

## **Liability Codes and Assessment Roll Requirements**

On January 1, 2003, the Municipal Government Act (MGA) section 303 (f.1) came into force. This new clause provides for the recording of liability codes on the assessment roll. Many municipalities are requesting clarification with respect to what liability code data has to be recorded, and how it should be recorded on the assessment roll. The following provides an explanation of what is required to be on the assessment roll.

The liability code identifies the data and corresponding standardized codes that are needed for equalization and requisitioning purposes. Prior to the introduction of the provincial standardized liability code, a number of these data elements have been required (as per MGA, section 303) to be shown on each municipality's assessment roll.

For the purposes of the MGA, section 303(f.1), municipalities are not required to record any additional information or apply the standardized liability codes to their assessment roll. However, the standardized liability codes are required on the assessments being loaded into ASSET from the CAMA systems.

### **Data Elements**

The table below demonstrates how the liability code data elements and standardized codes align with the data recorded on the assessment roll, pursuant to MGA section 303 (a)-(i).

#### **Liability Data Elements & Codes and equivalent MGA, section 303, requirements**

<b>Liability Code Data Element</b>	<b>Standardized Liability Code</b> (See attached document titled "Provincial Standardized Liability Codes)	<b>Municipal Government Act, section 303</b>
Assessed Person	C, M, P, F, I	(b) the name and mailing address of the assessed person;
Property Description	R, F, NR, NRL, NRR, NRC, ME	(f) the assessment class or classes;
Requisition Body Percentage	percent of assessment for Separate, Public, Undeclared Schools.  Other requisitioning body types (A, P, HR, R) default to 100%. (Note: This is a CAMA specification.)  Note: The percent of assessment for other requisitioning areas will not have to be recorded on the assessment roll.	(g) whether the property is assessable for public school purposes or separate school purposes, if notice has been given to the municipality under section 156 of the School Act.

Liability Code Data Element	Standardized Liability Code	Municipal Government Act, section 303
Tax Exemption Code	The codes identify the statutes that exempt property, in whole or in part, from taxation or equalized assessment.	(h) if the property is exempt from taxation under Part 10, a notation of that fact;
Tax Code	<p>T, S, G, E, X</p> <p>Note: These codes identify the type of tax levies that are applied to an assessed property and whether the assessed property, in whole or in part, is included in the equalized assessment.</p>	<p>There is no MGA reference to tax codes on the assessment roll or tax roll.</p> <p>For municipal administrative purposes municipalities may use their own tax coding schemes to identify the type of tax levies applied to an assessed property.</p>
Requisitioning Body Types and Codes	<p>Requisitioning Body Types: SS, SP SU, F, A, P, HR, R</p> <p>Requisitioning Body Code is specific to the requisitioning body.</p>	<p>(g) whether the property is assessable for public school purposes or separate school purposes, if notice has been given to the municipality under section 156 of the School Act.</p> <p>Note: Hospitals, management bodies, recreation areas, and fire protection areas are not required to be recorded on the assessment roll.</p>

### Municipal Financial Systems and CAMA Systems

Throughout the year, assessment and tax information is exchanged between the Municipal Financial systems and the assessors' CAMA systems. This exchange of data occurs when changes are made to an assessment roll as a result of:

- Assessment Review Board decisions; Municipal Government Board decisions; changes in taxable status of property (MGA, section 368); and, other MGA, section 305 changes, and
- New accounts for supplementary assessment (supplementary assessments are not included in the equalized assessment).

In order to ensure that assessment roll changes are reflected in the equalized assessment and requisitions, it is critical that the assessment roll, housed on Municipal Financial Systems, correspond with the assessments on CAMA systems.

# Provincial Liability Coding Requirements

Revised November 2002

Property Description Code	Tax Code	Tax Exemption Code	Assessed Person Code	Requisition Body Percentage	Requisitioning Body Types
R Residential	T Subject to all Requisitions	NAA	C Corporation	School Separate % of assessment	SS Separate School
F Farm land	S Subject to School and Other Requisitions	MGA317(d)	M Municipal	School Public % of assessment	SP Public School
NR Non-Residential	G Grant in Place of Taxes	MGA351(1)(b)	P Provincial Crown in Right of Alberta	School Undeclared (ASFF) % of assessment	SU School Undeclared (ASFF)
NRL Non-Residential - Linear	E Exempt from Taxation	MGA361(a)-(c)	F Federal Crown in Right of Canada	Other Requisitioning Body Types ("A","P","HR",R) must default to 100%	F Management Body (providing lodges)
NRR Non-Residential - Railway	X Excluded from equalized, but subject to Municipal Tax	MGA362(1)(a)-(p)	I Individual		A Ambulance Authority
NRC Non-Residential - Co- Generation		MGA363(a)-(c)			* P Fire Protection Area
ME Machinery & Equipment		MGA364(1)-(1.1)			* HR Health Region
		MGA365(2)			* R Recreation Area
		MGA368(4)(a)			
		MO H:016/96			
		AR 281/98 Community Organization Prop Tax Exemption Reg.			

**Important:**  
 These data elements and codes are required to be reported on the assessments being loaded into ASSET from the CAMA systems.

Recording of assessment information on the assessment roll

versus

The recording of liability code information on CAMA systems for reporting into ASSET

Identifies liability code data element and code

Example 1

Assessment Account on the Town of Anywhere's assessment roll

Roll Number	Assessed Person	Legal Description	Land	Improvements	Total	Assess. Class	* Improvement Description (code)	Exempt Status	Pub	Sep	Und.
98212898	123 Crossing Ltd 52 Rocky Road Drive Anywhere, Alberta T6G 6Y5	5-23-52-NE	56,000	150,000	-	Non Res	505	-	-	-	100%

A

\* This information is required to be recorded on the assessment roll however it is not a part of the liability code data.

Same assessment account on a CAMA system with the liability code data elements and codes

Roll Number	Assessed Person	Legal Description	Land	Improvements	Total	Property Description Code	Tax Code	Tax Exemption Code	Requisitioning Body Type	Requisitioning Body Type	Req. Body %
98212898 C		5-23-52-NE	56,000	150,000	-	NR	T	NAA	* SP	P6	100%
									SS	S007	0%
									SU	ASFF	0%
									F	HG	100%
									A	GP	100%
									P	PD	100%

B

\* The recording of requisitioning body information is optional on the assessment roll, however this information will be required for the CAMA load into ASSET.

**Recording of assessment information on the assessment roll  
versus  
The recording of liability code information on CAMA systems for reporting into ASSET**

**Example 2**

**Assessment Account on the Town of Anywhere's assessment roll**

Roll Number	Assessed Person	Legal Description	Land	Improvements	Total	Assess. Class	* Improvement Description (code)	Exempt Status	Pub	Sep	Und.
983553548	Geographics Inc 7825 - 50 Street S.W. Anywhere, Alberta T6G 6Y5	5-25-52-NE	150,000 120,000	947,000 511,000	-	Res Non Res	401 505 E	-	-	-	100%

A

\* This information is required to be recorded on the assessment roll however it is not a part of the liability code data.

**Same assessment account on a CAMA system with the liability code data elements and codes**

Roll Number	Assessed Person	Legal Description	Land	Improvements	Total	Property Description Code	Tax Code	Tax Exemption Code	Requisitioning Body Type	Requisitioning Body Type	Req. Body %
983553548 C		5-25-52-NE	150,000 65,000 20,000 35,000	947,000 284,000 103,000 124,000	-	R NR NR NR	T E E E	* NAA NAA NAA NAA	SP SS SU F A P	P6 S007 ASFF HG GP PD	100% 0% 0% 100% 100% 100%

B

\* CAMA vendors will have until 2005 to integrate the "tax exemption code" part of the liability code into their systems. Until then, properties that are exempt from taxation must have, at a minimum, the "NAA" coded entered as the tax exemption reason.

\* The recording of requisitioning body information is optional on the assessment roll, however this information will be required for the CAMA load into ASSET.