

2019 Bill 7

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First Session, 30th Legislature, 68 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 7

## MUNICIPAL GOVERNMENT (PROPERTY TAX INCENTIVES) AMENDMENT ACT, 2019

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THE MINISTER OF MUNICIPAL AFFAIRS

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 7

2019

### MUNICIPAL GOVERNMENT (PROPERTY TAX INCENTIVES) AMENDMENT ACT, 2019

(Assented to \_\_\_\_\_, 2019)

HER MAJESTY, by and with the advice and consent of the  
Legislative Assembly of Alberta, enacts as follows:

**Amends RSA 2000 cM-26**

**1 The *Municipal Government Act* is amended by this Act.**

**2 Section 127 is amended by adding the following after  
subsection (1):**

**(1.1)** Where an area of land is the subject of an exemption or deferral granted under section 364.2 by one municipal authority and an order referred to in subsection (1) annexes all or part of that land to another municipal authority, the order must require the receiving municipal authority to continue the exemption or deferral in respect of the annexed land, subject to any terms the Lieutenant Governor in Council considers appropriate.

**3 Section 303(h.1) is amended by adding “or 364.2” after  
“section 364.1”.**

## Explanatory Notes

**1** Amends chapter M-26 of the Revised Statutes of Alberta 2000.

**2** Section 127 presently reads in part:

*127(1) An order to annex land to a municipal authority may*

- (a) require a municipal authority to pay compensation to another municipal authority in an amount set out in the order or to be determined by means specified in the order, including arbitration under the Arbitration Act,*
- (b) dissolve a municipal authority as a result of the annexation, and*
- (c) deal with any of the matters referred to in section 89.*

**3** Section 303(h.1) presently reads:

*303 The assessment roll prepared by a municipality must show, for each assessed property, the following*

Explanatory Notes

**4 Section 303.1 is amended by adding the following after clause (h):**

- (h.1) if a deferral of the collection of tax under section 364.2 is in effect for the property, a notation of that fact;

**5 Section 305 is amended**

- (a) **in subsection (3) by striking out** “section 364.1 or 368” **and substituting** “section 364.1, 364.2 or 368”;
- (b) **in subsection (3.1) by striking out** “section 364.1 or a deferral under that section” **and substituting** “section 364.1 or 364.2 or a deferral under one of those sections”.

**6 Section 329 is amended by adding the following after clause (g.1):**

- (g.2) if any property in the municipality is the subject of a deferral granted under section 364.2, a notation of the amount deferred and the taxation year or years to which the amount relates;

**7 The following is added after section 364.1:**

**Tax incentives for non-residential property**

**364.2(1)** In this section,

- (a) “deferral” means a deferral under this section;
- (b) “exemption” means an exemption under this section;
- (c) “non-residential” means non-residential as defined in section 297(4).

*(h.1) if a deferral of the collection of tax under section 364.1 is in effect for the property, a notation of that fact;*

**4** Section 303.1 presently reads in part:

*303.1 The provincial assessment roll must show, for each assessed designated industrial property, the following:*

*(h) if the designated industrial property is exempt from taxation under Part 10, a notation of that fact;*

**5** Section 305 presently reads in part:

*(3) If exempt property becomes taxable or taxable property becomes exempt under section 364.1 or 368, the assessment roll must be corrected for the current year only and an amended assessment notice must be prepared and sent to the assessed person.*

*(3.1) If the collection of tax on property is deferred under section 364.1 or a deferral under that section is cancelled, the assessment roll must be corrected and an amended assessment notice must be prepared and sent to the assessed person.*

**6** Section 329 presently reads in part:

*329 The tax roll must show, for each taxable property or business, the following:*

*(g.1) if any property in the municipality is the subject of a bylaw or agreement under section 364.1 to defer the collection of tax, a notation of the amount deferred and the taxation year or years to which the amount relates;*

**7** Tax incentives for non-residential property; judicial review of decision under section 364.2.

Explanatory Notes

**(2)** A council may by bylaw, for the purpose of encouraging the development or revitalization of non-residential properties for the general benefit of the municipality, provide for

- (a) full or partial exemptions from taxation under this Division for non-residential property, or
- (b) deferrals of the collection of tax under this Division on non-residential property.

**(3)** A bylaw under subsection (2)

- (a) must set criteria to be met for a non-residential property to qualify for an exemption or deferral,
- (b) must establish a process for the submission and consideration of applications for an exemption or deferral in respect of non-residential property,
- (c) must not provide for an exemption or deferral to have effect in respect of a property for more than 15 consecutive taxation years, but may, if the council considers it appropriate, provide for subsequent exemptions or deferrals of 15 consecutive taxation years or less to be applied for and granted in respect of the property, and
- (d) if the bylaw provides for any person other than the council, including a designated officer, to refuse to grant an exemption or deferral or to cancel an exemption or deferral, must establish a process for applications to the council for the review of those decisions and must specify the period of time within which the application must be made.

**(4)** If after reviewing an application the municipality determines that the non-residential property meets the requirements for a full or partial exemption or for a deferral, the municipality may grant the exemption or deferral.

**(5)** An exemption or deferral must be granted in a written form that specifies

- (a) the taxation years to which the exemption or deferral applies, which must not include any taxation year earlier

than the taxation year in which the exemption or deferral is granted,

- (b) in the case of a partial exemption, the extent of the exemption, and
- (c) any condition the breach of which will result in cancellation under subsection (6) and the taxation year or years to which the condition applies.

(6) If at any time after an exemption or deferral is granted under a bylaw under this section the municipality determines that the property did not meet or has ceased to meet a criterion referred to in subsection (3)(a) or that a condition referred to in subsection (5)(c) has been breached, the municipality may cancel the exemption or deferral for the taxation year or years in which the criterion was not met or to which the condition applies.

(7) Where a municipality refuses to grant or cancels an exemption or deferral, the municipality must send a written notice to the applicant stating the reasons for the refusal or cancellation and, if a review of the decision is available under subsection (3)(d), the date by which any application for that review must be made.

(8) Where a municipality grants or cancels an exemption or deferral in respect of designated industrial property, the municipality must notify the provincial assessor and provide any other information requested by the provincial assessor respecting the exemption, deferral or cancellation.

(9) Subject to subsection (6), any order referred to in section 127(1.1) and the criteria and conditions on which an exemption or deferral was granted, the exemption or deferral remains valid regardless of whether the bylaw under which it was granted is subsequently amended or repealed or otherwise ceases to have effect.

**Judicial review of decision under section 364.2**

**364.3(1)** Where a decision made under a bylaw under section 364.2 in respect of an exemption or deferral is the subject of an application for judicial review, the application must be filed

Explanatory Notes

with the Court of Queen's Bench and served not more than 60 days after the date of the decision.

(2) No councillor, designated officer or other person who makes a decision under a bylaw under section 364.2 is liable for costs by reason of or in respect of a judicial review of the decision.

**8 Section 460 is amended**

**(a) by repealing subsection (7) and substituting the following:**

(7) Despite subsection (5)(j),

- (a) there is no right to make a complaint about an exemption or deferral given by agreement under section 364.1(11) unless the agreement expressly provides for that right, and
- (b) there is no right to make a complaint about a decision made under a bylaw under section 364.2 in respect of an exemption or deferral.

**(b) by adding the following after subsection (14):**

(15) An assessment review board has no jurisdiction to deal with a complaint about any matter relating to an exemption or deferral under section 364.2, including a refusal to grant an exemption or deferral or a cancellation of an exemption or deferral under that section.

**9 Section 460.1(2) is amended by adding "and (15)" after "section 460(14)".**

**8 Section 460 presently reads in part:**

*(7) Despite subsection (5)(j), there is no right to make a complaint about an exemption or deferral given by agreement under section 364.1(11) unless the agreement expressly provides for that right.*

*(14) An assessment review board has no jurisdiction to deal with a complaint about designated industrial property or an amount prepared by the Minister under Part 9 as the equalized assessment for a municipality.*

**9 Section 460.1(2) presently reads in part:**

*(2) Subject to section 460(14), a composite assessment review board has jurisdiction to hear complaints about*

- (a) any matter referred to in section 460(5) that is shown on*
  - (i) an assessment notice for property other than property described in subsection (1)(a), or*
  - (ii) a business tax notice or an improvement tax notice,*