



ALBERTA

MUNICIPAL AFFAIRS

Office of the Minister

MLA, Peace River

AR121809

April 1, 2026

Dear Chief Elected Officials:

Municipal Affairs has been working collaboratively in recent years with industry representatives, professional assessors, and municipal partners to modernize Alberta's regulated property assessment framework through the Assessment Model Review (AMR). One important phase of this work has now been completed, and I am pleased to share policy updates that aim to simplify rules, reduce uncertainty, and improve consistency, transparency, and fairness across the system.

Most regulated property assessment models covering wells, pipelines, telecommunications systems, electric power systems, machinery and equipment, and railways, were last updated in 2005. As you may be aware, the last time the assessment models were reviewed in 2020, government opted not to proceed with proposed changes.

Based on a renewed engagement process designed by stakeholders, the AMR process re-launched in March 2024 with a review of the foundational policies that guide Alberta's regulated assessment system. These policy updates are a major milestone and set the stage for the next phase.

Key decisions include:

- standardizing assessment rates, where feasible, to make assessments more predictable;
- updating assessment models on a regular schedule to reflect changes in technology and construction practices;
- setting more consistent rules by clarifying when construction is considered finished for purposes of assessment, making sure actual construction costs are included with tightly-defined exclusions, and creating a provincial benchmark to fairly adjust labour-related construction costs in remote areas; and,
- introducing penalties for owners who do not provide required assessment information on time.

The rules will be effective for the 2027 tax year, and will apply to facilities built or expanded after that date. These rules will also be applied in the development of updated assessment models for each individual regulated property type as they are reviewed. Accordingly, we do not expect there to be significant assessment changes in 2027 and 2028 resulting from these policy changes.


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Looking ahead, through the next phase of the AMR, we will continue to work with stakeholders to update the assessment models – the rules, rates and procedures for determining valuation – for individual regulated property types. These reviews will be followed by broad and direct engagement with municipalities and industry to consider the impacts of the new assessment models on revenue.

Your municipality will be directly engaged on the overall results of the AMR and the potential impacts of updated assessments. This is an upcoming phase of the AMR process; engagement will focus on implementation of these policy changes. The final decision by government on any changes to assessment models is expected to occur in late 2028.

Attached is a fact sheet summarizing the policy changes, and a frequently asked question document for your use. I look forward to continuing to work with you and your municipal associations on this important initiative.

Sincerely,



Dan Williams, ECA
Minister of Municipal Affairs

Attachment:

1. Fact sheet
2. Frequently Asked Questions

cc: Chief Administrative Officers