

# Alberta natural gas producers getting tax relief



By Tom Vernon • Global News

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## News

Alberta's natural gas industry gets helping hand from province



**WATCH ABOVE:** Alberta's natural gas industry is getting a helping hand from the provincial government. The UCP is targeting the tax rates charged by rural municipalities. Tom Vernon reports.

Struggling natural gas producers in rural Alberta will see some property tax relief this year, in an effort to stabilize an industry struggling to make ends meet due to low commodity prices.

Municipal tax rates on shallow gas wells and pipelines will be reduced by 35 per cent. The move is expected to save producers more than \$23 million.

“Our government is committed to protecting Alberta’s natural gas industry, and this measure is a tangible solution,” Associate Minister of Natural Gas Dale Nally said in a government news release.

“This initiative will prevent further company failures and job losses in our province, as we saw recently with Trident Exploration, while creating a more



viable system for industry and government,” added Minister of Municipal Affairs Kaycee Madu.

Calgary-based Trident Exploration shuttered operations earlier this spring, laying off 33 employees and handing over 4,700 wells to the Alberta Energy Regulator. The reclamation cost is estimated to be around \$329 million.

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**Watch below: (From May 2019) Trident Exploration, a Calgary-based natural gas company, has ceased all operations. Cami Kepke reports.**



[Alberta-based oil and gas company cites gas prices, tax bills, court decision as it shuts down](#)

The head of the Rural Municipalities of Alberta is cautiously endorsing the program.

“We recognize that municipal and education property taxes are not the core cause of the industry’s struggle, but are likely the only area in which short-term relief can be found,” Al Kemmere said in a news release.

“That said, in the long term, property tax should not be seen as a tool for relief.”

Municipalities will be rebated the lost revenue from the provincial government through the education property tax.

The government says about 65,000 wells will qualify for tax relief.

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