

## **Southern Alberta Flood Response Program – Questions and Answers**

### **Property Tax Relief Funding**

#### **1. Question**

Following the first year of eligibility, what is the requirement to qualify for tax relief in years two and three? For example, if the property remains uninhabitable until 2014, does the property need to be uninhabitable for any specific number of days in 2014? And does the same apply for 2015?

#### **Answer**

To qualify for property tax relief funding in 2014, a property must have been deemed uninhabitable in 2013 and continue to be uninhabitable into 2014.

To qualify for property tax relief funding in 2015, a property must have been deemed uninhabitable in 2013 and continue to be uninhabitable into 2015.

#### **2. Question**

If a property is uninhabitable for a portion of the year, can the municipality forgive property taxes for the entire year?

#### **Answer**

If a property remains uninhabitable in 2014 or 2015, the municipality can forgive the amount of taxes for the portion of the year that the property remains uninhabitable. In other words, the forgiveness of taxes should be prorated to the portion of the year that a property is uninhabitable. The municipality may, at its discretion, forgive taxes for an additional 30 days beyond the habitation date.

#### **3. Question**

If a property is uninhabitable for more than 90 days in 2013 and qualifies for 2013, and then the owner demolishes the structure, is the property owner eligible for tax relief in 2014 and/or 2015? How much relief is the property owner eligible for?

#### **Answer**

The property owner would be eligible for property tax relief until the new structure becomes habitable. If necessary, taxes should be prorated for the portion of the year that the property is uninhabitable. The municipality may, at its discretion, forgive taxes for an additional 30 days beyond the habitation date.

The municipality can forgive taxes, up to the full amount of taxes levied on the property, prorated for the time the property is uninhabitable. In this case, the amount of taxes levied would depend on the assessed value of the property, as determined by the municipality.

**4. Question**

Does a resolution for property tax forgiveness need to be passed by December 31 of the tax year?

**Answer**

A resolution does not have to be passed by December 31 of the tax year. However, the resolution should be passed as soon as is practical.

**5. Question**

In cases where a residential or commercial property is leased by tenants, and where tenants are unable to inhabit the property, does the municipality need to ensure the tax relief funding benefits the leasee?

**Answer**

It is suggested that the resolution to cancel property tax include a clause to encourage property owners to flow these benefits to their leasees. Compelling the property owner to trickle down this relief is beyond the scope of this program and dependent upon existing lease agreements between the parties.

**6. Question**

If only some units of a multi-unit property are uninhabitable, can the municipality provide tax relief for the property?

**Answer**

If only some of the units are uninhabitable, the municipality should prorate the tax forgiveness to the proportion of the units that are uninhabitable.

**7. Question**

If a secondary suite of a dwelling is uninhabitable, but the rest of the dwelling is habitable, can the municipality provide tax relief for the property?

**Answer**

If only the secondary suite is uninhabitable, the municipality should prorate the tax forgiveness to the proportion of the property taxes attributable to the secondary suite.