

From: [MA Minister](#)
To: [President](#)
Cc: [Minister Travis Toews](#); [EDC Minister](#)
Subject: RE: Letter from AUMA RE 2020 Resolutions
Date: Friday, December 18, 2020 12:24:07 PM
Attachments: [image001.png](#)
[image003.png](#)
[image004.png](#)
[Ltr to Minister MA re 2020 Resolutions on Education Property Tax.pdf](#)

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Dear Mr. Morishita,

Thank you for your letter of November 27, 2020, regarding the 2020 Alberta Urban Municipalities Association (AUMA) resolutions related to education property taxes.

With respect to Education Property Tax collection (Resolution 2020.B4), in order for the province to establish a secondary system to collect the education property tax, substantial additional costs would be incurred, and such a system would almost certainly result in inefficiencies and duplication of efforts. Given the fiscal situation and the government's commitment to reducing the burden of red tape on businesses and other taxpayers, we have no plans to change the existing model for collection of education property taxes.

I appreciate your suggestion under Resolution 2020.B5 to provide tax rebates on uncollected education property taxes to affected municipalities. The *Municipal Government Act (MGA)* provides an effective tax recovery framework for the non-payment of property taxes on land and improvements, though there may be some costs and delays involved in these processes. It should also be noted that some municipalities collect interest on requisition amounts collected on the tax due date but not immediately submitted to the province. For example, a municipality may collect the taxes due from the ratepayer in June, but not make its final payment to the province until the end of December.

Given the extraordinary economic impacts of the pandemic, our government is proud to have reached an agreement with the federal government to provide funding to safely restart the economy. A portion of this funding, the Municipal Operating Support Transfer, is dedicated to municipalities. Our intention is that this funding may be used for incremental operating costs associated with the pandemic and actions taken in response to it, as well as budgetary shortfalls due to foregone or reduced revenues, such as property taxes.

I appreciate these resolutions have been endorsed by AUMA members. However, at this time the government has no plans to significantly alter the current education property tax framework.

Sincerely,

Tracy L. Allard
Minister

cc: Honourable Travis Toews
President of Treasury Board and Minister of Finance

Honourable Adriana LaGrange
Minister of Education

Classification: Protected A

From: President <President@auma.ca>
Sent: Friday, November 27, 2020 2:25 PM
To: MA Minister <Minister.MunicipalAffairs@gov.ab.ca>
Cc: Minister Travis Toews <tbf.minister@gov.ab.ca>; EDC Minister <Education.Minister@gov.ab.ca>
Subject: Letter from AUMA RE 2020 Resolutions

CAUTION: This email has been sent from an external source. Treat hyperlinks and attachments in this email with care.

Good afternoon,

Please refer to the attached letter.

Best regards,

Barry Morishita | President
Mayor, City of Brooks

C: 403.363.9224 | president@auma.ca

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