



Property Tax

Commodity Tax Summit West March 17, 2026

Shawna Burke-Martin
Principal, Property Tax Canada

About Ryan

Global Corporate Tax Specialists

Ryan is the largest Firm in the world dedicated exclusively to business taxes, providing an integrated suite of federal, provincial, local and international tax services on a multijurisdictional basis

- More than **7200 team members** worldwide
- Over **32,000 clients** supported in more than **80 countries**
- Our industry experts have recovered **more than \$5Billion** in annual corporate tax savings for our clients
- Celebrating **35 years** of liberating our clients from the burden of being overtaxed !

My Path to Ryan



The screenshot shows the top portion of a website. At the top left is the Ryan logo. To its right is a navigation menu with links: Careers, Contact, File Transfer, Software Support, Ryan Store, and United States. Below the logo is a dropdown menu labeled 'Practice Areas'. Underneath is a secondary navigation bar with links: SERVICES, RYAN SOFTWARE, INDUSTRIES, NEWS & INSIGHTS, and ABOUT RYAN. The main content area has a dark blue background with the text 'PRESS ROOM' in white. Below that is the headline 'Ryan to Acquire Altus Group's Property Tax Services Business' in large white font. At the bottom left of this section, it says 'PRESS RELEASE / Jul 09, 2024'.

- Transaction closed December 31, 2024
 - Busy Q1 2025!
 - Joined the Principal group April 30, 2025
 - Leading the largest team in Canada specializing in energy and industrial property tax

Alberta Property Tax Landscape

2025 Tax Year

Property Assessment Base in Alberta

\$1,370,000,000,000

- Sum of all classes of property:
 - Residential
 - Non-residential
 - Farmland
 - Rail
 - Machinery & Equipment
 - Linear Property (wells, pipelines, telecom, electric power)

Annual Assessment
Cycle

Designated Industrial Property

Unique to Alberta, Designated Industrial Property (DIP) is defined as:

- Facilities regulated by the AB Energy Regulator, the Alberta Utilities Commission or the Canadian Energy Regulator
- Linear property
- Property designated as a major plant by the regulations
- Land and improvements in respect of the above



Designated Industrial Property (DIP)

2025 Tax Year

DIP Assessment – 2025 Tax Year

\$211,300,000,000

- Linear property = \$93,300,000,000
- Non-Linear Industrial = \$118,000,000,000

Converted to Tax Revenue – 2025 Tax Year

\$2,493,000,000

- Municipal revenue \$2,100,000,000
- AB School Foundation revenue \$393,000,000



DIP Assessment & Tax Cycle

01

Fall Season

Proactive Reporting

Penalty of loss of appeal for non-compliance

02

Q1

Assessment Review, Follow up, Appeal, Confirm

03

Q2

Taxes Payable

04

Q3

Ongoing taxes Payable, Major Plant Reporting Budgeting

05

Q3/Q4

Site Inspections

Linear Property

Pipelines

Assessed using regulated rates, approved annually by Minister, Municipal Affairs

- Based on the record of the AER on October 31 of the year prior to the tax year
- Only 3 relevant statuses for Pipelines:
 1. Operating = assessed at 100% of calculated value
 2. Discontinued = assessed at 10% of calculated value
 3. Abandoned = not assessed

Example:

- Pipeline is abandoned October 15th – NOT assessed for taxation following year
- Pipeline is abandoned November 2 – ASSESSED for taxation following year

Linear Property

Wells

Assessed using regulated rates, approved annually by Minister, Municipal Affairs

- Based on the record of the AER on October 31 of the year prior to the tax year
- Calculation begins with the depth of the well
- Well status has some influence; however, production volumes are the bigger influence

Example:

- Well produces max volumes throughout 11 months, shut in Oct 15 – no additional depreciation applied
- Well is shut in for most of the 12 months Nov 1 – Oct 31, production depreciation applies
- Well is abandoned before Oct 31 – NOT assessed for taxation following year

Linear Property

Telecomm & Electric Power

Both are self reported using both standard regulated rates and direct install cost information.

- Telecomm – additional depreciation available based on utilization %
- Electric Power – additional depreciation is only applied when a unit is out of service, not intended to be immediately returned to operating

Non-Linear Property

Machinery & Equipment and Major Plants

Currently assessed based on installed costs, as built near Edmonton, AB

- Not the invoiced amount for the inventory
- Inventory Invoice + Cost to get it to operational

Manual rates for standard industry equipment

- Rate is modified annually to bring the value to current year
- Inventory in manual is outdated
- Manual >20 years old
- Intended to reflect the install cost of the equipment if built near Edmonton

Non-Linear Property

Machinery & Equipment and Major Plants

If NOT in the Manual, equipment or site (like a Major Plant) must be reported based on the install cost to construct and bring the asset to operating

Currently the regulation “Construction Cost Reporting Guide” or CCRG, guides ratepayers on what is to be included and excluded in the reported costs

- Example of a very basic exclusion: Labour *is assessable* but the overtime premium *is not assessable*

Reporting costs for these projects requires expertise to minimize your exposure and securing a fair and equitable value on the assessment roll

The Landscape is About to Change

*Information is not yet published by the Provincial Assessor; shared verbally early March 2026

- CCRG is being replaced by a new regulation
- New regulation is result of consultation sessions with stakeholders
- Draft documents *will not be circulated*
- Intended to be effective for projects completed with reporting due in 2026, impacting 2027 taxation
- Industry has a LOT of questions.....



The Landscape is About to Change – What we DO Know

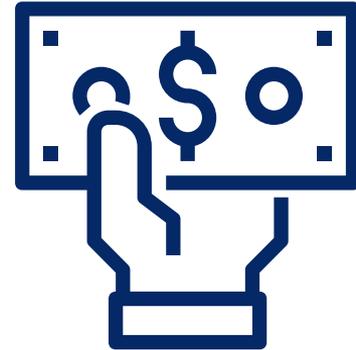
*Information is not yet published by the Provincial Assessor; shared verbally early March 2026

- Expect more restrictive language and categories of excluded cost in the regulation
- Exclusion list will be exhaustive
- Brownfield costs now included
- Costs for future expansions now included
- Costs related to meeting updated regulatory requirements or building codes now included
- Remote projects will be treated differently than in the past – still TBD

The Landscape is About to Change – What we DO Know

*Information is not yet published by the Provincial Assessor; shared verbally early March 2026

Penalty up to **\$10,000** for not responding the annual reporting requirement



The Landscape is About to Change – What we DO Know

*Information is not yet published by the Provincial Assessor; shared verbally early March 2026

- Intention to update Manual rates
- Intention to standardize more common configurations of assets
 - Well equipment packages
 - Compressor stations
 - Tank farms

Goal: to have as many properties as possible assessed using standard rates, reducing the amount of cost reporting that is required



More important than ever to maintain a proactive approach to your property assessment and tax planning.

Momentum: Recent Wins and Solutions

1. Turbine replacement with engine retrofit
 - >\$20M being added to the assessment
 - Detailed analysis of what “really happened”
 - Result: replacement in kind, majority of costs non-assessable
 - **\$ six figure tax savings** for the client annually, for remaining life of the turbine
2. Site Inspections for Property Tax Verification
 - Partnered with client that had in-house representation
 - Great P-Tax team but did not have capacity to be boots on the ground
 - Identified priority sites, met with field personnel and toured sites
 - Collaborated with in-house team to complete reporting
 - **\$1.195M in tax savings**

Unpaid Property Tax in the Media

Media is currently reporting >\$250M in property tax remaining unpaid by the oil and gas sector

- ❖ Big number
- ❖ Real number

What the media is not telling us

- Combined sum: >eight years
- Lack of clarity of whether \$ includes penalties
- The hundreds of companies that DO pay their property tax
- Unpaid tax is **10% of a single year** industry property tax burden

Contact



Shawna Burke-Martin (she/her)
Principal
Ryan
Shawna.burke-martin@ryan.com
1700, 335 8th Avenue SW
Calgary, AB T2P 1C9

403.508.7769 Direct
403.651.9733 Mobile

ryan.com/canada



This document is presented by Ryan, LLC for general informational purposes only and does not constitute legal, accounting, or other professional advice. "Ryan" and "Firm" refer to the global organisational network and may refer to one or more of the member firms of Ryan International, each of which is a separate legal entity.

© 2025 Ryan, LLC