

Government of Alberta

2019 Assessment Year Request for Information

Designated Industrial Property (land, buildings, structures, and machinery and equipment)

Mail date: August 23, 2019

Date of request: August 31, 2019

Return Date: October 31, 2019

Designated Industrial Property
2019 Assessment Year Request for Information
(Land, buildings, structures, and machinery and equipment)
Municipal Affairs, Government of Alberta
August 2019

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Introduction

Summary of document

You are receiving this Request for Information (RFI) package because you have been identified as the owner of a designated industrial property. You are required to provide information to the Provincial Assessor, or delegates of the Provincial Assessor, in order to prepare the 2019 assessment of your property for taxation in 2020.

This document provides instructions for you to prepare a fully compliant 2019 Assessment Year (AY) response. Should you have any questions or concerns regarding this process, please contact the Provincial Assessor's office. Communication with our office is important: starting a dialogue as soon as possible may save you time and resources.

Municipal Government Act

Throughout this document, there are references to specific sections of the *Municipal Government Act* (MGA). This document refers to a section's intent, or it may be paraphrased. Actual wording of the section of the MGA may be found via the official publisher: Alberta Queen's Printer. The MGA can be purchased or viewed online from the [Queen's Printer website](#).

For convenience, links found throughout this document will lead to CanLii.org's publication of the MGA.

Role of the Assessor

The appointed Provincial Assessor is responsible for the preparation of all designated industrial properties in Alberta. The Provincial Assessor may delegate an agent to act on his or her behalf.

The duties of an assessor are outlined in [section 293 of the MGA](#), which directs assessors to prepare an assessment in a fair and equitable manner. In order to fulfill these duties, an assessor must receive correct and accurate information about the property from the property owner. You may rely on the assessors and advisors at the Provincial Assessor's office to answer any questions or concerns you may have about the information you are asked to

Provincial Assessor's Office Contact Details

Phone: (780) 310-0000

Email: MA.asbcia.asmt@gov.ab.ca

Mailing address:

Provincial Assessor
Assessment Services Branch
Alberta Municipal Affairs
15th Floor, Commerce Place
10155 102 St NW
Edmonton, AB T5J 4L4

provide. Our offices may also require an inspection of the property as allowed by [section 294 of the MGA](#).

Role of the Property Owner

As the property owner, you are responsible for responding to any requests for information (including this annual request for information) from the Provincial Assessor, or agents acting on their behalf. It is your responsibility to provide information as described in this document, to the most correct and accurate version available, in order to assist the Provincial Assessor in creating a fair and equitable assessment.

A property owner who fails to comply with this 2019AY RFI within sixty (60) days of the date of this request may not be eligible to file a complaint against their assessment.

As a property owner, you must report the information and documentation requested on the industrial property inventory by **October 31, 2019**.

The property owner's duty to provide information is outlined in [section 295 of the MGA](#).

Instructions to Complete RFI

Contents of RFI Package

To assist you in preparing a response to the 2019AY RFI your package contains:

- 2019 Assessment Year Request for Information – Designated Industrial Property (Land, Buildings, Structures, Machinery and Equipment) PDF – *this document*,
- 2019AY RFI Reference Guide PDF – *to assist in understanding the columns in the provided "Current Assessed Inventory" spreadsheet*,
- Current Assessed Inventory spreadsheet in Excel format – *the Provincial Assessor has based this information on the current assessment record (example: "YZX Company LTD_2019AYRFI")*; and
- 2019 Tax Year Letter of Authorization– *to authorize companies or representatives to act on your behalf*.

If you have not received one or more of these documents, please contact our office as soon as possible.

Completed responses

Your completed 2019AY RFI response should contain:

- Updated assessed inventory in Excel format;
- Supporting documentation, analysis, and evidence, as required; and
- Signed Letter of Authorization on company letterhead, if required.

The completed response must be returned to our office through email or mail **by October 31, 2019**. Your completed response will be reviewed and used to prepare your property assessment, which you should receive following our annual assessment mailing date of February 28, 2020. This assessment will also be sent to the municipality where your property is located for use in the preparation of their 2020 tax notice.

Supplementary Assessments

Information from your 2019AY RFI response may also be used to prepare a 2019 Tax Year (TY) supplementary assessment notice for your property. A municipality that chooses to have a supplementary assessment must have passed a supplementary assessment bylaw by May 1, of the tax year. For a complete list of municipalities that have passed a 2019 Tax Year Supplementary Bylaw, and for complete details on supplementary assessments, please refer to this [2019 Tax Year Supplementary Assessment information document](#).

Preparing your RFI

How to fill out Company Details and Operator Information

On the first tab of the Current Assessed Inventory spreadsheet (Oper), please provide or update the following information:

Field	Instructions
Assesse Name	Enter the full legal name of the company as recorded on incorporation documents
RFI Account Name	Enter the name of the person accountable for the completeness and correctness of the information submitted to our office. This person must be an officer or executive of the company.
RFI Account Title	Enter the job title of the accountable person identified in RFI Account Name

Field	Instructions
RFI Contact Name	Enter the name of the person who is the first point of contact for questions relating to the RFI return
RFI Contact Telephone	Enter the telephone number for the contact name
RFI Contact Email	Enter the email address for the contact name
Address	Enter the mailing address for the company NB: The address must be inside the operator's organization and must follow Canada Post address standards
Municipality	Enter the municipality of the mailing address
Province/State	Enter the province or state of the mailing address
Postcode/Zip	Enter the postcode or zip code of the mailing address
Country	Enter the country of the mailing address

How to update property inventory:

The second tab (Details) is pre-populated with the current assessment record, reflecting the information known to our office. On this sheet please review, verify and update the record, as necessary, according to the instructions below.

Scenario	Description	TRX Identifier	Instructions
New property	Your property is considered <u>new</u> if the property has not previously been assessed and/or our office has not received requested information about the existing property.	A	<p>Add a row to the spreadsheet and fill out the column details, identifying the property with "A" in the TRX status column.</p> <p>The "In_Service_Date" (column B) is a vital data point for new property, please ensure that this field is filled and correct.</p> <p>Please use the reference guide for help with column content.</p> <p>If your new property does not fit the spreadsheet format, please submit your own documentation separately to describe the new property.</p>

Scenario	Description	TRX Identifier	Instructions
Existing property with changes	Your property is considered <u>existing with changes</u> if it was assessed in previous years, but changes have occurred to this property since December 31, 2018.	C	Identify the property with “C”: in the TRX status column. Highlight the cells containing the description of any change of state to the property since October 31 st , 2018. If these changes do not fit the spreadsheet template, please submit your own documentation separately to describe changes to the property.
Property that is no longer assessable	Your property is considered <u>no longer assessable</u> when physically disconnected or removed	D	Identify the property with “D” in the TRX status column and supply supporting documentation such as a date-stamped digital photo, MOC, or invoice for the removal work.
Existing property with no changes	Your property is considered <u>existing with no changes</u> if it was assessed in previous years and there have been no changes incurred to the property between November 1, 2018 and October 31, 2019.		Leave the TRX status column blank
Sold Property	Your property is considered sold if ownership transferred from you to another party between November 1, 2018 and October 31, 2019.	S	Identify the property with “S” in the TRX status column and provide the name of the new owner/operator.

Additions, Removals, or Changes to Property

Updates to property encompasses a wide variety of work. These include, but are not limited to, property that has been:

- Newly constructed
- Decommissioned
- Removed
- Replaced
- Turnaround/Shut down
- Mothballed
- Subject to major maintenance
- Replaced
- Replaced-in-kind
- Received sustaining capital
- Refurbished
- Modified

In order to create a fair and accurate assessment, the Provincial Assessor requires full reporting on any work undertaken on a property between November 1, 2018 and October 31, 2019. Not all of the above types of updates are assessable, but all must be reported. It is better to provide too much information than too little. Please also be prepared for our office to return to you with follow up questions or requests for further information.

Buildings and Structures

A complete inventory listing of all new, additional, and replacement buildings and structures is required if they were completed, occupied, or moved into the municipality during 2019. This includes any buildings or structures that have not been accounted for in prior years' assessment returns and calculations. Please also include the building name, building use, dimensions, fencing dimensions, year-built, and any other identifying characteristics.

Supporting Documentation

Machinery and equipment that do not have scheduled costs listed in the *2019 Alberta Machinery & Equipment Assessment Minister's Guidelines* are assessed in accordance with the *2005 Construction Cost Reporting Guide (CCRG)*. Any additions or changes for these "reported cost properties" must include the total project costs for each year of construction. To assist our office in determining the nature and assessability of the work, the RFI must be returned with copies of supporting documentation such as (but not limited to):

1. **A description of the scope and purpose of the work** including sufficient explanation to support the cost reports and the cost classifications. Include a facility overview, site plans, plot plans, process flow diagrams, piping and instrumentation diagrams, schematics, building blueprints, and any other information that helps to describe the scope of work.

2. **A summary cost report** including the operator's summary of actual project costs to be classified as:
 - a. Buildings, structures and land costs;
 - b. Machinery and equipment;
 - c. Linear property;
 - d. Property that is not assessable under section 298 of the *MGA*; and
 - e. Costs the company believes to be excluded costs in accordance with the *CCRG*.
3. **Detailed cost reports** which are records of costs (in detailed elements) which support cost classifications and that are reconciled to the summary cost report. Examples of these include final construction reports, authorization for expenditures (AFEs), capital expenditure approval reports, construction contracts, as-built cost reports, etc.
4. **Documents which support claims of costs to be excluded** in accordance with the *MGA* and *CCRG*. Such documents include (but are not limited to) reports of scope changes, extra work orders, and field construction orders.
5. **Reconciliation** of the Summary Cost Report, the Detailed Cost Report and the Cost Rendition including all claims for excluded costs.
6. **Evidence of removal or disposal** – if a property has been removed, shut-down, taken out of service and isolated, etc., we ask that you provide one of the following types of supporting documentation:
 - a. a date stamped digital photo showing the disconnection/removal; or
 - b. a signed Memorandum of Change (MOC) or company equivalent; or
 - c. a company invoice for the removal work.

All documentation provided **must** have sufficient explanation and support to reconcile the cost details provided. Our office will make the final determination as to whether the cost will be included or excluded in the determination of the property assessment.

Need further assistance?

Please contact our office if you have any further questions, or require assistance in preparing your RFI response.

Guiding Legislation and Regulations

The following information complements the instructions included in this document and is meant to help property owners further understand the purpose, legal requirements, and processes related to the assessment of their designated industrial property.

Municipal Government Act

The *Municipal Government Act* provides guiding legislation on the preparation of property assessments. [Part 9 – Assessment of Property \(sections 284 – 325\)](#) outlines the purpose, roles, and procedures of property assessment.

You are encouraged to read and refer to the MGA in order to understand your role in the designated industrial property assessment process. The following sections of the MGA may be useful to you in understanding and preparing your RFI response:

- [Section 284\(1\)\(f.01\)](#) – Interpretation of designated industrial property
- [Section 292](#) – Assessments for designated industrial property
- [Section 293](#) – Duties of Assessors
- [Section 294](#) – Right to enter on and inspect property
- [Section 295](#) – Duty to provide information
- [Section 291](#) – Rules for assessing improvements
- [Section 304](#) – Recording assessed persons

Regulations and Guides

Your property is assessed according to the following regulations:

“2005 Construction Cost Reporting Guide” (CCRG): A complete list of all capital expenditures at the property for the 2019 calendar year and any capital expenditure that was not previously reported must be reported for review. These summaries will have the details on the scope/overview of the expenditure. Once reviewed by our office, additional documentation of the expenditure may be requested. All documents and project cost breakdowns will be subjected to a detailed review.

“Machinery and Equipment Minister’s Guidelines” (M&E Guidelines): Machinery and equipment (M&E) that have rates in the Guidelines will be assessed using those scheduled rates. A complete inventory listing of all new, additional, and replacement M&E that is or is expected to be in operation, on or prior to October 31, 2019; including any M&E that has not been accounted for in prior years’ assessments.

Land and buildings that form part of designated industrial property are also assessed according to the procedures outlined in the M&E Guidelines.

Other

Frequently Asked Questions

Do I have to prepare a 2019AY RFI response?

Yes. Every individual or corporation who receives a 2019AY RFI package must complete and return a response to the identified assessor by **October 31, 2019**. This request is in accordance with [Section 295 of the MGA](#).

Do I still have to prepare a response if there have been no changes to report on the 2019AY RFI?

Yes—if the provided excel spreadsheet of current assessed inventory is correct and you have no further additions, deletions, or changes, please note that on the spreadsheet and submit the file to your assessor by **October 31, 2019**.

What are the consequences of not responding to the 2019AY RFI by October 31, 2019?

If the property owner does not provide the requested information, the assessor must prepare the designated industrial property assessment using “any other source of information that the provincial assessor considers relevant, as at October 31 of the year prior to the year in which the tax is imposed under Part 10 in respect of the designated industrial property,” ([section 292\(2.1\)\(b\) of the MGA](#)).

The property owner may lose the right to appeal to the Municipal Government Board ([section 295\(1\)\(4\) of the MGA](#)).

Additionally, the assessor may apply to the courts to obtain the required information ([section 296\(1\) of the MGA](#)).

What happens after I file my 2019AY RFI response?

The Provincial Assessor’s office will review your submission and may ask for additional information to clarify or support your 2019AY RFI response. This information is considered part of the RFI and is used to prepare your 2019 designated industrial property assessment for property taxation in 2020, and where applicable, 2019TY supplementary assessment.

Contact

The following contacts are available to answer questions and concerns regarding this RFI.

Provincial Assessor's Office – For any question or concern related to the RFI process

- Cate Watt, Director of Industrial Property Assessment
780-422-8117
Cate.Watt@gov.ab.ca
- Michael Minard, Manager of Industrial Sites
780-643-6381
Michael.Minard@gov.ab.ca
- Aaron Slotsve, Manager of Major Plants
780-644-7507
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