

MLA, Leduc-Beaumont

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September 22, 2017

Reeve Steve Upham County of St. Paul 5015 - 49 Avenue St. Paul AB TOA 3A4

Dear Reeve Upham,

Thank you for your letter of August 11, 2017, regarding the requirement for a municipality to pay requisitions for education property taxes and seniors housing which are not collectable from delinquent industrial properties.

Municipal Affairs recognizes the non-collection of property taxes has become more problematic in the current economic environment. We also recognize this situation will likely continue as the economy recovers. The *Municipal Government Act* has provisions for municipalities to collect such debts; however, I acknowledge these methods can be difficult to implement.

In response to this issue, which was brought forward at the fall 2016 and spring 2017 Alberta Association of Municipal Districts and Counties (AAMDC) conventions, Municipal Affairs assembled a cross-ministry working group with representatives from Municipal Affairs, Treasury Board and Finance, Education, Energy, Environment and Parks, the Alberta Energy Regulator, and AAMDC. The working group is exploring ways to address uncollectable property taxes related to delinquent industrial properties — specifically oil and gas properties which do not have easily seized assets. I am awaiting a report back from the working group and I will have more information to share regarding possible resolutions to this issue once I have examined the group's findings and recommendations.

Thank you again for sharing your concerns on this matter.

Sincerely,

Hon. Shaye Anderson

Minister of Municipal Affairs

cc: Honourable Rachel Notley, Premier of Alberta

Honourable David Eggen, Minister of Education

Honourable Lori Sigurdson, Minister of Seniors and Housing

Al Kemmere, President, Alberta Association of Municipal Districts and Counties

Lisa Holmes, President, Alberta Urban Municipalities Association