IN THE HOUSE

The following provides highlights of Bill 12, *Miscellaneous Statutes Amendment Act, 2007,* introduced on March 7, 2007. Amendments to provincial statutes of interest to local government are noted.

**POLICE COSTS**

The provincial government has introduced amendments to the *Police Act* (Bill 12) that will require taxpayers in municipalities with populations under 5,000 and in electoral areas to pay up to 50 per cent of the total annual provincial costs for police services in these areas.

The legislation will take effect as of January 1, 2007 and will be implemented in a similar fashion to the current school tax. The municipality will be sent a notice by the Surveyor of Taxes by May 10 of each year, setting out the police taxes payable. The notice will include information about: the net taxable value of land and improvements; the total amount of tax to be collected; and the tax rate to be applied to each assessment class (calculations for the police tax will be based on the hospital assessment base). The municipality will be required, on the property notice, to identify the “Police Tax” as a separate line item and to remit to the Province on an installment basis the police tax collected, similar to what it is required to do under the school tax model. A similar process will apply in electoral areas, where the Surveyor of Taxes will identify the “Police Tax” as a separate line item on the rural property tax notice and collect the new police tax.

In addition, the legislation and background information confirm the changes announced by the Honourable John Les, Minister of Public Safety and Solicitor General at the 2007 UBCM Convention:

- Application of a tax credit in electoral areas from the provincial rural tax of $0.10 per $1,000 (all assessment classes) to offset the new rural police tax – this is intended to recognize the fact that electoral areas currently pay an amount towards policing. This measure will result in a $7.5 million reduction in the property taxes that would have been collected from electoral areas and the adjustment will be made by the Province prior to the rural tax notice being sent out;
- Application of an offset for traffic fine revenue to electoral areas and small municipalities – this is expected to further reduce the police tax, as traffic fine revenues which will be allocated on the basis of policing costs in each electoral area and small municipality will be subtracted from the police tax allocated to the area. The traffic fine revenue offset received by small communities and electoral areas will not affect the revenue currently being distributed to other local governments, as it represents funds previously retained by the Province for fines that would have been attributed to those areas.

**MINERAL TENURE ACT**

The Province has introduced amendments to the *Mineral Tenure Act* (Bill 12), expanding the notice requirements imposed on persons before beginning a mining activity. Persons will now be required to notify private landholders before entering their land and to wait a prescribed period of time after sending a notice before beginning any mining activity. Mining activity is defined in the *Mineral Tenure Act* as any activity related to:

(a) the search for a mineral or placer mineral,
(b) the exploration and development of a mineral or placer mineral, or
(c) the production of a mineral or placer mineral, and includes the reclamation of a previously mined area and the monitoring and long term protection, control and treatment of a previously mined area.

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