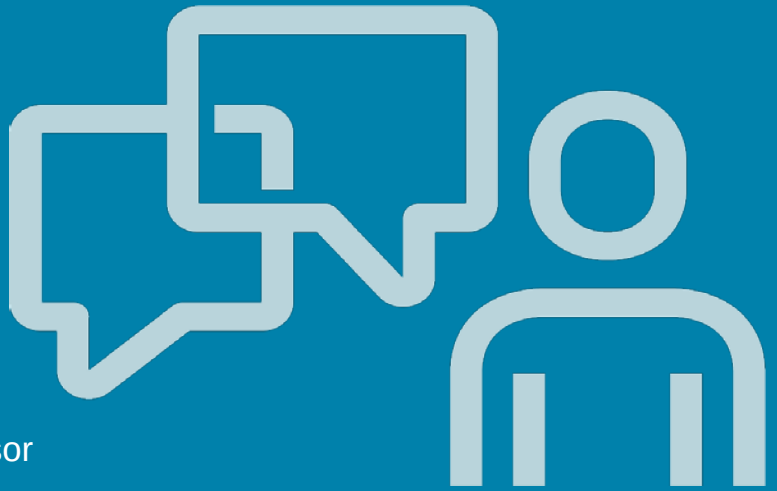
Municipal Affairs



Organizational updates

Ethan Bayne, Assistant Deputy Minister
Janice Romanyshyn, Executive Director/Provincial Assessor
March 3, 2020

Provincial Government Priorities

- Jobs and Economy
  - Corporate Taxes
  - MacKinnon Panel
  - Fair Deal Panel
  - Budget 2020
- Red Tape Reduction
  - 1/3 reduction
  - Quantitative and qualitative

Municipal Affairs – Competitiveness Focus

- Red Tape Reduction
  - Surface Rights Board
  - ICFs and IDPs
- Municipal Tax Measures
  - Tax incentives enabled through Bills 7 and 29
  - Shallow Gas Tax Relief Initiative
- Fiscal Restraint
  - Local Government Fiscal Framework
  - Grants in Place of Taxes
  - Cumulative impacts on municipalities

Alberta

Municipal Affairs – Business Plan Highlights

1.3 Work collaboratively with municipalities and industry to improve the consistency and efficiency of the property assessment system by **completing the transition to the centralized model for designated industrial property assessment**.

1.4 Work collaboratively with municipalities and municipal associations in continuing to offer and develop tools and programs to support well-managed, accountable, and sustainable municipalities, including **strategies to address unpaid linear property taxes** and promote effective municipal asset management practices.

2.4 Develop new assessment models for wells, pipelines, and machinery and equipment for implementation in the 2021 tax year in order to modernize the regulated assessment system while promoting industry competitiveness and a predictable revenue base for municipalities.

Alberta

Municipal Assessment and Grants – Priorities

- Energy sector tax arrears
- Assessment model review
- Designated Industrial assessment

Tax Arrears

- Complex problem with no immediate or comprehensive solutions
  - Rooted in Alberta's present economic circumstances
  - Complicated by recent legal rulings
  - Potentially competing public policy objectives

- Ongoing efforts to address the situation include:
  - Extension of the Provincial Education Requisition Credit program to 2021
  - Detailed survey to determine scope and nature of the problem
  - Consideration of whether existing legal tools need to be clarified or strengthened
  - Cross-ministry working group with Energy, Environment, and AER to explore longer term measures

Assessment Model Review

- Reviewing assessment models for regulated property, including wells, pipelines and machinery & equipment.
  - Account for current costs, economic circumstances, and industry practices.
- Objective is to enhance industry competitiveness while concurrently ensuring the ongoing viability of municipalities.
- Process
  - Technical working groups
  - Strategic level stakeholder engagement meetings – began January 21
    - Municipal and industry associations (RMA, AUMA, CAPP, EPAC, CPTA)
    - Co-chaired by DMs of Municipal Affairs, Energy, and Natural Gas
  - Work anticipated to conclude by late spring, 2020
  - Implementation for 2021 taxation year

Designated Industrial Assessment

- 2019 Designated Industrial Assessment
- Integration
- Staffing
- Stakeholder Advisory Committee

Questions
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