

1971 Bill 91

Fourth Session, 16th Legislature, 20 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 91

The Transmission and Railway Facilities Taxation Act

THE MINISTER OF MUNICIPAL AFFAIRS

First Reading

Second Reading

Third Reading

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BILL 91

1971

THE TRANSMISSION AND RAILWAY FACILITIES TAXATION ACT

(Assented to _____, 1971)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

1. In this Act,

- (a) "Board" means the Alberta Assessment Appeal Board appointed pursuant to The Assessment Appeal Board Act;
- (b) "Minister" means the Minister of Municipal Affairs;
- (c) "municipality" means a city, town, new town, village, summer village, municipal district, county, improvement district, special area or school district in a national park;
- (d) "pipe line" means
 - (i) any line of pipe including loops, by-passes, cleanouts, valves, fittings, rights of way or easements that form part of any system for the conveyance or transmission of gas, oil, coal, salt, brine, wood products or any combination, product or by-product thereof or for the conveyance or transmission of gas, oil, water, steam, air or any substance used in or incidental to the production of a petroleum or saline product where such system is used
 - (A) as a flow line, test line, injection line, secondary line, gathering line or main line to convey a substance from one location which is not a single well to another location, or
 - (B) as a line to dispose of any waste material but does not include
 - (ii) any line of pipe including loops, by-passes, cleanouts, valves, fittings, rights of way or easements that form part of any system for the conveyance or transmission of gas, oil, coal, salt, brine, wood products or any combination,

Explanatory Notes

The purpose of this Act is to place certain types of property on a Provincial assessment and tax roll. These properties will include:

- (a) horizontal inter municipal pipe lines
- (b) inter municipal power transmission lines
- (c) generating, transforming, control and communications equipment
- (d) railway right of way previously assessed under The Railways Assessment Act.

The assessments will be established under Ministerial Regulations and subject to a uniform tax rate.

The revenues will be placed in a trust fund and distributed between the Province and the municipalities in accordance with a formula to be prescribed by the Minister.

1. Definitions.

product or by-product thereof or for the conveyance or transmission of gas, oil, water, steam, air or any substance used in or incidental to the production of a petroleum or saline product where such system is used

(A) as a flow line, test line, fuel line or injection line to convey a substance to or from a single well, or

(B) as a distribution line from the line regulator or plant regulator to the customer's premises for the distribution of gas, propane or other fuel, or

(C) as a part of a municipally owned and operated pipe line located outside the boundaries of the owner municipality,

or

(iii) the inlet valve or outlet valve or any machinery, equipment or structures between such valves in any processing, refining, manufacturing, marketing, loading, pumping, treating, heating, separating, storing, metering or regulating facility, or

(iv) drain lines or flare lines, or

(v) physical land or buildings;

(e) "Provincial Assessor" means the Chief Provincial Assessor appointed under The Municipalities Assessment and Equalization Act;

(f) "roadway" means the continuing strip of land owned or occupied by a railway company as a right of way for its railway within Alberta but does not include the land that is outside the limits of the right of way and owned or occupied by the company for station grounds or extra right of way for sidings, spur tracks, wyes or other trackage;

(g) "superstructure"

(i) includes grading, ballast, ties, rails, switches and other track appurtenances, bridges, tunnels, culverts, signals and grade crossing protective appliances, telephone and telegraph lines, fencing on the right of way and station platforms, but

(ii) does not include railway stations, office buildings, water tanks, coal docks, wells, pipe lines, pump houses and equipment, warehouses, dwellings, roundhouses, turntables, shops and tool houses and stock yards;

(h) "works and transmission lines" means

(i) the machinery, equipment, structures, rights of way and easements constructed or acquired for and used in

- (A) the generation or creating of electrical energy, or
 - (B) the transformation of electrical energy from one form to another, or
 - (C) the control or operation of a part of a system, or
 - (D) communication between one location and another, or
 - (E) the transmission of electricity between one location and another,
- but does not include
- (ii) the machinery, equipment, structures, rights of way and easements constructed or acquired for and used in
 - (A) the transmission of energy for the distribution of electricity from a line transformer to a customer's premises, or
 - (B) that part of a municipally owned and operated electric power system located outside the boundaries of the owner municipality, or
 - (C) the transmission of television by cable for commercial sale or resale to the public,
 - or
 - (iii) works or transmission line of a person or corporation whose rates are not controlled or set by the Public Utilities Board, or
 - (iv) physical land and buildings.

2. (1) Pipe lines, or parts thereof, and works and transmission lines, or parts thereof, and roadways and superstructures, or parts thereof, shall be assessed in accordance with this Act.

(2) Nothing in this Act affects the power of a municipality to assess and tax by way of local improvement for frontage assessment pipe lines, or part thereof, or works and transmission lines, or part thereof, or roadways and superstructures, or part thereof, situated in the municipality and subject to local improvement or frontage tax.

(3) That portion of a municipally owned pipe line or works and transmission lines situated within and operated by that municipality, is exempt from assessment under this Act.

2. Liability to assessment.

3. The following property is exempt from assessment under this Act:

- (a) works and transmission lines and pipe lines used exclusively for farm services;
- (b) canals, dams, dykes, weirs, breakwaters, ditches, basins, reservoirs, cribs and embankments;
- (c) floodgates, drains, tunnels, bridges, culverts, head-works, flumes, penstocks, aqueducts, devices and contrivances located at a dam and used in the operation of any such installations where the purpose is exclusively for water conservation or flood control;
- (d) all those portions of installations referred to in clause (c) which are used in connection with water conservation or flood control except such portion thereof as are used for the generation or production of electric power;
- (e) land used for the construction, maintenance, operation or abandonment of the structures, devices and installations referred to in clauses (b), (c) and (d) where those structures, devices, or installations are situated thereon and used exclusively for water conservation, flood control or the generation or production of electric power;
- (f) any land or improvement
 - (i) used exclusively for the treatment or disposal of waste materials for the purpose of controlling or abating pollution of water, soil or air, or
 - (ii) used chiefly for the treatment or disposal of waste materials for the purpose of controlling or abating pollution of water, soil or air to the extent of its use for the control or abatement of such pollution,
if the treatment or disposal facilities comply with the standards prescribed by or under any Act for the purpose of controlling water, soil or air pollution;
- (g) every right, title and interest of the Crown in any property whatsoever.

4. (1) In each year the Provincial Assessor shall make, or cause to be made on his behalf, an assessment of all pipe lines, all works and transmission lines, and all roadways and superstructure that are assessable under this Act.

(2) Any assessment prepared under this Act for purposes of taxation in the following year shall reflect the specifications and characteristics of the pipe lines, works and transmission lines and roadways and superstructure

3. Exemption from assessment.

4. Provincial Assessor to have an annual assessment made.

as at the 31st day of October of the year in which the assessment is made or should have been made.

(3) The Provincial Assessor shall determine the assessment in accordance with standards and methods prescribed by regulations under this Act.

(4) The assessment of generating, communications and substation equipment shall be at 50 per cent of the assessed value applicable to other kinds of property assessable under this Act.

(5) On or before the 15th day of December in the year in which an assessment has been made pursuant to subsection (1), the Provincial Assessor shall make a return to the Minister of property assessed under this Act.

5. (1) The Minister, upon receipt of a return or returns from the Chief Provincial Assessor, shall cause an assessment roll to be prepared setting forth

- (a) a brief description of the pipe lines, works and transmission lines or roadways and superstructures liable to assessment under this Act,
- (b) the name and post office address of the owner or operator of the pipe lines, works and transmission lines or roadways and superstructures, and
- (c) the assessed value of pipe lines, works and transmission lines and roadways and superstructures, as furnished to him by the Provincial Assessor.

(2) Where a pipe line is operated under a lease, agreement or licence from or on behalf of the owners of the pipe line, it shall be assessed in the name of the operator as if he were the owner thereof.

6. Upon completion of the assessment roll, the Minister shall send or cause to be sent an assessment notice to each person liable to the payment of a tax with respect to property assessed under this Act.

7. (1) Where any property that should have been assessed is not assessed, the Provincial Assessor, upon becoming aware of such omissions, shall assess the property forthwith and shall include the assessment in a return to the Minister who shall cause the assessment to be placed on the assessment roll.

(2) The Provincial Assessor may at any time correct errors in any assessment under this Act and shall so advise the Minister who shall cause all necessary corrections to be made on the assessment roll.

5. Minister to have an assessment roll prepared.

6. Assessment notices.

7. Correction of omissions and errors.

8. (1) A person who is the owner or operator of a pipe line, works and transmission lines or roadway or superstructure that is or may be liable to assessment under this Act shall, on or before the 31st day of October in each year, transmit to the Provincial Assessor such information and in such manner as the Provincial Assessor may require for the purpose of making an assessment under this Act.

(2) The information submitted under subsection (1) shall reflect the specifications and characteristics of the pipe lines, works and transmission lines, or roadways and superstructure as at the 31st day of October of the year in which the assessment is made or should have been made.

(3) A person mentioned in subsection (1), who fails or refuses to furnish the information required or who knowingly make any false statement in respect thereof is guilty of an offence and liable on summary conviction to a fine of not more than \$200 and in default of payment to imprisonment for a term not exceeding three months.

9. A person referred to in section 8, subsection (1) may, within 30 days after the date of mailing of the assessment notice by the Minister, appeal to the Board by serving upon or sending by registered mail to the Board and the Provincial Assessor, a notice thereof in writing in respect of

- (a) an error or omission alleged in respect of the assessment of property, or
- (b) an assessment alleged to be too high or too low, or
- (c) any property in any way wrongly assessed, or
- (d) the name of a person alleged to be wrongfully entered upon or omitted from the assessment roll.

10. The Board in hearing appeals is governed by this Act and The Assessment Appeal Board Act.

11. (1) Unless an appeal is taken therefrom within the time limited for the purpose, the assessment made by the Provincial Assessor shall be the value upon which the tax payable is determined.

(2) When an appeal is taken the assessment as confirmed, varied, modified or altered by the Board, shall be the amount upon which the tax imposed by the Minister is determined.

12. As soon as the Board gives its decision upon an appeal the Minister shall cause the assessment roll to be amended in accordance with such decision.

8. Information required for assessment.

9. Appeals.

10. Procedure on appeals.

11. Basis of taxation.

12. Assessment roll to be amended in accordance with the Board's decision.

13. (1) The non-receipt of an assessment slip

- (a) by the person to whom it is addressed, or
- (b) by a person named on the assessment roll whose address is not known,

or an error, omission or misdescription on an assessment slip does not invalidate the assessment or confer any right to exemption from taxation.

(2) Where an error, omission or misdescription on an assessment slip has influenced a person to whom the assessment slip is directed to refrain from appealing against the assessment within the time allowed, that person is entitled to receive a corrected assessment slip and he may appeal to the Board against the assessment as shown on the corrected assessment slip within 30 days of the mailing of the corrected assessment slip.

14. The Provincial Assessor, or any person designated by him for the purpose, shall be permitted to inspect and examine any pipe line, works and transmission line or roadway or superstructure at any time during the ordinary operating hours of the pipe line or works and transmission line or roadway or superstructure, and for that purpose has a right of access over the lands upon which any part of the pipe line or works and transmission line or roadway or superstructure is situated.

15. Sections 43 to 61 of The Municipal Taxation Act do not apply with respect to

- (a) an assessment of pipe lines, works and transmission lines or roadways and superstructures, or
- (b) an entry made on the assessment roll pursuant to this Act, or to any matter arising therefrom.

16. The Lieutenant Governor in Council shall by February 15th in each year, or as soon thereafter as possible, establish a rate expressed in mills, not exceeding 75 mills, to be applied against assessments determined under this Act.

17. The Minister each year shall cause to be collected a tax at the uniform rate on the dollar established under section 16 levied upon the assessed value of all assessed property shown on the assessment roll.

18. (1) A tax under section 17 or section 19, is payable to the Minister not later than July 1st in the year in which the levy is made.

13. Validity of assessment is not affected by errors or by non-receipt of assessment slip.

14. Inspection of property.

15. Certain sections of the Municipal Taxation Act relating to Courts of Revision and Appeal Boards do not apply.

16. Establishment of provincial mill rate.

17. Provincial tax.

18. Time of payment of tax.

(2) Where a tax mentioned in subsection (1) is not paid on or before the date provided therein, there shall be imposed a penalty after July 1st at the rate of 10 per cent.

19. Notwithstanding section 17 the Lieutenant Governor in Council may provide that a tax shall be levied on the gross revenue of any person or corporation liable to assessment under this Act in lieu of the taxation of all or any part of the property liable to assessment and in such case the Lieutenant Governor in Council shall establish the rate of tax to be applied.

20. Any pipe line or any works and transmission line or any roadway or superstructure for which tax is payable under this Act shall not be assessable under The Electric Power and Pipe Line Assessment Act or The Municipal Taxation Act.

21. Where any pipe line or any works and transmission line or roadway or superstructure, is assessable under this Act, no business assessment or business tax shall be levied against the owner or occupier of the premises on which the pipe line works and transmission line or roadway or superstructure liable to assessment are situated, except with respect to occupied office or warehouse premises.

22. (1) The provisions of The Municipal Taxation Act as set forth in sections 91, 102, 103, 104, 105, 106, 108, 109, 110, 113, 115, 117, 118, 120, 123, 124, 131, 132, 134, 136, 137, 138, subsection (1), 139, 140, 141 and 143, subsection (1) shall apply mutatis mutandis to this Act.

(2) For the purpose of subsection (1) every reference to a council or to a municipal secretary shall be a reference to the Minister of Municipal Affairs and the Deputy Minister of Municipal Affairs respectively.

23. (1) The Minister shall establish a trust fund for the deposit of revenues collected under this Act, and shall distribute the moneys so deposited to the Province and the municipalities in accordance with the regulations.

(2) Regulations established pursuant to subsection (1) shall provide that

- (a) revenues collected for educational requirements shall be allocated for educational purposes only,
- (b) the regulations governing the distribution of moneys shall recognize that the site municipality has a responsibility for providing services to the property assessed, and

19. The Lieutenant Governor in Council may tax gross revenue in lieu of property.

20. No double taxation.

21. Exemption from business assessment.

22. Certain provisions of The Municipal Taxation Act to apply.

23. Tax revenues to be shared between Province and municipalities in accordance with the regulations.

- (c) the portion remaining for general allocation to all municipalities shall be made in accordance with the formula used for the distribution of grants under The Municipalities Assistance Act.

24. (1) If any thing that is to be done within a number of days or at a time fixed by this Act, cannot be or is not so done, the Minister may by order from time to time appoint a further or other time for doing it, whether the time at or within which it ought to have been done, has or has not arrived or expired, as the case may be.

(2) A thing done at or within the time specified in the order is as valid as if it had been done at or within the time fixed by or under this Act.

25. A person who contravenes a provision of this Act is guilty of an offence and liable on summary conviction when no express penalty is elsewhere provided for in this Act, to a fine of not more than \$100 and in default of payment thereof, to imprisonment for a term of not more than two months.

26. The Minister may make regulations :

- (a) prescribing forms for use under this Act;
- (b) prescribing standards and methods of assessment to be used in making assessments for taxation purposes under this Act;
- (c) governing matters relating to the administration of this Act;
- (d) prescribing a formula for distributing revenues from taxes levied under this Act among the Province and the municipalities;
- (e) providing for any matter or thing deemed necessary or advisable to facilitate the carrying out of the provisions of the Act according to their true intent.

27. The Electric Power and Pipe Line Assessment Act is amended as to section 2 by

- (a) *deleting clause (d) and by substituting the following:*
 - (d) “pipe line” means
 - (i) any pipe in a well drilled or used for the purpose of
 - (A) obtaining oil, gas or any other mineral, or

24. Extension of time.

25. Offences and penalties.

26. Regulations.

27. Consequential.

- (B) injecting gas, air, water or any other substance to an underground formation, or
 - (C) monitoring or observing the progress of depletion in an underground formation, or
 - (D) disposing of any waste material,
- (ii) any line of pipe including loops, by-passes, cleanouts, valves, fittings, rights of way or easements that form part of any system for the conveyance or transmission of gas, oil, coal, salt, brine, wood product or any combination, product or by-product thereof or for the conveyance or transmission of gas, oil, water, steam, air or any substance used in or incidental to the production of a petroleum or saline product where such system is used
- (A) as a flow line, test line, fuel line or injection line to convey a substance to or from a single well, or
 - (B) as a distribution line from the line regulator or plant regulator to the customer's premises for distribution of gas, propane or other fuel, or
 - (C) as a part of a municipally owned and operated pipe line located outside the boundaries of the owner municipality but does not include
- (iii) any line of pipe including loops, by-passes, cleanouts, valves, fittings, rights of way or easements that form part of any system for the conveyance or transmission of gas, oil, coal, salt, brine, wood product or any combination, product or by-product thereof or for the conveyance or transmission of gas, oil, water, steam, air or any substance used in or incidental to the production of a petroleum or saline product where such system is used as a flow line, test line, injection line, secondary line, gathering line or main line to convey a substance from one location which is not a single well to another location, or
- (iv) water source wells, or
 - (v) well head installations, or
 - (vi) the inlet valve or outlet valve or any machinery, equipment or structures between

such valves in any processing, refining, manufacturing, marketing, loading, pumping, treating, heating, separating, storing, metering or regulating facility, or

(vii) drain lines or flare lines, or

(viii) physical land or buildings;

(b) *deleting clause (g) and substituting the following:*

(g) "works and transmission lines" means the machinery, equipment, structures, rights of way and easements constructed or acquired for and used in

(i) the transmission of energy for the distribution of electricity from a line transformer to a customer's premises,

(ii) that part of a municipally owned and operated electric power system located outside the boundaries of the owner municipality,

(iii) the transmission of television by cable for commercial sale or resale to the public

but does not include

(iv) physical land and buildings,

(v) the machinery, equipment, structures, rights of way and easements constructed or acquired for and used in

(A) the generation or creation of electrical energy,

(B) the transformation of electrical energy from one form to another,

(C) the control or operation of a part of a system,

(D) communication between one location and another,

(E) the transmission of electricity between one location and other, and

(F) works and transmission lines of a person or corporation whose rates are not controlled or set by the Public Utilities Board.

28. (1) This Act, except sections 16, 17, 18, 19, 22 and 23, comes into force on the day upon which it is assented to.

(2) Sections 16, 17, 18, 19, 22 and 23 come into force on January 1, 1972.

