

	Property Tax Cancellation	
	Policy Type:	Governance Process
	Number:	GP-F-2.2
	To be Reviewed:	Once per term
	Approval Date:	April 26, 2021
	Motion Number:	21.C.167 23.C.072
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Policy Statement

Under section 347(1) of the *Municipal Government Act*, if Council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business or a class of taxable property or business, do one or more of the following, with or without conditions:

- Cancel or reduce tax arrears;
- Cancel or refund all or part of a tax;
- Defer the collection of the tax.

When considering a request for cancellation of property taxes in the current year, Council will take into account the following *Generally Accepted Principles of Taxation*:

- Fairness and Equity to All Taxpayers;
- Sustainability of Revenues Raised;
- Simplicity, Transparency, and Efficiency of the Tax System;
- Predictability and Stability;
- Competitiveness.

1. General:

- 1.1 All requests for municipal tax levy or penalty cancellation in the current year must be presented to Council in writing.
- 1.2 Council will review all requests for municipal tax levy and penalty cancellation upon receipt in the current year.
- 1.3 All property types may be considered for tax relief.

2. Municipal Tax Levy Cancellation:

- 2.1 When extenuating circumstances result in the building and/or improvements being destroyed (partially or completely), uninhabitable, or unusable, Council will apply the following in determining the direction to take with respect to a request for municipal tax levy cancellation:
 - 2.1.1 The property owner will be responsible for any requisition portions of the tax bill and only the municipal portion of the taxes will be considered for cancellation.

- 2.1.2 Only the building/improvements portion of the taxes will be considered for cancellation.
- 2.1.3 Any municipal tax cancellation attributed to the extenuating circumstances will be prorated from the time the extenuating circumstance occurs to the end of the taxation period.

3. Property Tax Penalty Cancellation:

- 3.1 The Town of Okotoks will not cancel property tax penalties unless it can be demonstrated that the Town has made an error or failed to fulfill statutory requirements of the *Municipal Government Act*.