



July 26, 2021

Proposed Policy for First Nation Property Assessment By-laws, 2021 and Policy for First Nation Property Taxation By-laws, 2021

A Memorandum of Understanding between the First Nations Tax Commission (“FNTC”) and the Minister of Crown-Indigenous Relations (“MOU”) provides the FNTC with the mandate to review and recommend section 83 by-laws for ministerial approval. Section 83 (1) of the *Indian Act* recognizes First Nation jurisdiction over taxation for local purposes of land, or interests in land, in the reserve. Assessment and taxation by-laws made under section 83 of the *Indian Act* are subject to ministerial approval.

The Commission establishes policies to further the policy objectives expressed in the MOU, including to ensure the integrity of the First Nations taxation system and to assist First Nations to achieve economic growth through the generation of stable local revenues. A key policy objective of the FNTC is to ensure policies supporting the section 83 framework closely align with the policy framework supporting taxation under the *First Nations Fiscal Management Act* (“FMA”). Further to this objective, the Commission established the *Policy for First Nation Property Assessment By-laws, 2018* and the *Policy for First Nation Property Taxation By-laws, 2018* on August 1, 2018.

The proposed *Policy for First Nation Property Assessment By-laws, 2021* (the “Proposed Assessment Policy”) and *Policy for First Nation Property Taxation By-laws, 2021* (the “Proposed Taxation Policy”) provide several updates to the existing policies and add new provisions to improve consistency with the FMA framework.

Proposed Assessment Policy

The Proposed Assessment Policy sets out the requirements that should be met for First Nation property assessment by-laws enacted under section 83. It is to be used by the FNTC in its review and recommendation of First Nations’ by-laws. These requirements concern the appointment of assessors, assessment practices, property classifications, assessment timelines, and reconsiderations and appeals. The Proposed Assessment Policy also sets out procedural requirements for notice of proposed by-laws and submission for review.

Specific changes to existing policy include:

- an update to reflect the new Minister responsible for approving section 83 by-laws (Minister of Crown-Indigenous Relations)

- changes to the notice and submission provisions to reflect similar provisions in the FNTC Notification and Submission Standards
- clarification that the assessed value of an interest is determined as if the land or improvement is held in fee simple off the reserve, reflecting existing section 83 and FMA practice
- changes to the reconsideration and appeal provisions to reflect similar processes in the FNTC Property Assessment Law Standards and the *First Nations Assessment Appeal Regulations*
- revisions to various assessment timelines (Schedule) to reflect changes to provincial assessment timelines

Proposed Taxation Policy

The Proposed Taxation Policy sets out the requirements that should be met for First Nation taxation by-laws enacted under section 83. It is to be used by the FNTC in its review and recommendation of First Nations' by-laws. These requirements concern the appointment of tax administrators, grants and exemptions, reserve funds, levy and payment, tax roll and notices, penalties and interest, and enforcement measures. The Proposed Taxation Policy also sets out procedural requirements for notice of proposed by-laws and submission for review.

Specific changes to existing policy include:

- an update to reflect the new Minister responsible for approving section 83 by-laws (Minister of Crown-Indigenous Relations)
- changes to the enforcement provisions to reflect similar provisions in the FMA *First Nations Taxation Enforcement Regulations*

The FNTC is seeking public input in respect of these proposed Policies. Your input is appreciated and will assist in developing policies that are acceptable and effective for participating First Nations and their taxpayers.

If you wish to learn more about the proposed changes, please contact the FNTC at mail@fntc.ca or by telephone at (250) 828-9857. Electronic versions of the proposed Policies (changes are highlighted in red) are available at www.fntc.ca or by clicking the link below:

[Proposed Assessment Policy](#)

[Proposed Taxation Policy](#)

Please direct your written comments on or before August 27, 2021 to:

First Nations Tax Commission
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