <input type="checkbox"/>	

Section D: Amount of Property Tax Relief Requested *(Enter dollar amount)*

Amount requested:

Section E: Rationale for Property Tax Relief *(Please summarize the reasons for your request)*

Please attach additional information to this form if you require more space.

Section F: Acknowledgement and Certification

By signing below, I acknowledge and certify that:

- i. I understand that for the purposes of *MGA* section 347(1), this request for property tax relief is valid only for the properties identified in Section B of this form.
- ii. I understand that for the purposes of *MGA* section 347(1), Council has discretion to do one or more of the following if it considers it equitable to do so:
 - cancel or reduce tax arrears;
 - cancel or refund all or part of a tax,
 - defer the collection of a tax.

Signature of Property Owner(s) or
Authorized Agent

Date

Section G: Form Submission Information

Please submit this completed form to:

TAXATION BRANCH
Jubilee Building 9909 Franklin Avenue, 3rd Floor
Fort McMurray, AB
T9H 2K4
Phone: 780-743-7000
Fax: 780-743-7050

OFFICE USE ONLY

Date Received: [insert date]	Received By Department: [insert Department]	Property Tax Verification:
Notifications sent:	Comments:	Current Year Tax Levy: \$ _____
Director: Yes <input type="checkbox"/> No <input type="checkbox"/>		Prior Year Tax Arrears: \$ _____
Legislative Services: Yes <input type="checkbox"/> No <input type="checkbox"/>		Prior Year Tax Delinquent: \$ _____
Taxation: Yes <input type="checkbox"/> No <input type="checkbox"/>		Tax Penalty Totals: \$ _____
Owner contacted: Yes <input type="checkbox"/> No <input type="checkbox"/>		Other: \$ _____
		Total Outstanding: \$ _____