

2021

ALBERTA

RAILWAY PROPERTY ASSESSMENT

MINISTER'S GUIDELINES





ALBERTA

MUNICIPAL AFFAIRS

Office of the Minister

MLA, Calgary-Hays

MINISTERIAL ORDER NO. MAG:019/21

I, Ric McIver, Minister of Municipal Affairs, pursuant to Sections 322 and 322.1 of the *Municipal Government Act* and the applicable regulations, make the following order:

- The 2021 Alberta Farm Land Assessment Minister's Guidelines,
- The 2021 Alberta Linear Property Assessment Minister's Guidelines,
- The 2021 Alberta Machinery and Equipment Assessment Minister's Guidelines,
- The 2021 Alberta Railway Property Assessment Minister's Guidelines, and
- The 2005 Alberta Construction Cost Reporting Guide,

as set out in the attached documents, are established and become effective for the 2021 assessment year for taxation in 2022 and subsequent years.

This Ministerial Order rescinds Ministerial Order No. MAG:021/20 as of December 31, 2021.

Dated at Edmonton, Alberta, this 10 day of December, 2021.

Ric McIver
Minister of Municipal Affairs



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1.000 APPLICATION

Pursuant to section 10 of the Regulation, the Provincial Assessor designated by the Minister must follow the procedures set out in the *2021 Alberta Railway Property Assessment Minister's Guidelines*.

1.001 DEFINITIONS

In this Part,

- (a) **Act** means the *Municipal Government Act* (RSA 2000 Ch.M-26);
- (b) **annual traffic factor** is the Schedule C factor as determined from the 2021 Alberta Railway Property Assessment Minister's Guidelines;
- (c) **assessment classification code (ACC)** means the components of railway property as determined by the 2021 Alberta Railway Property Assessment Minister's Guidelines;
- (d) **assessment year** has the meaning given to it in the regulation;
- (e) **assessment year modifier (AYM)** means the factor that adjusts the base cost of the railway property to the assessment year cost;
- (f) **assessor** has the meaning given to it in the Act;
- (g) **base cost** means the value resulting from the formula shown in Schedule A of the 2021 Alberta Railway Property Assessment Minister's Guidelines;
- (h) **Minister** has the meaning given to it in the Act;
- (i) **municipality** has the meaning given to it in the Act;
- (j) **railway property** has the meaning given to it in the Act section 284(1)(k);
- (k) **regulation** means the Matters Relating to Assessment and Taxation Regulation (AR 220/2004), or the Matters Relating to Assessment and Taxation Regulation, 2018 (AR 203/2017), whichever is applicable in the context;
- (l) **request for information (RFI)** means the report referred to in section 292, and the information requested by the assessor pursuant to sections 294 and 295 of the *Act*;
- (m) **supplementary assessment** has the meaning given to it in the Act section 314.1.

NOTE: For all parts of Alberta, other than the City of Lloydminster, the regulation sections referenced within this guideline come from the Matters Relating to Assessment and Taxation Regulation, 2018 (AR 203/2017). For the City of Lloydminster, refer to the appropriate sections in the Matters Relating to Assessment and Taxation Regulation (AR 220/2004).

1.002 PROCESS FOR CALCULATING RAILWAY PROPERTY ASSESSMENTS

- (a) Pursuant to section 10 of the Regulation, the process for calculating railway property assessments is found in section 2.000 of the 2021 Alberta Railway Property Assessment Minister's Guidelines.
- (b) Calculate the assessment of railway property by multiplying together the values of Schedules A, B, and C.
- (c) Multiply the value from 1.002(b) by the supplementary factor (Schedule E), if applicable.

1.003 DESCRIPTION OF THE SCHEDULES

- (a) **Schedule A**—provides the process for determining base cost. Schedule A values are rounded to the nearest \$1 and have a minimum base cost of \$1.
- (b) **Schedule B**—lists the assessment year modifiers. Schedule B factors are specified to three significant digits.
- (c) **Schedule C**—provides the process for determining the factor for ACC RLA allowed by Table 4.001 in the 2021 Alberta Railway Property Assessment Minister's Guidelines. The Schedule C factor for ACC RLB is found in Table 4.002 in the 2021 Alberta Railway Property Assessment Minister's Guidelines. The factors prescribed in Schedule C are fixed and certain and must be applied as listed in the applicable Schedule C table, without adjustment or modification.
- (d) **Schedule E*** – provides the process for determining the supplementary adjustment.

* Schedule E is only applicable for supplementary assessments.

1.004 ROUNDING

The final assessment for railway property is rounded to the nearest \$10.

2.000 SCHEDULE A

2.001 DESCRIPTION OF THE RATES FOR ASSESSMENT CLASSIFICATION CODES (ACCS) FOUND IN TABLE 2.001A

- a) **Schedule A:** The rates for Assessment Classification Codes (ACCs) beginning with RL are comprised of all included costs of components necessary for railway property and found in Table 2.001A.
- b) **Schedule B:** The Assessment Year Modifier (AYM) is found in Table 3.001.
- c) **Schedule C:** The factor to be applied is found in Tables 4.001 and 4.002.
- d) **Schedule E*:** The factor to be applied is found in Table 5.001.

2.001A RAILWAY PROPERTY VALUE BASE COST

ACC	Description	Schedule A BASE COST (\$ per Km)	Schedule B	Schedule C	Schedule E*
RLA	RAILWAY PROPERTY LOCATED WITHIN RAILWAY R/W	453 173	See Table 3.001	See Table 4.001	See Table 5.001
RLB	RAILWAY PROPERTY LOCATED OUTSIDE OF RAILWAY R/W	432 423	See Table 3.001	See Table 4.002	See Table 5.001

* Schedule E is only applicable for supplementary assessments.

3.000 SCHEDULE B**3.001 ASSESSMENT YEAR MODIFIER**

Assessment Year	Factor
2006	1.04
2007	1.06
2008	1.18
2009	1.09
2010	1.04
2011	1.09
2012	1.22
2013	1.23
2014	1.28
2015	1.36
2016	1.34
2017	1.37
2018	1.41
2019	1.46
2020	1.471
2021	1.689

4.000 SCHEDULE C**4.001 FACTOR APPLICABLE TO ACC RLA ONLY (ANNUAL TRAFFIC FACTOR)**

Code	Description	Factor
1A	More than 25 million tonnes	0.400
2A	More than 15 million tonnes to a maximum of 25 million tonnes	0.300
3A	More than 7 million tonnes to a maximum of 15 million tonnes	0.150
4A	More than 3 million tonnes to a maximum of 7 million tonnes	0.040
5A	More than 1 million tonnes to a maximum of 3 million tonnes	0.030
6A	Less than 1 million tonnes	0.025
7A	Rail line/abandoned/ zero tonnes	0.010
8A	Grading, ballasts located on extra right of way for sidings, spur tracks, and wyes.	0.020

4.002 FACTOR APPLICABLE TO ACC RLB ONLY

Code	Description	Factor
1B	Adjustment Factor	0.400
2B	Abandoned	0.010
3B	Station grounds, marshalling, and intermodal or maintaining yards owned by Canadian Pacific or Canadian National Railway.	0.020

5.000 SUPPLEMENTARY ASSESSMENT

Section 314.1 of the *Municipal Government Act* enables the provincial assessor to prepare supplementary assessments for new designated industrial property. The supplementary assessment must be prorated to reflect the number of months during which the property is operational. The whole of the first month must be included.

The supplementary assessment is determined by multiplying the values calculated for Schedules A, B, & C for the applicable linear property, and multiplying by the Schedule E factor. Supplementary assessments do not include land.

The Schedule E factor is determined using Table 5.001.

5.001 SCHEDULE E* FACTORS

Month became operational	Months operational in the year (A)	Total months in the year (B)	Schedule E Factor (A/B)
November	12	12	1.000
December	11	12	0.917
January	10	12	0.833
February	9	12	0.750
March	8	12	0.667
April	7	12	0.583
May	6	12	0.500
June	5	12	0.417
July	4	12	0.333
August	3	12	0.250
September	2	12	0.167
October	1	12	0.083

* Schedule E is only applicable for supplementary assessments.

2021 Alberta Railway Property Assessment Minister's Guidelines

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