

**2025 Urban Service Area – Farm Tax Cancellation****Report Purpose**

To seek Council approval on the authorization of partial cancellation of 2025 property taxes on residences located in the Urban Service Area.

**Recommendation**

THAT partial cancellation of property taxes for the 38 properties in the Urban Service Area with farm residences totalling \$6,805.96 to be levied in accordance with the 2025 Property Tax and Supplementary Property Tax Rate Bylaw 9-2024, as set out in enclosure 2 of the April 29, 2025 Assessment and Tax report, be approved.

**Our Strategic Goals**

Governance Requirement

N/A

**Report**

Order in Council (761/95) established Strathcona County as a specialized municipality and defined the Urban Service Area (USA) and Rural Service Area (RSA) as amended by Bylaws 15-2016 and 20-2016. The matters relating to Assessment and Tax Regulation 203/2017 specifies that farm residences in the USA are to be assessed and taxed at a higher level in comparison to farm residences in the RSA.

For the 2025 tax year, there will be 38 farm properties in the USA that have a farm residence. Unless section 347 of the *Municipal Government Act* is used to cancel taxes as recommended, all 38 properties will experience an increase in their 2025 property taxes and an inequitable level of taxation compared to similar properties in the RSA.

**Council and Committee History**

2006 to 2024 tax years	Council approved the cancellation of property taxes on farm buildings and farm residences in the USA to the same extent as they are exempt in the RSA.
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**Other Impacts**

**Policy:** Property Tax Relief – The Urban Service Area Farm Tax Cancellation recommendation falls under Council discretion within the policy. “This policy does not preclude Council from exercising its broad discretion to grant tax relief under section 347 of the *Municipal Government Act* if it determines, after due consideration of the impacts on the tax burden of other property owners in the municipality, that the granting of such relief is equitable in the particular circumstances.”

**Legislative/Legal:** Section 347 of the *Municipal Government Act* allows Council to consider a reduction, cancellation or deferral of taxes on a year-by-year basis and only where Council considers it equitable to do so.

**Financial/Budget:** Nominal

**Interdepartmental:** n/a

**Master Plan/Framework:** n/a

**Communication Plan**

Assessment and Tax Notice

**Enclosures**

- 1 2025 Urban Service Area (USA) – boundary map
- 2 2025 USA farm tax cancellation properties
- 3 Policy SER-002-007, Property Tax Relief