



April 27, 2007

[Original letter personalized]
To All Secretary Treasurers:

Minister Higgins' letter of April 23, 2006 to Board Chairpersons outlined the changes to the Education Property Tax Credit Program for 2007, including the increase from 8% to 10% on the residential and commercial properties and the extension of the program through 2008-09. This additional relief will be distributed using the existing Education Property Tax Credit Program.

Administration of the tax credit remains the same as in 2006. The credit will be based on the initial property tax roll and no subsequent adjustments to or recalculation of the credit will be made. Municipalities will:

- calculate the appropriate credit;
- reduce the school taxes by the credit;
- show the credit on the tax notice for the property; and,
- submit a completed copy of Form B providing a summary of the credits to any school division on whose behalf it levies taxes.

Shortly after the tax notices go out, the municipality will forward a report to school divisions providing the same information as last year.

To receive compensation for reduced revenues resulting from this program, school divisions will be required to submit a completed Form A and a copy of each of the completed Form Bs to the Department of Learning no later than October 31, 2007. Copies of the forms are attached, as well as copies of the forms with more detailed information on completion.

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As was the case for the 2006 program, we are prepared to provide school divisions with an advance on the estimated education property tax credit. To apply for an advance payment based on the estimated revenue reduction, school divisions are to complete and submit Form C (attached) to the department by June 30, 2007. As a result:

- Sixty percent of the estimated credit will be advanced by August 31, 2007,
- Twenty percent will be advanced upon receipt of the completed Forms A and B (by October 31, 2007); and,
- The balance will be paid upon receipt and verification of Forms A and B.

We will continue to expect that boards of education will manage their affairs to ensure their ratepayers will continue to benefit from the tax credit.

If you require further assistance or information, please contact Education Finance and Facilities at (306) 787-3341 or by email at EFLSInquiries@sasked.gov.sk.ca.

Sincerely,

ORIGINAL SIGNED BY

Valerie Lusk, Executive Director
Education Finance and Facilities

Attachments

cc: Directors of Education
Regional Directors
William Wells, Executive Director, Saskatchewan School Boards Association
Paul Baskey, Executive Director, Saskatchewan Association of School
Business Officials
Dick Nieman, Executive Director, League of Educational Administrators,
Directors and Superintendents