



NEWS RELEASE

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Oil & gas companies must pay their fair share of property taxes

EDMONTON – *The following statement is issued on behalf of Alberta Municipalities' Board of Directors:*

Alberta Municipalities (ABmunis) is concerned about the long-standing issue of unpaid oil and gas taxes because the overall effect on municipalities is that residents are left to shoulder the growing financial burden through increases to their property taxes.

Over the past five years, the annual amount of unpaid municipal property taxes owed by delinquent oil and gas companies has hovered around \$250 million. When these taxes go unpaid, municipalities do not have the funds needed to maintain their local infrastructure and pay for services that residents and other businesses expect from their government.

Our association supports the Rural Municipalities of Alberta (RMA) in its ongoing efforts to address this serious matter. For too long, some oil and gas companies have taken advantage of legislative and regulatory loopholes to avoid paying the taxes they owe. Other property owners face stiff penalties whenever they fail to pay their taxes. In this case, the status quo is unfair and unacceptable.

“Oil and gas companies play a vital role in Alberta’s economy, but that doesn’t entitle them to be excluded from paying whatever municipal property taxes they owe,” said ABmunis President Tyler Gandam. “We ask the provincial government to work with municipal associations, industry and other relevant stakeholders to close legislative and enforcement gaps and ensure delinquent companies are held accountable and ultimately pay their taxes.”

We join the RMA in calling for the provincial government to establish a working group to address this chronic issue as soon as possible. We also call on oil and gas industry associations to ask companies that have not yet paid their municipal property taxes to do so.
