



## SAMA Annual General Meeting Resolutions October 22, 2020

### Resolution 2020-01

**Resolution Sponsor  
RM of Rudy No. 284**

WHEREAS Currently the valuation system does not reflect improvements to arable agriculture land such as irrigation infrastructure and installation of drainage tile: and

WHEREAS There is no consideration given for the improvements to agriculture land by irrigation infrastructure and drainage tile as it is assessed as dry land

WHEREAS Producers who invest into irrigation infrastructure and drainage tile experience high investment with return only on production, not long-term land values; therefore

BE IT RESOLVED THAT SAMA and the Provincial Government recognize irrigation infrastructure and drainage tile as an improvement to dry land therefore assessments should reflect these improvements.

### Background Information from SAMA

This resolution requests that SAMA and the Provincial Government recognize irrigation infrastructure and drainage tile as an improvement to dryland that should be assessed. Currently irrigation infrastructure and drainage tile are not assessed.

The resolution is asking for us to consider any value added by both irrigation and drainage improvements. SAMA assessed irrigated land at a different and higher standard than dryland in the 1980's and ended up dropping the practice because of the perception we were valuing equipment rather than just the land. It was also felt that we were not properly accounting for the fact that irrigation is an extra input placed on land (like adding extra fertilizer or herbicides). As a result any model change that attributed extra value to the land due to irrigation must also reflect the extra costs associated with those extra input costs.

Agricultural land is assessable and taxable. Improvements used for agricultural purposes are exempt from taxation and not assessed for any other types of improvements found on agricultural land. If irrigation assessments were differentiated from dryland, based on productivity gains due to irrigation, there may be a push to identify the amount of that value increase that should be attributed to the equipment/improvements. This equipment value would have to be separated out and rated as exempt or simply not rated.

Even if drainage improvements are not currently assessed, SAMA appraisers can identify the presence of these features through inspections, as increasing drainage results in less flooded land and more cultivatable land being picked up and accounted for as part of our current agricultural land assessments. Hence, drainage tiles may be used solely as an inferential indicator regarding a potential increase in cultivated acres which would be then rated at the regular dry land rates. This is something that SAMA appraisers can and do account for in our current agricultural land assessments practices.