

## **MUNICIPAL DISTRICT OF BONNYVILLE MEDIA RELEASE**

### **M.D. Encouraged by Recent Assessment Model Announcement**

*October 21, 2020* – The Municipal District of Bonnyville Council was pleased to see the recent announcement from Municipal Affairs Minister Tracy Allard on October 19, confirming that the province is taking a more practical and reasonable approach to the assessment model changes for oil wells, pipelines, and machinery and equipment.

The province will be lowering assessments for less productive oil and gas wells, while continuing the recently introduced 35 per cent assessment reduction on shallow gas wells for three years. Other supports to energy companies will include an exemption from property taxes for three years when drilling new wells and building new pipelines and the elimination of the Well Drilling Equipment Tax provincewide for new drills.

“This new approach is a good balance between incentivising the future expansion of the oil and gas industry and promoting jobs in the present, while also recognizing the sizable impact on municipal finances,” says Reeve Greg Sawchuk.

The hope is that these measures will provide some certainty to industry, investors, municipalities, and taxpayers at least in the short term.

The announcement is more municipal-friendly than the four options presented earlier this summer by the department. Once the full details of these reductions are released, Administration will be able to determine the full financial impact on the municipality.

In the coming months, the provincial government will be developing a plan for longer-term reviews of the regulated assessment system. In the meantime, M.D. Council will continue to be involved and bring recommendations forward to Municipal Affairs, as well as to continue our work with industry partners and stakeholders towards economic recovery in our region.

-30-

**For more information, please contact:**

Luc Mercier,  
Chief Administrative Officer  
780-826-3171