	<b><i>Property Tax Cancellation</i></b>	
	<b>Policy Type:</b>	Governance Process
	<b>Number:</b>	GP-F-2.2
	<b>To be Reviewed:</b>	Once per term
	<b>Approval Date:</b>	April 26, 2021
	<b>Motion Number:</b>	21.C.167
<b>Revised Date(s):</b>		

**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, 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 tax levy or penalty cancellation must be presented to Council in writing.
- 1.2 Council will review all requests for tax cancellation in the last fiscal quarter of the year.
- 1.3 All property types can be considered for tax relief.

2. Property 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 property 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.

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2.1.3 Any tax cancellation attributed to the extenuating circumstances will be prorated from the time of damage 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 the Town has made an error or failed to fulfill statutory requirements of the *Municipal Government Act*.