

Information Bulletin Southern Alberta Flood Response Program

Date: August 30, 2013

PROPERTY TAX RELIEF

Overview

- Property Tax Relief funding under the Southern Alberta Flood Response Program is available to offset lost revenues resulting from municipal councils deciding to forgive property tax for property owners who have lost the use of their homes or businesses either permanently or for a prolonged period due to the flood because the property is deemed uninhabitable.

Eligibility Criteria

- Funding is available to eligible municipalities for up to three years, beginning with property taxes payable in 2013.
- A property is defined as uninhabitable when it is located in a municipality that declared a State of Local Emergency or in an area where the Province declared a provincial state of emergency and;
 - The building is severely damaged beyond economic repair; or,
 - The building is damaged to the extent that a decision is made by the homeowner or business owner (in writing) to rebuild the building as a result of the extent of the costs of repair of damages; or,
 - The property cannot be occupied as municipal services formerly available to the property are not accessible; or,
 - The building is damaged, requiring extensive repairs or renovations that will make the building uninhabitable for a period of more than 90 days.
- The municipality may cancel or refund all or a part of the amount of taxes levied.
- The cancellation/refund can include both residential and non-residential taxes payable that are levied under Part 10 Division 2 of the *Municipal Government Act*, with the exception of taxable linear properties.
 - Local improvement taxes are not eligible under this funding envelope.

Municipal Affairs

- Municipalities are responsible for collecting appropriate documentation to ensure that properties whose property taxes are cancelled or refunded meet the definition of uninhabitable. This could include:
 - The insurance company adjuster's report.
 - A report from a licensed building inspector or appraiser indicating the building is beyond economic repair or damages require extensive repairs or renovations that will make the building uninhabitable for a period of more than 90 days.
 - A remediation report from a licensed expert dated more than 90 days following the flood indicating that the property is now fit for habitation.
 - A Closed Health Order (Order of an Executive Officer of Alberta Health Services) indicating the property was uninhabitable for more than 90 days following the flood.
 - An Active Health Order (Order of an Executive Officer of Alberta Health Services) indicating the property remains uninhabitable for more than 90 days following the flood, along with a certification from the property owner indicating the order has not been closed.
 - A Post Remediation Assessment of Flood Affected Homes completed by Alberta Health Services that lifts a Not Fit for Habitation declaration.
 - Disaster appraisals that were completed for individual properties immediately following the floods to determine the extent of the damage.
 - Other inspections or reports from licensed/certified experts.
- The documentation to be collected by the municipality from individual property owners may be a part of information already collected by the municipality, or submitted to provincial Ministries or agencies.
- The municipality must keep these documents on file for a period of three years, and must provide them to the Province if requested.
- Along with the grant application form, the municipality must provide a copy of the Council's resolution to cancel property taxes for uninhabitable properties.
 - The resolution must include roll number, legal description, and amount of taxes imposed and forgiven for each property.

Municipal Affairs

Process

- Municipalities must sign a funding agreement with the Province before applications will be reviewed.
- All eligible municipalities (as well as the Townsite of Redwood Meadows) with qualifying properties may apply.
- Municipalities are requested to notify Municipal Affairs at the contact information below by October 31, 2013 if they intend to submit an application for property tax relief funding.
- Municipalities must submit an application, along with the council resolution and list of properties with cancelled/refunded taxes, to Municipal Affairs each year to receive funding, once property tax rolls have been finalized and resolutions passed to cancel/refund property taxes.
- Municipal Affairs will review the application, and provide funding if the application meets the eligibility criteria.
- Municipalities must report on the use of the funds received in the previous fiscal year.

