



2023 Tax Recovery Land Sale

What is a tax recovery land sale?

A tax recovery land sale allows eligible Special Areas agricultural disposition holders with leased lands to change tax recovery land into deeded land at a cost set out in the sale policy.

To qualify under the 2023 Tax Recovery Land Sale Policy, the lands within the agricultural disposition had to be held by the leaseholder as of January 1, 2023.

Certain types of lands may be withheld, including but not limited to:

- lands adjacent to a river or other named water body
- lands with unique environmental or topographical features like coulee complexes, river breaks, identified prime wildlife habitat and undisturbed native prairie
- lands with erosive or marginal soils



Applications to purchase tax recovery land will be accepted until July 16, 2026

What are some options for purchasing tax recovery land?

Leaseholders who purchase tax recovery land under this policy will be able to either pay the purchase price in full or initiate an agreement for purchase.

An agreement for purchase will allow leaseholders to take up to ten years from agreement date to pay the cost in full. Interest on payments will be payable at 7.25% per annum.

A minimum payment of 10% of the total purchase price is required to initiate an agreement for purchase.

How much does it cost to buy tax recovery land in this sale?

There are two types of agricultural leases in the Special Areas: cultivation and grazing.

Within these dispositions, there are two types of lands classified through assessment: arable and pasture.

Under the 2023 Tax Recovery Land Sale policy, the cost to change lease into deeded land is based on current assessment information.

Assessments can include a combination of arable and pasture lands.

Arable lands are priced at an amount equal to 5 (five) times the productive value of the land based on current assessment information.

Pasture lands are priced at an amount equal to 13 (thirteen) times the productive value of the land based on current assessment information.

Current assessment information will be used to calculate costs, and will differ from parcel to parcel. Leaseholders are able to look at estimated purchase costs as a part of the application process for the 2023 Tax Recovery Land Sale.

For example:

A quarter of land is assessed with 73 acres of arable land & 86 acres of pasture land.

- Arable: Assessed @ \$9,090
- Pasture: Assessed @ \$3,100

Tax Recovery Sale Purchase Calculation

Arable: \$ 9,090 × 5 = \$ 45,450

Pasture: \$ 3,100 × 13 = \$ 40,300

Total Costs = \$ 85,750

In this example, this quarter of land would cost \$85,750 to change from leased land to deeded land.

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How many quarters of tax recovery land can I buy?

Under the 2023 Tax Recovery Land Sale, eligible leaseholders can apply to purchase up to four quarters of tax recovery land which they hold under a Special Areas agricultural disposition.

Only lands held under an agricultural disposition as of January 1, 2023 may be eligible for purchase under this policy.

Can I voluntarily exchange tax recovery land for crown land from my holdings?

Leaseholders may have both tax recovery and crown designations in their land holdings. To help make sure all eligible leaseholders can participate in the 2023 Tax Recovery Land Sale, Special Areas will be allowing the exchange of tax recovery and crown designations.

Leaseholders who voluntarily exchange tax recovery land for crown land may be entitled to purchase one additional parcel of tax recovery land for each quarter exchanged.

Special Areas will exchange tax recovery for crown designations if not enough tax recovery land is provided through the voluntary exchange process. If required, a tax recovery land exchange list will be created from leaseholders who have sixteen quarters or more of tax recovery in their holdings.

Leaseholders will not be required to contribute tax recovery land if doing so would otherwise leave ten quarter sections or less of tax recovery land in their holdings.

Leaseholders are entitled to retain strategic tax recovery land holdings which hold water, improvements, or any other reasonable features of value, subject to approval by the Special Areas Board.

What happens if a breaking restriction is put on the land?

A **Restrictive Agreement** is a document registered against a title of a property at the Alberta Land Titles Office. It typically places some limitation on the future use of the property, and is binding on all future owners of the property.

One way Special Areas uses restrictive agreements is by prohibiting the breaking of native prairie. Native prairie is defined as areas of unbroken grassland dominated by non-introduced species and areas of previously broken grassland that has reverted back to natural vegetation.

Under the 2023 Tax Recovery Land Sale policy, any acres subject to a breaking restriction on native prairie will be discounted by one-third.

This discount is only applied to the acres subject to the restrictive agreement.

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