



DRUMHELLER

COUNCIL POLICY



COUNCIL POLICY # C-02-19

Relief of Municipal Property Tax on Destroyed Improvements

1.0 Policy Statement

- 1.1 Improvements that have been destroyed or rendered uninhabitable or unusable as a result of extenuating circumstances may be considered for relief against municipal taxes levied in the year of destruction.

The granting of municipal property tax relief is at the sole discretion of Council.

2.0 Purpose of Policy

- 2.1 The purpose of this policy is to provide guidance for Council when exercising its discretionary power under Section 347(1) of the Municipal Government Act in response to a request for the cancellation of property taxes as a result of the destruction of improvement(s); to ensure that requests for tax cancellation, reduction or refund are dealt with in a fair and consistent manner.

3.0 Policy Guiding Principles

- 3.1 Council will take into account the following guiding taxation principles whenever consideration for cancellation of municipal property tax is being given:
- Fairness and equity to taxpayers
 - Stability and predictability of revenue
 - Transparency, simplicity and efficiency
 - Accountability

4.0 Definitions

Throughout this Policy

- 4.1 “Act” means the Municipal Government Act RSA200, c M-26 as amended
- 4.2 “Council” means the council that has been elected to represent the citizens of the Town of Drumheller
- 4.3 “Municipal Tax Relief” means municipal tax relief under Section 347 of the Act and can include a cancellation, deferral, reduction or refund
- 4.4 “Requisitions” includes but is not limited to, the Alberta School Foundation Fund (ASFF) and requisitions pursuant to ss 359, 359.1 and 359.2 of the Act and designated industrial property requisitions pursuant to s 359.3 of the Act

5.0 General

- 5.1 All requests for relief of municipal property tax must be submitted in writing to the Director of Corporate Services who will prepare and present a Request for Decision to Council.
- 5.2 All property types are eligible for municipal tax relief consideration against destructed improvements.
- 5.3 Properties under consideration for municipal tax relief remain subject to the due date as per the Notice of Assessment and Property Tax. Late penalty charges are not eligible for relief.
- 5.4 Municipal tax relief granted by motion of Council will be applied to the property roll once approval of a new development permit has been met.

6 Property Tax Levy Cancellation, Reduction, Refund or Deferral

- 6.1 Section 347(1) of the Act provides that
If a council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business, do one or more of the following, with or without conditions:
 - a) cancel or reduce tax arrears;
 - b) cancel or refund all or part of a tax;
 - c) defer the collection of tax
- 6.2 Buildings and/or improvements that become uninhabitable, unusable or destroyed as a result of extenuating circumstances such as fire may be eligible for relief by way of municipal property tax levy cancellation. When considering a request for relief under this policy, Council will
 - a) restrict any cancellation of taxes granted to the municipal tax levy only. Affected property owners will remain responsible for all requisition portions of the tax bill
 - b) apply any consideration given to the assessed value of the destroyed building/improvement(s) only. Vacant land assessment will remain fully taxablepro-rate any consideration granted due to extenuating circumstances from the date the damage occurred to the end of the taxation year, rounded to the nearest month, 7
Notwithstanding anything in this Policy, Council retains unfettered discretion to cancel, reduce, refund or defer taxes in accordance with section 347 of the MGA.

Date: August 19, 2019



Chief Administrative Officer



Mayor of Drumheller