BYLAW 2020-01

OF THE MUNICIPAL DISTRICT OF LESSER SLAVE RIVER NO. 124

Being a Bylaw of the Municipal District of Lesser Slave River No. 124 in the Province of Alberta for the purpose of providing for the imposition of a tax on persons engaged in the drilling of a well for which a permit is required pursuant to the Oil and Gas Conservation Act and/or engaged in the servicing of an existing well.

WHEREAS Section 388(1) of the Municipal Government Act, R.S.A. 2000, c.M-26, as amended, authorizes a Council to pass a well drilling equipment tax bylaw;

AND WHEREAS Section 11(1) of the Oil and Gas Conservation Act, R.S.A. 2000, c.O-6, as amended, requires that a person not commence drilling a well or undertake any operations preparatory or incidental to the drilling of a well or continue any drilling operations, any producing operations or any injecting operations unless a licence has been issued and is in full force and effect; and the person is the licensee;

AND WHEREAS the Well Drilling Equipment Tax Rate Regulation, AR 218/2014, prescribes the methodology to be used in calculating a tax payable under Division 6 of Part 10 of the Municipal Government Act, R.S.A. 2000, c.M-26, as amended;

NOW THEREFORE the Council of the Municipal District of Lesser Slave River No. 124, duly assembled, hereby enacts as follows:

1. This bylaw shall be cited as the "Well Drilling Equipment Tax Bylaw".
2. The Municipal District of Lesser Slave River No 124 shall impose a tax on all equipment used to drill a well for which a licence is required under the Oil and Gas Conservation Act, R.S.A. 2000, c.O-6, as amended.
3. The tax imposed pursuant to this bylaw is payable by the person holding a licence issued pursuant to the provisions of the Oil and Gas Conservation Act, R.S.A. 2000, c.O-6, as amended.
4. The amount of the tax imposed by this bylaw shall be calculated in accordance with Well Drilling Equipment Tax Rate Regulation, AR 218/2014, as amended, or repealed and replaced, from time to time.
5. Bylaw 2006-09 is hereby rescinded.
6. This Bylaw comes into effect when it has received third and final reading.

Read a first time this 8th day of January, 2020.

Read a second time this 8th day of January, 2020.

Approved unanimously this 8th day of January, 2020

Read a third time and finally passed, this 8th day of January, 2020.

Reeve

Chief Administrative Officer