

## *RURAL MUNICIPALITY OF LAURIER NO. 38*

### **Re: Exemptions from taxation in Rural Municipalities relating to farm dwellings.**

The following is provided to you for your information from Section 293 of *The Municipalities Act*:

- (2) In addition to the exemptions provided for by section 292, the following are exempt from taxation in rural municipalities:
  - (a) unoccupied buildings that are residential in nature and that are situated on land;
  - (e) a dwelling that is situated outside of an organized hamlet or an area established pursuant to clause 53(3)(i) and occupied by an owner or a lessee of land, to the extent of the amount of the assessment of the dwelling that does not exceed the total of the assessments of any land in the rural municipality or in any adjoining municipality that is owned or leased by:
    - (i) the occupant, the occupant's spouse or both of them;
    - (ii) subject to subsection (3), a partnership of which the occupant is a partner; or
    - (iii) subject to subsection (3), a corporation of which the occupant is a shareholder.
- (3) For the purposes of clause (2)(e):
  - (a) the assessment of land owned or leased by:
    - (i) a partnership of which any person who is an occupant is a partner is deemed to be that portion of the actual assessment of the land that bears the same relationship to that actual assessment as the number of persons who are the occupants and who are partners in the partnership bears to the highest number of partners in the partnership at any time in the taxation year; or
    - (ii) a corporation of which any person who is an occupant is a shareholder is deemed to be that portion of the actual assessment of the land that bears the same relationship to that actual assessment as the number of shares of the corporation held by persons who are the occupants bears to the highest number of issued shares of the corporation in the taxation year; and
  - (b) if more than one dwelling described in clause (2)(e) is owned or leased by any of the persons mentioned in subclauses (2)(e)(i) to (iii), clause (2)(e) applies:
    - (i) if the dwellings are in the same rural municipality, only to the residence with the greater assessment; and
    - (ii) if the dwellings are in adjoining municipalities, with respect to each dwelling, only to the amount of the assessment that does not exceed the total of the assessments of any land in the rural municipality in which the dwelling is located that is owned or leased by one or more of those persons.

**What this means is that if the assessment of your farm home is higher than the total taxable land assessment of what you own, rent and/or lease, in this municipality, and in some cases any of the eight neighbouring municipalities, you would normally be taxed on the difference. As well, if you own more than one house, in some circumstances you may be taxed.**

**The onus is on property owners to provide the assessor with information in regards to leased land within the municipality or outside of the municipality so exemptions can be properly applied. This should be done in writing. The deadline for doing so is March 31<sup>st</sup> in the year which the change occur. This is again outlined in *The Municipalities Act*.**

(5) If a written notice has been provided to the assessor pursuant to clause (4)(b), the lessee continues to receive the exemption until the owner or lessee provides to the assessor a written notice, signed by the owner, rescinding or amending the previous notice on or **before March 31** in the year in which the rescission or amendment is to be effective. (6) If the lease provided to the assessor pursuant to clause (4)(b) is amended, the lessee shall promptly provide the assessor with a copy of the lease as amended.

**For more information or any questions regarding how the exemption was applied or not applied to your dwelling's assessment, please contact the municipal office**

Sincerely

R.M. of Laurier No. 38