

Designated Industrial Property Assessment

2024 Tax Year – City of Fort Saskatchewan

Assessment Services Branch

April 16, 2024



Alberta

Presenters

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Who we are



Business function responsible for the assessment of Designated Industrial (DI) properties in Alberta



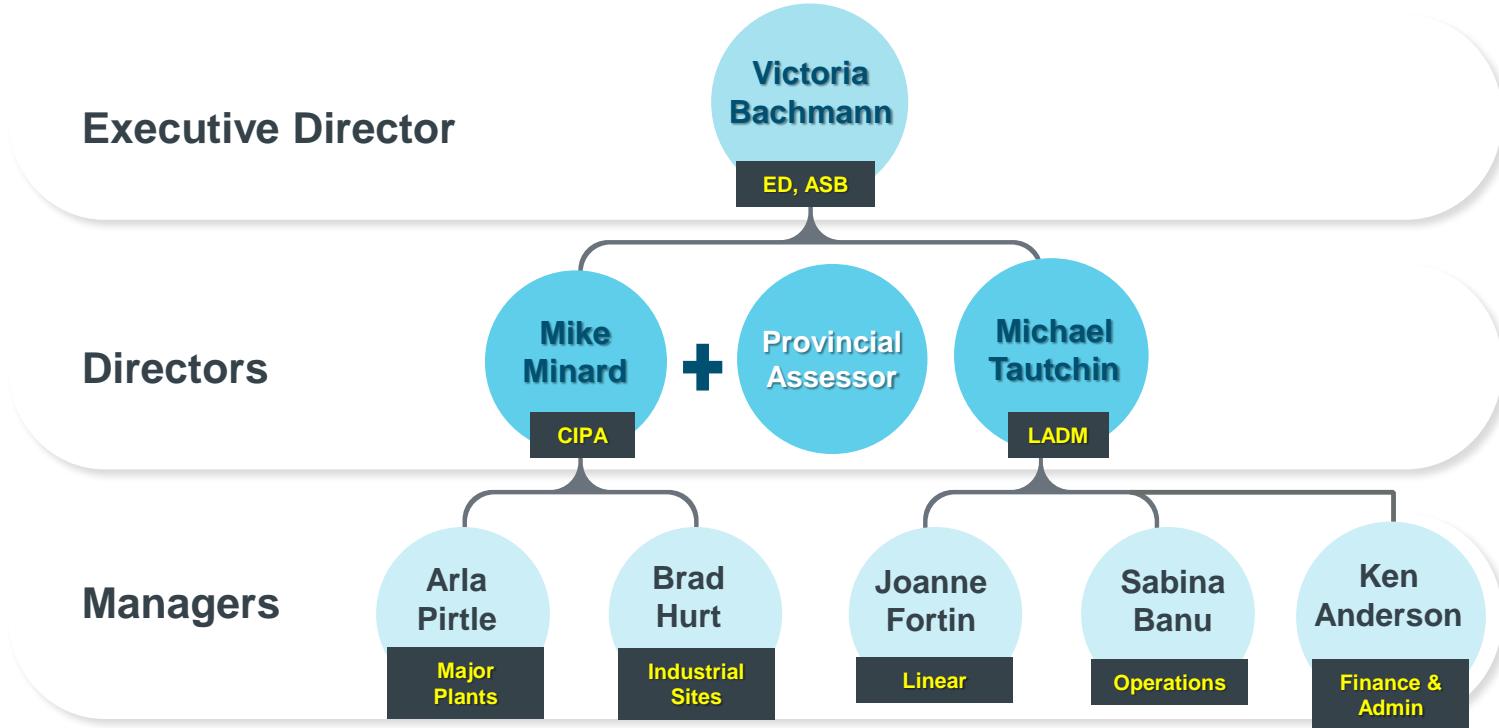
Prepare, amend, and defend the provincial assessment roll which allows municipalities to tax DI properties (DIP)



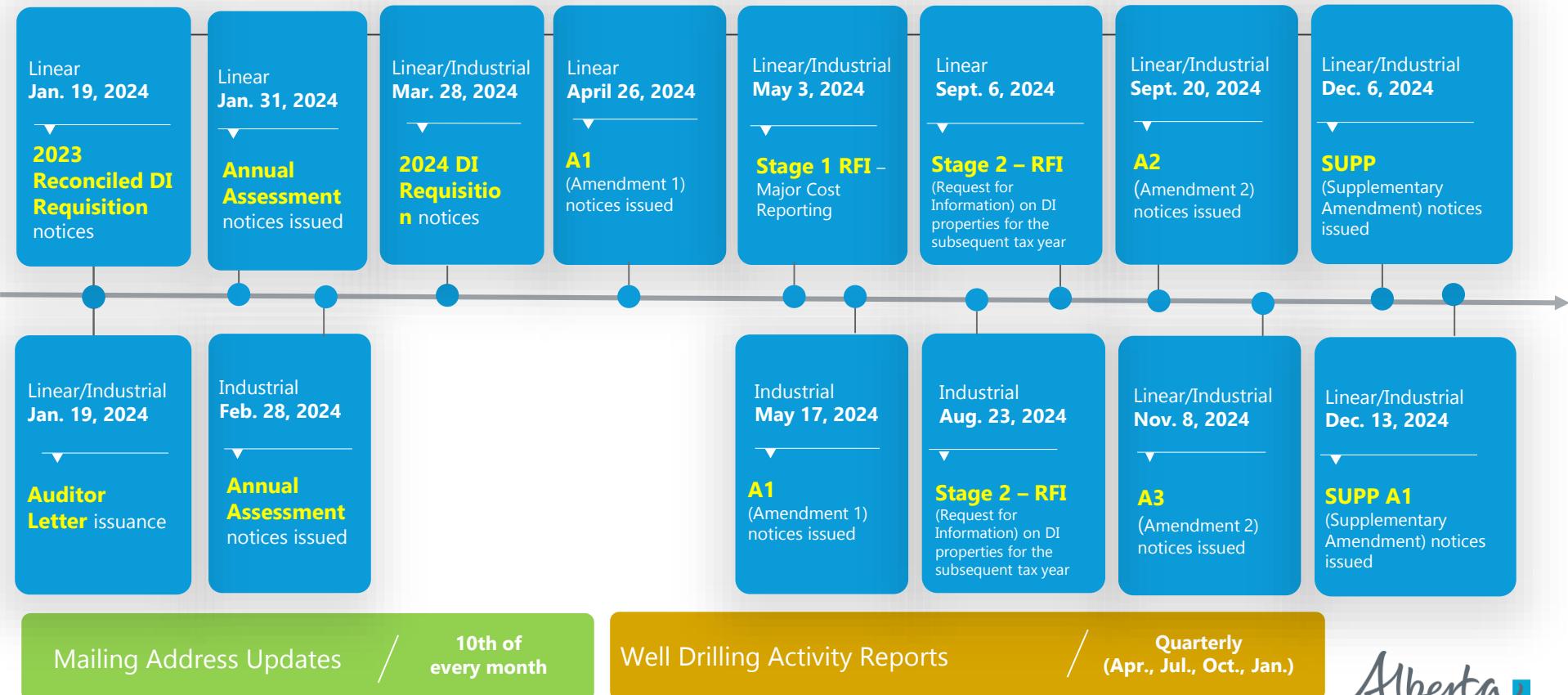
A diverse, multi-talented team with professionals in:

- property assessment
- engineering
- accounting
- geospatial & data analytics
- project management
- quality assurance
- general administrative capabilities
- stakeholder management

Assessment Services Branch (ASB)



2024 Annual Operational Schedule/Timelines



DI Property Requisition Timeline

The Requisition Rate is based on the total assessment base and amount to be requisitioned

MAR.



APR.



JAN.



- Ministerial Order with requisition rates prepared by ASB, and approved by the Minister
- The Ministerial Order with the updated rates sent to all municipal CAOs

- The Municipal Affairs website is updated with current rates
- Municipalities apply tax rate to eligible properties and remit payment to the Government of Alberta 30 days after local taxes are due

- A Requisition Tax Reconciliation is finalized and sent to CAOs
- Any unpaid balance is reflected in the upcoming year

DI Property Inventory – Linear Properties



Pipelines



Wells

source - AER



Telecomm & Cable Distribution



Electric Power Systems



Electric Power Generation



Railway

DI Property Inventory – Industrial Properties

Facilities regulated by AER, AUC and CER e.g., well sites, batteries, compressor stations, etc.



Well Sites



Compressor Station



Battery

Properties on the Major Plants List (*M&E Assessment Minister's Guidelines*) e.g., oil sands, gas plants, pipeline terminals, pulp & paper mills, refineries, petrochemicals, etc.



Terminals



Gas Plants



Oil Sands

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Overview of the 2023 AY (2024 Tax Year)



Total taxable
provincial DI
assessment for
2023AY/2024TY



\$196B

Linear
\$82.7

Industrial
\$113.4

DI Property Assessments translates to:

- **\$2B** - Alberta municipalities tax revenue
- **\$339M** - Alberta School Foundation Fund

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PROVINCIAL ROLL TOTAL

SIX YEAR COMPARISON
(DI PROPERTY TAXABLE ASSESSMENT IN BILLIONS)



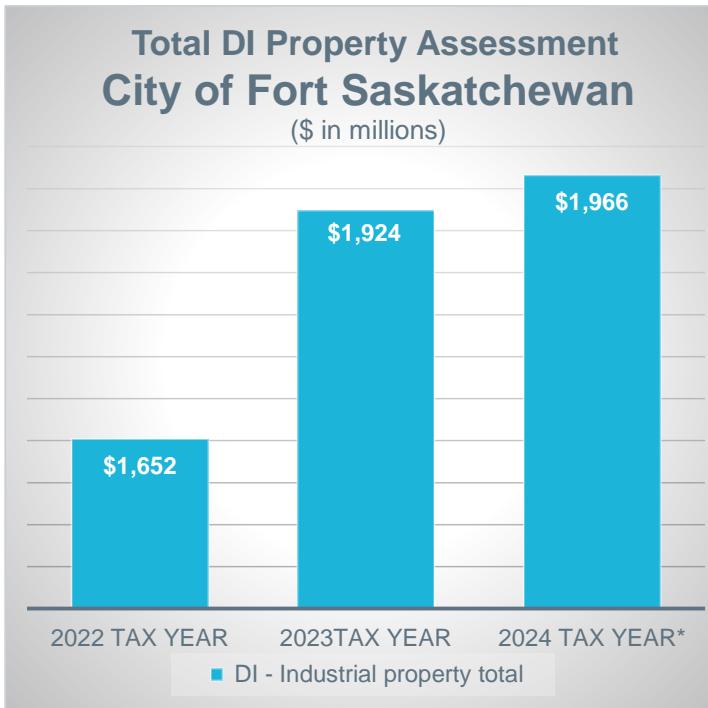
*Total designated industrial property assessment as at February 28, 2024

*all figures are in billions of dollars

*all figures are taxable assessment only

City of Fort Saskatchewan 2024 Tax Year

DI Property Assessment Summary (\$ in millions)



Property Type	2022 Tax Year	2023 Tax Year	2024 Tax Year	\$ Difference	% Change
Farmland	\$ 0.21	\$ 0.21	\$ 0.21	0.00	0.00
DIP Lands and Buildings (Non-Residential)	\$ 211.76	\$ 219.66	\$ 223.52	3.86	1.76
DIP Machinery and equipment	\$1,301.83	\$1,555.71	\$1,589.10	33.39	2.15
DI - Industrial property total	\$1,513.80	\$1,775.58	\$1,812.83	37.25	2.10
CBL - Cables	\$ 3.51	\$ 3.84	\$ 4.44	0.60	15.66
ELE - Electric Power	\$ 33.04	\$ 35.85	\$ 36.66	0.80	2.25
EPG – Elec Power Gen.	\$ 26.97	\$ 31.20	\$ 32.47	1.27	4.07
GDP – Gas Distribution	\$ 4.11	\$ 4.21	\$ 4.39	0.19	4.41
PL - Pipeline	\$ 33.15	\$ 33.38	\$ 33.69	0.31	0.93
RL - Railway	\$ 27.74	\$ 29.81	\$ 29.68	-0.13	-0.44
TEL - Telecommunications Carrier	\$ 6.73	\$ 6.74	\$ 8.24	1.50	22.26
WL - Well	\$ 3.03	\$ 3.40	\$ 3.68	0.28	8.26
DI - Linear property total	\$ 138.28	\$ 148.42	\$ 153.24	4.82	3.25
Total DI assessment	\$ 1,652.08	\$ 1,924.00	\$ 1,966.07	42.07	2.19

2024 Tax Year – Key Updates

Tax Holiday

- 2020 announcement is still valid
 - No assessment on new well & pipeline assets for three years (2021 AY – 2023 AY)
 - Expires 2023 Assessment Year (2024 Tax Year)
- City of Fort Saskatchewan Tax Holiday:
 - Pipeline \$ 3,292,710 assessed value
 - Well \$ 0 assessed value
 - Total of **\$ 3,292,710** assessed value



AMR Update

4-STAGE ENGAGEMENT STRATEGY

STAGE 1

Design the plan

2023

STAGE 2

Review foundational policies

Mar. – Dec. 2024

STAGE 3

Update assessment models

Winter 2025 – Summer 2027

STAGE 4

Consider the impacts

Summer 2027 – Spring 2028



AYM

- 2022 Minister's Guidelines for regulated property assessments approved
- Kindly note the applicable/approved 2022 Assessment Year Modifiers (AYMs) and cost factors is applicable to property types in your municipality for purposes of the 2023 tax computations
- Details are available on the Municipal Affairs website at <https://www.alberta.ca/municipal-property-assessment-legislation.aspx#toc-0>.



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Expectations



Communication

- Early information sharing of significant changes for properties and companies in your jurisdiction
- Concerns, complaints, comments

Collaboration

- Periodic Municipal approved permit information sharing to support GoA QA/QC checks
- Shared understanding of GoA DI property assessment objectives – **fair, accurate and timely assessments**

Questions?

