The Municipal Tax Sharing (Potash) Act

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NOTE:
This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.
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CHAPTER M-34

An Act respecting the Sharing of Rural Municipal Tax Levies on Potash Development with Municipalities Located within an Area of Influence of the Potash Development

Short title
1 This Act may be cited as The Municipal Tax Sharing (Potash) Act.

Interpretation
2 In this Act:
   (a) “actual municipal mill rate” means the municipal mill rate set by the council of a rural municipality pursuant to The Municipalities Act;
   (b) “areas of influence” means the geographic areas of the province designated by the Lieutenant Governor in Council;
   (c) “board” means the Municipal Potash Tax Sharing Administration Board established pursuant to section 3;
   (d) “minister” means the member of the Executive Council to whom for the time being the administration of this Act is assigned;
   (e) “potash mine assessments” means the assessments established for taxation purposes pursuant to The Municipalities Act on land, buildings, plant, equipment and business related to the development and operation of the potash mines which come within the class of potash mines to which this Act applies;
   (g) “taxing rural municipality” means a rural municipality within whose borders a potash mine or development liable to assessment under this Act is located;
   (h) “urban municipality” means a town or village to which The Municipalities Act applies but does not include a resort village.

R.S.S. 1978, c.M-34, s.2; 1979-80, c.M-32.01, s.32; 1984-85-86, c.41, s.3; 1997, c.12, s.3 and c.15, s.3; 2005, c.M-36.1, s.447.
Board

3(1) This Act shall be administered by a board to be known as the Municipal Potash Tax Sharing Administration Board.

(2) The board shall be appointed by the Lieutenant Governor in Council and, subject to subsection (3), shall consist of:

(a) two persons nominated by The Saskatchewan Association of Rural Municipalities; and

(b) one person nominated by the minister.

(3) The Saskatchewan Association of Rural Municipalities shall not, under clause (a) of subsection (2), nominate a person who is not a reeve or a councillor of a rural municipality; and at least one of the two persons so nominated shall be on the executive of the Association.

(4) The persons appointed as members of the board shall take office on the date fixed by the order of the Lieutenant Governor in Council.

(5) The office of the board shall be at the City of Regina.

(6) The board, at its first meeting in each year, shall appoint a chairperson and a vice-chairperson from its members.

Term of office

4(1) Each member of the board shall hold office for a term of one year.

(2) A member of the board whose term of office has expired is eligible for re-appointment, except that where the member was appointed pursuant to clause (a) of subsection (2) of section 3 he shall not be re-appointed unless he satisfies the requirements of subsection (3) of that section.

(3) Where there occurs a vacancy on the board:

(a) among the members of the board nominated by The Saskatchewan Association of Rural Municipalities, the Association shall nominate a person; and

(b) in the case of the member nominated by the minister, the minister shall nominate a person;

to fill the vacancy so created for the unexpired portion of the term and, notwithstanding subsection (1), shall hold office until his successor is appointed.

Quorum

5 Two members of the board constitute a quorum.
Remuneration and expenses of members

6(1) Each member of the board, other than a member who is an employee of the Government of Saskatchewan, is to be paid:

(a) an amount per diem; and

(b) an allowance or reimbursement for travel, food, lodging and any other expenses incurred by the member;

that the Saskatchewan Association of Rural Municipalities shall fix, subject to the approval of the minister, to compensate the member for attending meetings and carrying out the business of the board.

(2) Any member of the board who is an employee of the Government of Saskatchewan is to be reimbursed for any expenses, that the minister may approve, incurred by the member in attending meetings and carrying out the business of the board.

1984-85-86, c.41, s.4.

Payment of expenses of board

7 The costs of administering this Act shall be paid from and out of the moneys collected and remitted to the board by the taxing rural municipalities.

R.S.S. 1978, c.M-34, s.7.

Mill rate to be set by board

8(1) Notwithstanding the provisions of The Municipalities Act respecting assessment and taxation, the mill rate for municipal purposes within a taxing rural municipality with respect to potash mine assessments shall be set each year by the board in the manner set out in subsections (2) to (4.1).

(2) The board shall determine the area in square miles of that portion of each rural municipality that is within an area of influence in that municipality.

(3) The number of square miles for each rural municipality as determined under subsection (2) shall be multiplied by the actual mill rate applicable to that municipality for the immediately preceding year.

(4) The sum of the figures obtained for each rural municipality pursuant to subsection (3) shall be divided by the total number of square miles within the area of influence for which the calculation is made; and the result so obtained shall be the mill rate to be levied by the taxing rural municipality on the potash mine assessments, within that area of influence, in the year for which the calculation is made.

(4.1) In setting the mill rate pursuant to subsection (1), the board, in a year in which a new base date, as defined in clause 193(d) of The Municipalities Act, takes effect, shall adjust the mill rate obtained pursuant to subsection (4) so that the rural municipalities within the area of influence will raise, using the adjusted mill rate and the new taxable potash mine assessments that result from the new base date taking effect, the same total tax revenues for municipal purposes from potash mines that were raised in the preceding year.
(5) Where the mill rate calculated for the first time in accordance with this section exceeds the actual municipal mill rate of the taxing rural municipality, the owner of a potash mine within the taxing rural municipality liable to taxation under the provisions of this Act may apply in writing to the minister for a reduction of the mill rate to be levied on its potash mine assessments under this section.

(6) The Lieutenant Governor in Council may by order upon the recommendation of the minister reduce the mill rate established under subsection (4) to apply to the potash mine assessments of the owner who applied to the minister under subsection (5), which reduced mill rate shall be increased in the manner set out in the order over a period not exceeding four years to equal the mill rate established pursuant to subsection (4).

R.S.S. 1978, c.M-34, s.8; 1997, c.15, s.4; 2005, c.M-36.1, s.447.

Application of mill rate

9(1) A taxing rural municipality shall apply the mill rate established under section 8 to the potash mine assessments within that municipality; and the provisions governing collections and tax enforcement contained in The Municipalities Act and The Tax Enforcement Act apply, mutatis mutandis, to taxes levied under this Act and the regulations.

(2) Every taxing rural municipality shall forthwith remit to the board all taxes collected from potash mine assessments pursuant to this Act, or pursuant to The Municipalities Act where the taxes collected are for municipal purposes.

R.S.S. 1978, c.M-34, s.9; 1997, c.15, s.5; 2005, c.M-36.1, s.447.

Audit

10 The books and records of the board shall be audited annually by the Provincial Auditor.

R.S.S. 1978, c.M-34, s.10.

Annual report

11(1) On or before March 1 in each fiscal year the board shall cause to be prepared a report for the preceding fiscal year showing:

(a) the names of all taxing rural municipalities submitting payments to the board and the amounts of such payments; and

(b) the name of each rural and urban municipality participating in a tax sharing program under this Act and the amount of any payment made by the board to each such municipality.

(2) In each fiscal year, the board, in accordance with section 13 of The Executive Government Administration Act, shall prepare and submit to the minister a financial statement showing the business of the board for the preceding fiscal year.
(3) The financial statement mentioned in subsection (2) is to be in the form required by Treasury Board.

(4) A copy of the report prepared pursuant to subsection (1) together with a financial statement for the year covered by the report shall be forwarded to The Saskatchewan Association of Rural Municipalities and to each rural and urban municipality mentioned in the report.

(5) In accordance with section 13 of *The Executive Government Administration Act*, the minister shall lay before the Assembly each financial statement received by the minister pursuant to subsection (2).


**Personal liability of members of board**

12 No member of the board is personally liable for any loss or damage suffered by any person by reason of anything done or omitted to be done in good faith by the member in carrying out the provision of this Act.

R.S.S. 1978, c.M-34, s.12.

**Regulations**

13 For the purpose of carrying out the provisions of this Act according to their intent, the Lieutenant Governor in Council may make such regulations as are ancillary thereto and are not inconsistent therewith; and every regulation made under and in accordance with the authority granted by this section has the force of law; and, without restricting the generality of the foregoing, the Lieutenant Governor in Council may make regulations, not inconsistent with any other provision of this Act:

(a) designating areas of influence for the purposes of this Act;

(b) designating the class or classes of rural and urban municipalities that are eligible for sharing in tax revenue from potash mine assessments;

(c) exempting any class of potash mine or potash mine property from the operation of this Act;

(d) prescribing the formula governing the distribution of tax revenues from potash mine assessments among rural municipalities and urban municipalities eligible to share such tax revenue; and

(e) respecting such other matters as may be necessary for the proper administration of this Act.


**Act to prevail in case of conflict**

14 Where there is a conflict between the provisions of this Act and of any other Act, the provisions of this Act prevail.
