

1. What is the Mineral Rights Tax (MRT)?

[The Mineral Taxation Act, 1983](#) (the Act) levies a property tax on privately owned (freehold) mineral rights within certain areas of Saskatchewan.

2. How is the MRT assessed?

The MRT is assessed at \$1.50 per fractional ownership acre. For instance:

- 100 per cent ownership of 160 mineral rights acres = \$240 tax assessment; and,
- 50 per cent ownership of 160 mineral rights acres = \$120 tax assessment.

The MRT is also applied to each mineral title when multiple titles exist on the same parcel of land for different commodities. For instance:

- 160 acre parcel of land with three mineral titles (petroleum, natural gas and coal) = 480 taxable acres; and,
- 160 acre parcel of land with two mineral titles (petroleum and coal) = 320 taxable acres.

Taxpayers will not be charged for MRT assessments less than \$100.

3. When is the MRT assessed and due?

- MRT is assessed on May 1 of each tax year (January 1 to December 31);
- Mineral title owners will receive an invoice prior to June 1 with the amount due and payable by June 30;
- Any outstanding amounts as of June 30 will be subject to interest at a rate of 1.5 per cent with a \$10 minimum charge; and,
- In the event that the mineral title is transferred to a new owner after May 1, the minister will not refund or prorate the MRT to accommodate the transfer.

4. Who is exempt from paying MRT?

The following are generally exempt from paying the MRT:

- Mineral rights included in railway operations;
- Mineral rights within the boundaries of a city, town, village or northern municipality;
- Subdivided lots intended for residential, business or cemetery purposes;
- Mineral rights subject to a Treaty Land Entitlement selection;
- Individuals with five nominal sections (3,200 acres) or less of mineral rights;
- Approved agricultural corporations with five nominal sections (3,200 acres) or less of mineral rights; and,
- Trust Companies holding a valid licence under *The Trust and Loan Corporations Act, 1997*:
 - See [Appendix Form A](#) to be completed by licensed trust corporations. If not yet registered as a licensed trust corporation, please contact the Financial and Consumer Affairs Authority, Consumer Credit Division at 1-306-787-6700.

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, 1998*, apply.

5. What criteria must I meet to qualify for an Agricultural Corporation Exemption?

- The corporation and its shareholders must obtain at least 50 per cent of all revenue from agricultural product (renting land to a farmer or agricultural corporation is not an agricultural product);
- 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. How can I receive an Agricultural Corporation Exemption?

Request an Application for Agricultural Corporation Exemption Certificate from the Ministry of Energy and Resources (ER) Service Desk (see contact information in item number 10 below):

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

7. Why does my Agricultural Corporation Exemption renewal letter indicate that a corporate financial statement is not required?

ER recently amended its application requirements for the Agricultural Corporation Exemption. Only new applicants and a random portion of renewing corporations must submit corporate financial statements with their applications.

8. Does Part C need to be completed on the application if my financial statements are not required?

Yes, the information provided in Part C of the application is used to determine if financial criteria is being met.

9. Will my application be denied if I do not submit corporate financial statements?

Yes, but only if your renewal letter indicated that you must submit a corporate financial statement and you are a new applicant.

Please note that the minister has the legislative authority to require any information at any time that is necessary to determine tax liability and MRT exemption status. Consequently, you may be denied an Agricultural Corporation Exemption if you do not provide this requested information.

10. Do I need to inform the minister if my agricultural corporation changes?

Yes. The previously approved agricultural corporation must inform the minister in writing when the corporation's status or shareholders change, or when the corporation's mineral rights holdings increase.

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11. What if I transfer mineral titles to a corporation?

Mineral rights transferred to a corporation that does not meet the criteria for an agricultural corporation are subject to the MRT. Please contact the ER Service Desk to fully understand the tax implications before transferring any mineral rights to a corporation.

12. I did not know that transferring mineral titles to a corporation would make them taxable. Can I transfer the mineral rights back into my name?

Mineral titles may be transferred from a corporation into an individual's name. However, the mineral rights may still be subject to the MRT after the transfer.

To resume tax-exempt status, the minister must be satisfied that the parties are dealing at arms length, and that the transferor retains no right to profit, no right to reacquire, and no right to administer those mineral rights. See section 17 of the Act for more details.

13. My mineral lands are not producing mineral commodities. Do I still have to pay the MRT?

Yes. The MRT is assessed on mineral titles regardless of mineral production.

14. I sold my land. Why am I still being taxed?

Surface titles are issued separately from mineral titles in Saskatchewan. If you sell the surface title, you may still hold the mineral title.

To verify mineral title ownership, contact Information Services Corporation (ISC) at 1-866-275-4721, email ask@isc.ca or check the ISC website at www.isc.ca.

15. Can I appeal the MRT assessment?

You may appeal the MRT assessment within 90 days provided that you pay the taxes in full.

Complete the [notice of appeal](#) and submit the notice to the Saskatchewan Municipal Board, Board of Revenue Commissioners either personally by email, submitting online, personal delivery, or by registered mail. Contact the Board of Revenue Commissioners at 1-306-787-6221 for more information.

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16. What if I cannot/do not pay the MRT?

If you cannot pay the MRT, you may surrender, and the minister may accept, your mineral rights provided that the mineral titles are free of all encumbrances. Contact the ER Service Desk for more information.

If you do not pay the MRT one year after the initial tax assessment (May 31) and the mineral rights have not been surrendered, the minister will begin mineral title forfeiture proceedings. The mineral rights will be forfeited to the Crown if the outstanding MRT, interest and other penalties have not been paid within the six-month forfeiture proceedings window.

17. Contact Information:

For making payments or updating your billing address, or to request an Application for Agricultural Corporation Exemption Certificate contact the ER Service Desk:

Email: er.servicedesk@gov.sk.ca

Phone: 1-855-219-9373

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