



1st SESSION, 61st GENERAL ASSEMBLY
Province of Prince Edward Island
49 ELIZABETH II, 2000

BILL NO. 12

An Act to Amend the Real Property Assessment Act

Hon. Patricia J. Mella
Provincial Treasurer

GOVERNMENT BILL

BERYL BUJOSEVICH
Queen's Printer
Charlottetown, Prince Edward Island

An Act to Amend the Real Property Assessment Act

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

1. Subclause 1(d)(iii) of the *Real Property Assessment Act R.S.P.E.I. 1988, Cap. R-4* is amended by the insertion of the words “and farm use property” immediately after the words “farm property”.

2. Section 4 is amended

(a) by the addition of the following:

(1.1) “Farm use property” means clear arable land leased or rented from an owner who is not a *bona fide* farmer and operated as a farm enterprise by a *bona fide* farmer where Farm property defined

(a) the lease or rental agreement for the land is for a minimum of three years; and

(b) the total amount of land leased from the person is a minimum of ten acres of clear arable land.

(b) in subsection (3), by the deletion of the words “*Bona fide* farmer” and the substitution of the words ““*Bona fide* farmer””;

(c) in clause (3)(a), by the deletion of the words “fifty percent” and the substitution of the words “twenty-five percent”;

(d) by the deletion of clause (3)(b) and the substitution of the following:

(b) receives annually at least twenty-five percent of gross cash income from the sale of products of the farm;

(e) by the addition of the following:

(5) Notwithstanding subsections (1.1), (2), and (3), a farm use assessment may apply to farm use property where in the year immediately preceding the current assessment year the farm use property was operated as a farm enterprise by a *bona fide* farmer, but was not operated by the *bona fide* farmer in the current assessment year by reason of illness or disability of the *bona fide* farmer. Farm use assessment

3. Section 5 of the Act is repealed and the following substituted:

Farm assessment
and farm use
assessment

5. In addition to any other assessment of real property pursuant to this Act
 (a) all farm property shall be assessed by the Minister for a farm assessment; and
 (b) all farm use property shall be assessed by the Minister for a farm use assessment,
 at the value prescribed for each by regulation.

4. Section 7 of the Act is amended by the insertion of the words “or farm use assessment” after the words “farm assessment”.

5. Subsections 8(1) and (2) are amended by the insertion of the words “or farm use assessment” after the words “farm assessment” wherever they occur.

6. Subsection 10(1) of the Act is amended by the insertion of the words “and farm use assessments” after the words “farm assessments”

7. Subsection 11(1) of the Act is amended by the insertion of the words “and farm use assessments” after the words “farm assessments”.

8. Section 12 of the Act is amended by the addition of the following:

Farm and farm use
assessments

(2.1) All farm use assessments shall be made in the name of the owner of the farm use property.

9. Section 18 is amended

(a) in subclause 18(3)(a)(iii), by the deletion of the words “and the farm assessment” and the substitution of the words “, and the farm assessment or farm use assessment”;

(b) by the repeal of subsection (7) and the substitution of the following:

Commencement of
use during
assessment year

(7) Where in any year between January 1 and November 1, a *bona fide* farmer

(a) purchases farm property or leases or rents farm property; or
 (b) leases farm use property,

and enters into use and occupation of the farm property or farm use property, the Minister shall

(c) assess the farm property for a farm assessment in the name of the person otherwise provided in this Act to be entitled to a farm assessment;

- (d) assess the farm use property for a farm use assessment in the name of the person otherwise provided in this Act to be entitled to a farm use assessment;
- (e) make the appropriate entries on the assessment roll; and
- (f) mail to such person a notice of special farm assessment or special farm use assessment, as appropriate.

(c) by the repeal of subsection (8) and the substitution of the following:

(8) A special farm assessment or special farm use assessment shall be in the same form and shall have the same effect as the notice of farm assessment or notice of farm use assessment prescribed in the regulations, but shall have inscribed thereon the words, "special farm assessment" or "special farm use assessment", as appropriate, and shall state therein the date on which such use or occupancy commenced.

Special farm and
farm use
assessments

10. This Act is deemed to have come into force on January 1, 2000.

EXPLANATORY NOTES

The amendments to

- (1) sections 1, 7, 8, 10, 11, and 18,
- (2) the additions of subsections 4(1.1) and (5), 18(7) and (8), and
- (3) the replacement of section 5

enable the term “farm use property” to be defined as clear arable land of not less than 10 acres leased or rented for not less than 3 years from a non-farmer to a *bona fide* farmer, and amend the Act as necessary to reflect assessments of “farm use property”.

Clauses 4(3)(a) and (b) of the Act are amended to change the criteria for obtaining *bona fide* farmer status from the current 50% of gross annual income from farming and spending more than 50% of working time on the farm to 25% in both instances.

The amendment to subsection 4(3) is of a housekeeping nature.

Section 12 of the Act is amended by the addition of subsection (2), requiring all farm use assessments to be made in the name of the owner of the farm use property.

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Assessment Act**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	June 6, 2000
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

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