



## Legislation Details (With Text)

<b>File #:</b>	RFD 18-285	<b>Version:</b>	1	<b>Name:</b>	Write off Uncollectable Property Taxes Relating to Oil and Gas Companies
<b>Type:</b>	Request For Decision	<b>Status:</b>			Carried
<b>File created:</b>	11/15/2018	<b>In control:</b>			Council
<b>On agenda:</b>	12/11/2018	<b>Final action:</b>			12/11/2018
<b>Title:</b>	Write-off Uncollectible Property Taxes Relating to Oil and Gas Companies				

### Proposed Motions

1. That Council approve the write-off of municipal, education, seniors and designated industrial property taxes and penalties on a number of tax rolls relating to oil and gas companies (as per Attachment 1) in the amount of \$89,432.73.

2. That Administration be directed to apply to recover the education portion of the taxes through the Provincial Education Requisition Credit Program for uncollectible education property taxes on oil and gas properties in the amount of \$20,060.28.

### Indexes:

### Code sections:

**Attachments:** 1. 1. Uncollectible taxes for oil & gas companies

Date	Ver.	Action By	Action	Result
12/11/2018	1	Council	approved	Pass
12/11/2018	1	Council	approved	Pass

Write-off Uncollectible Property Taxes Relating to Oil and Gas Companies

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### Administration Recommendation

Administration supports the proposed motions, as presented.

### Purpose

To clear uncollectible taxes and penalties pertaining to oil and gas companies from Parkland County.

### Summary

A number of these properties are now bankrupt, in receivership or are in financial distress, therefore do not have the means to pay their outstanding property taxes. Where possible, Administration have contacted affected parties who have confirmed that there are no available assets remaining to pay the outstanding property taxes. These taxes are now delinquent and should be removed from Parkland County.

It is difficult for Parkland County to collect on unpaid oil and gas taxes as most oil and gas companies do not own the land, thereby are not able to register a tax notification at Alberta Land Titles for these properties. Part 10, Division 9 of the Municipal Government Act provides for the seizure of personal property of the person responsible for the taxes through a Distress Warrant in satisfaction of the tax arrears. Parkland County would have to seize the goods/personal property and offer them for sale at public auction. This is not cost effective due to the nature of the assets. Alternatively, other remedies may include suing and obtaining judgement, garnishment of income and collection of rent; this is not viable as the companies do not have funds available. Municipal Affairs is responsible for the assessment on these properties.

**Strategic Plan/Policy/Legal/Staff Implications**

Section 347 of the Municipal Government Act allows Council to cancel, reduce, refund or defer taxes as deemed appropriate.

**Financial Impact:**

Cost: \$89,432.73

Source of Funding: Allowance for Uncollected Taxes