

Agricultural Corporation Exemption (ACE) Application MRT Questions and Answers

For training and information on submitting ACE Applications and understanding other features regarding this exemption, please use the following online training module:

[Mineral Rights Tax – Agricultural Corporation Exemption Application Learning Module](#)

1. What is a “routine” or a “non-routine” submission?

Routine applications result when all criteria have been met based on the data entered into the application. Routine approvals are issued by IRIS immediately; however, routine approvals are also subject to an internal audit after issuance. Depending on the results of the internal audit, the approval can be revoked.

Non-routine applications result when the data entered into the application must be reviewed before a decision can be made. Non-routine approvals, and denials, are issued only after all questions have been answered and the review is complete. You may be contacted for further information during this time. You will need to log back into your IRIS account to determine the results of the review.

2. Will IRIS conduct any validation tests on the data entered into the online applications?

Yes, some of the validation tests will prevent an exemption application from being submitted while others will provide informational messages. For example:

- Agricultural Corporations:
 - if the revenue data entered into the online application does not indicate that the corporation and its shareholders’ gross revenue from “farming” exceeds the gross revenue obtained from cash land rentals and other revenue sources, the application cannot be submitted;
 - If the corporate financial statements and corporate profile report are not attached, the application cannot be submitted; and,
 - If IRIS is unable to determine that the shareholder meets the Saskatchewan resident farmer criteria, the application can be submitted but will go “non-routine” and follow up will be required.

3. Will I get a letter informing me that my exemption application was approved or denied?

Approvals, or denials, of the ACE, will be provided through IRIS and can be accessed online at any time. Paper certificates or denial letters will no longer be mailed to the applicant. Notification preferences in IRIS can be changed to send an email to the specified email address when something has changed in your IRIS account.

Note: The information contained in this document is provided for informational purposes. In the event of any discrepancies, *The Mineral Rights Taxation Act, 1983* and *The Mineral Rights Tax Regulations, 2022*, apply.

4. How can I receive an ACE?

The process has changed for the 2022 and future tax years. All applications for an ACE will need to be made through IRIS. If your existing ACE Certificate expires at the end of 2021 or you do not yet have an ACE, you will be required to use the new online application. Agricultural Corporations with exemptions expiring in future years will also need to use the online application method when their exemption expires and will be able to start the application process as early as November in the year the existing exemption expires. For your information:

- The exemption is valid for up to three-years provided no changes are made to the Agricultural Corporation; and,
- A new ACE application is required at the end of the three-year exemption period.

5. What criteria must I meet to qualify for an ACE?

There are three criteria that have to be met in order to qualify for an ACE:

- The Agricultural Corporation applying for exemption must earn the majority of their gross revenue from approved farming activities. Farming activities relate to the tillage of soil, livestock raising, poultry raising, dairying, fur farming, tree farming, beekeeping or fish farming or any other activity undertaken to produce agricultural products. Ineligible farming activities include:
 - i. the production of agricultural products for the purpose of crop science research;
 - ii. the purchase for resale of agricultural products; or,
 - iii. the commercial processing of agricultural products.
- The majority of shareholders in the company must live in Saskatchewan for at least 183 days a year; and,
- The majority of shareholders must be actively engaged in farming.

6. Do I need to submit Corporate Financial Statements (CFS) with the application for an ACE? I consider these personal and confidential.

All ACE applications will require a minimum of two attachments:

- Corporate Financial Statements; and,
- Corporate Profile Report from ISC's Corporate Registry.

If your corporate structure or shareholders include other corporations, the above documents are required for each corporation. Please note that IRIS is a secure electronic business system that is used extensively by clients who have many confidential business needs. Your corporate information will only be accessible by you and government officials who need to access the financial statements to verify if the corporation meets the revenue criteria.

Note: The information contained in this document is provided for informational purposes. In the event of any discrepancies, *The Mineral Rights Taxation Act, 1983* and *The Mineral Rights Tax Regulations, 2022*, apply.

7. Will my ACE application be denied if I do not submit CFS?

The online ACE application method requires that the CFS be attached. The application cannot be submitted unless the required documents are attached.

8. Do I need to inform the minister if my Agricultural Corporation structure changes?

Yes. When the previously approved Agricultural Corporation undergoes changes to the corporation's status or shareholders, the minister must be informed in writing. This information cannot be submitted through IRIS but can be emailed to the ER Service Desk. A review will be conducted to ensure the exemption criteria is still being met.

9. Inquiries:

For inquiries, please visit the [mineral rights website](#) or contact the Ministry of Energy and Resources (ER) Service Desk:

Email: er.servicedesk@gov.sk.ca

Phone: 1-855-219-9373

Note: The information contained in this document is provided for informational purposes. In the event of any discrepancies, *The Mineral Rights Taxation Act, 1983* and *The Mineral Rights Tax Regulations, 2022*, apply.