



# Municipal District of Bonnyville No. 87

## Request for Decision (RFD)

**Meeting:** Regular Meeting of Council  
**Meeting Date:** May 13, 2025  
**Originated By:** Calvin Bespalko, Interim General Manager of Corporate Services  
**Title:** Request for Tax Arrears Cancellation Roll Number 6406054001 and 6406053001

### **PROPOSAL & BACKGROUND**

A property tax arrears cancellation request was received requesting cancellation of a past levy (2022 tax year) and penalties for 2 properties. In addition, the request included cancelling a portion of the 2021 tax levies due to the provincial lease being cancelled on March 25, 2021. Therefore, the properties were only subject to taxation for 23% of the year. The request for this cancellation is detailed as follows;

Roll Number	2022 Tax Levy and Penalties	2021 Tax Levy (Not Subject to Tax Levy)	Total Request
6406063001 SE-64-6-5-W4M	\$36.69	\$20.94	\$57.63
6406054001 SW-64-6-5-W4M	\$34.38	\$19.53	\$53.91

The 2021 levies for both properties were paid in 2021 prior to the 2021 penalty date. The only amount outstanding are the 2022 levies and penalties starting in 2022.

### **DISCUSSION ON BENEFITS, DISADVANTAGES & OPTIONS**

The two properties were assessed up to the 2022 tax year and were assessed and taxed as farmland parcels.

The request is asking for a cancellation of part of the 2021 tax levy due to the provincial lease being active for only 23% of the 2021 tax year. Once the lease is cancelled, the assessed party is the Province of Alberta and the province is exempt from taxation for these parcels.

Section 368(2) of the MGA defines "A taxable property or part of a taxable property becomes exempt if (a) the use of the property changes to one that qualifies for the exemption". Section 368(3) of the MGA states "If the taxable status of property changes, a tax imposed in respect of it must be prorated so that the tax is payable only for the part of the year in which the property, or part of it, is not exempt."

In the past the Assessment Services Division has experienced delays in provincial lease cancellations appearing in AbaData (the source used to verify that provincial leases have been cancelled). The request includes the official letter confirming the cancellation of the lease.

The request is attached as Appendix A

### **REFERENCE TO STRATEGIC PLAN**

### **REFERENCE TO PROVINCIAL/FEDERAL LEGISLATION**

MGA Section 289(1)(a), 368(2)(a), 368(3), 347(1)(b), 362(1)(a)

## **COSTS & SOURCE OF FUNDING**

Approving a cancellation of taxes and penalties will result in a reduction of the Allowance for Doubtful Accounts to the value defined by Council.

## **COMMUNICATIONS STRATEGY**

Council's decision will be communicated to the property owner through a telephone call and letter.

## **ADMINISTRATION RECOMMENDED ACTION**

THAT Council denies the request to cancel a portion of the 2021 tax levy the 2022 tax levy and penalties for SE-64-6-5-W4M (6406063001) totaling \$57.63 and SW-64-6-5-W4M (6406054001) totaling \$53.91.

## **COUNCIL OPTIONS**

1. THAT Council denies the request to cancel a portion of the 2021 tax levy the 2022 tax levy and penalties for SE-64-6-5-W4M (6406063001) to a total of \$57.63 and SW-64-6-5-W4M (6406054001) to a total of \$53.91.
2. THAT Council approves the request to cancel a portion of the 2021 tax levy the 2022 tax levy and penalties for SE-64-6-5-W4M (6406063001) to a total of \$57.63 and SW-64-6-5-W4M (6406054001) to a total of \$53.91.
3. THAT Council approves the request to cancel a portion of the 2021 tax levy the 2022 tax levy and penalties for SE-64-6-5-W4M (6406063001) to a total of \$\_\_\_\_\_ and SW-64-6-5-W4M (6406054001) to a total of \$\_\_\_\_\_.

## Report Approval Details

Document Title:	Request For Tax Arrears Cancellation - Roll Number 6406054001 6406053001.docx
Attachments:	- Appendix A (1)_Redacted.pdf
Final Approval Date:	May 1, 2025

This report and all of its attachments were approved and signed as outlined below:

Susan Walker

Stephanie Severin