

Bulletin #2024-01

MUNICIPAL AND NORTHERN RELATIONS

Important Notice to All Elected Officials and Chief Administrative Officers

School and Health Related Properties - Property Tax Exemptions

On October 3, 2022 decision by the Court of King's Bench reinterpreted clause 22(1)(d) of The Municipal Assessment Act to exempt school division-owned buildings that are used to support schools. The Court ruled that the legislation's exemption for property for "use of a public school" be given a large and liberal interpretation, considering the wide-ranging supports required for a modern education system. This ruling had the effect of exempting most school ancillary buildings, such as bus garages, counselling properties and resource programming buildings, while leaving buildings used strictly for administration purposes as taxable.

With respect to the Court decision, the Department of Municipal and Northern Relations subsequently exempted properties affected by this ruling for the 2023 assessment rolls, and distributed letters to all affected municipalities advising of changes on impacted properties in January 2023.

Some municipalities have also experienced appeals below a provincial court level on health authority properties based on extending the same logic as within the Court decision for school division properties. The department is currently of the view that there is a distinction between health service and education service delivery models and, until there is a Court ruling otherwise, will maintain the current assessment framework for these properties.

Municipal and Northern Relations continually assesses the fairness and equity of the property assessment and taxation system.

Municipalities with further questions about the court decision and its assessment impacts can contact the Property Assessment Services office at 204-945-0119 or assessment@gov.mb.ca.

*Department of Municipal and Northern Relations
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