

MAYORS AND REEVES

Dear Sir/Madam:

**Manitoba Treaty Land Entitlement Agreement  
Municipal Tax Loss Compensation Application Form and Guidelines**

The Province is pleased to announce that provincial compensation will be provided to municipalities who experience a net loss of municipal tax revenue upon conversion of land situated within the municipality to reserve under the Manitoba Treaty Land Entitlement Framework Agreement. An application form and guidelines are attached to ensure that all eligible municipalities can readily access the Municipal Tax Loss Compensation.

Compensation will be paid directly to those municipalities demonstrating a net loss in municipal tax revenues as a result of conversion of land to reserve status in an amount equivalent to five times (5x) the annual net loss at the time of conversion. Upon approval, a one-time payment will be made to eligible municipalities after the land converts to reserve.

**Should you require any additional information or assistance to complete the application, both Manitoba Aboriginal and Northern Affairs and Manitoba Intergovernmental Affairs officials will be available to support your municipality. Contact information is provided in the application and guidelines.**

Yours sincerely,

Yours sincerely,

**Jean Friesen  
Minister  
Intergovernmental Affairs**

**Oscar Lathlin  
Minister  
Aboriginal and Northern Affairs**



*THE MANITOBA TREATY LAND ENTITLEMENT  
FRAMEWORK AGREEMENT*

Guidelines and Application

For

Municipal Tax Loss Compensation

**Additional applications available at:**

Manitoba Aboriginal and Northern Affairs  
200-500 Portage Avenue  
Winnipeg MB R3C 3X1  
(204) 945-2511 or (800) 282-8069  
*(Ask to be directed to 945-2511)*  
[www.gov.mb.ca/ana](http://www.gov.mb.ca/ana)

Association of Manitoba Municipalities  
1910 Saskatchewan Avenue, Box 397  
Portage la Prairie MB R1N 0P1  
(204) 857-8666  
[www.amm.mb.ca](http://www.amm.mb.ca)



## **MUNICIPAL TAX LOSS COMPENSATION**

Eligible municipalities whose municipal revenue has been impacted by the creation of new reserves under the Manitoba Treaty Land Entitlement Framework Agreement can now apply to the Province for funding support.

Compensation will be paid upon approval by the Province to those municipalities demonstrating a net loss in municipal tax revenues as a result of conversion of land to reserve status in an amount equivalent to five times (5x) the annual net tax loss at the time of conversion.

### **Eligibility**

Municipal tax loss compensation is available to municipalities who meet the following conditions:

1. TLE sites have converted to reserve;
2. TLE sites were converted as part of the Manitoba Treaty Land Entitlement Framework Agreement;
3. TLE sites are situated within municipal boundaries;
4. TLE sites were subject to municipal property tax or grant-in-lieu prior to reserve status;
5. A net loss in municipal tax revenue has occurred as a result of transfer to reserve status.

A net loss in municipal tax revenue occurs when fees and charges payable by a First Nation as part of a MDSA do not completely offset the annual municipal taxes that would be normally levied on a property. Or it may be that a MDSA has not been negotiated, resulting in a net loss in municipal tax revenue.

### **General Guidelines for Completing the Application**

1. An application form must be completed for each TLE site that when converted to reserve results in an annual net loss in municipal tax revenue.
2. Municipalities can apply upon receiving notice that the land has converted to reserve. A notice confirming that the land has transferred to reserve will be sent to municipalities by Manitoba Aboriginal and Northern Affairs. If several sites are anticipated to be converted to reserve, resulting in a net loss in municipal revenue, applications may be bundled and submitted periodically.
3. To determine if there is an annual net loss in municipal tax revenue, identify the total municipal tax or grant-in-lieu levied on the site in the year the land converted to reserve *minus* any annual revenue received as part of a Municipal Development and Services Agreement (MSDA) providing for the payment of municipal services to the new reserve.
4. Municipal tax loss is five times (5x) the net loss of annual municipal taxes or grant-in-lieu levied during the year of conversion.
5. Upon approval by the Province, a one-time payment will be forwarded to the applicant equivalent to five times (5x) that municipal net tax loss.

### ***About the Manitoba Treaty Land Entitlement (TLE) Framework Agreement***

*Between 1871 and 1910, Canada entered into various treaties with First Nations in Manitoba. These treaties provided that Canada would set aside a certain amount of land as reserve land for First Nations. In many circumstances, not all First Nations received their full amount of land for various reasons.*

*The (TLE) Framework Agreement, entered into by Canada, Manitoba and twenty Manitoba First Nations in 1997, provides for the fulfillment of this long outstanding treaty obligation.*

*Under this Agreement, First Nations can select Crown land or in a case where there is not access to Crown land, they can acquire (purchase) private land.*

*These sites, upon meeting provincial and federal eligibility will be converted to reserve. TLE sites can occur in rural or urban municipalities and in unorganized territory.*



**APPLICATION FOR MUNICIPAL TAX LOSS COMPENSATION**

*(This application must be completed for each TLE site resulting in a net loss in municipal revenue)*

**Municipality:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**E-Mail:** \_\_\_\_\_ **Contact Person:** \_\_\_\_\_

<p><i>Eligibility - all criteria must be checked to be eligible for compensation:</i></p> <p><input type="checkbox"/> The land has converted to reserve status.</p> <p><input type="checkbox"/> There is a net loss in municipal tax or grant in lieu revenues.</p> <p><input type="checkbox"/> TLE land selections/acquisitions were subject to municipal tax or grant in lieu of municipal tax prior to reserve status.</p>	<p><i>Please attach the following:</i></p> <ul style="list-style-type: none"> <li>• legal description of converted site;</li> <li>• letter to your municipality from Manitoba Aboriginal &amp; Northern Affairs confirming conversion to reserve;</li> <li>• “Statement &amp; Demand for Taxes” for site (year of transfer); and</li> <li>• a copy of Municipal Services &amp; Development (MDSA) for site, if applicable.</li> </ul>
---	---

**Site Name** *(as described in the provincial notice confirming site has converted to reserve):*

\_\_\_\_\_

**Assessment Roll Number (#) for Site:** \_\_\_\_\_

Total municipal tax levied on the site in the year of conversion. <span style="float: right; border: 1px solid black; padding: 2px;">A</span> <i>(School taxes are not eligible).</i>	\$ _____
Deduct annual fees or charges payable on the site as provided in the MDSA. <i>(Annual fees or charges paid by the First Nations to the municipality as either a grant in lieu of taxes or fees for servicing the site).</i> <span style="float: right; border: 1px solid black; padding: 2px;">B</span>	- \$ _____
Eligible net municipal tax or grant in lieu. <span style="float: right; border: 1px solid black; padding: 2px;">C</span>	= \$ _____
Eligible net municipal tax or grant in lieu multiplied (x) by 5.	x 5 \$ _____
<b>Municipal Tax Loss Compensation.</b> <b>Amount applied for:</b> <span style="float: right; border: 1px solid black; padding: 2px;">D</span>	= \$ <u>_____</u>

**Certification:** *I hereby certify that the information given on this application is true, correct and complete to the best of my knowledge.*

Signature of CAO or the Head of Council: \_\_\_\_\_

Date: \_\_\_\_\_

*(For office use only)*

**Application checked and approved:**

Aboriginal and Northern Affairs \_\_\_\_\_

Intergovernmental Affairs \_\_\_\_\_

<p><b><u>For Assistance with Application, please call:</u></b>                  Manitoba Intergovernmental Affairs                  Municipal Finance and Advisory Services                  508-800 Portage Avenue, Winnipeg MB R3G 0N4                  (204) 945-4864 or (800) 282-8069  <i>(Ask to be directed to 945-4864)</i></p>	<p><b><u>Forward Applications to:</u></b>                  Manitoba Aboriginal &amp; Northern Affairs                  200 - 500 Portage Avenue                  Winnipeg MB R3C 3X1</p>
---	--