

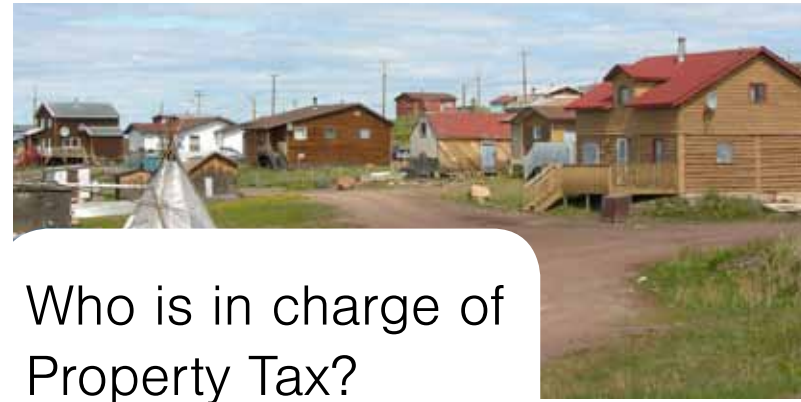


## Band Councils decide about IAB Land Use

In the past, INAC's Indian & Inuit Services provided band councils with the IAB Lands within their communities. The land is held communally for the benefit of Aboriginal community members. Individual interests in land cannot be created on IAB Lands.

The assignment of who shall reside on the lands is most often decided by the band council through a Band Council Resolution (BCR).

While a BCR grants 'permission to occupy' IAB Lands to its member(s), it does not grant any rights or interests to the land – it simply allows a person(s) to use it.



## Who is in charge of Property Tax?

The property assessment authority in the NWT is the GNWT through the Department of Municipal and Community Affairs (MACA). MACA assesses the value of property and improvements on both Commissioner's and federal Crown land for taxation purposes.

MACA then provides the information (Property Assessment Rolls) to the appropriate taxation authority, which issues the Taxation Notices.

Taxation authorities in the NWT are the Towns of Inuvik, Norman Wells, Hay River, and Fort Smith; the City of Yellowknife; the Village of Fort Simpson; and the GNWT Department of Finance for other regions within the territory, known as the General Taxation Area.

The Government of Canada does not tax property.



## Contact Information

### INAC's Indian & Inuit Services Directorate

INAC's Indian & Inuit Services Directorate (I&S) is responsible for supporting First Nations and Inuit organizations in their initiatives to obtain control and accountability for the delivery of a variety of programs and services in their communities. The directorate assists Aboriginal peoples in achieving their vision and aspirations by fulfilling Canada's legal obligations and fostering capacity building.

1-888-414-4340  
(867) 669-2611  
Lands and Environment Division email: LE\_NTRegion@inac-ainc.gc.ca

### INAC's Operations Directorate

The Operations Directorate administers the field activities of the department in the NWT through its district and sub-district offices. It regulates the use of land under the Territorial Lands Act and the Federal Real Property Act through its Land Administration office. District offices are located throughout the NWT and are responsible for the administration, inspection and enforcement of environmental legislation, and serve as the field contact for all departmental clients.

(867) 669-2630

### INAC's District Offices:

South Mackenzie District Office (Yellowknife)	(867) 669-2761
Fort Smith Sub-District Office	(867) 872-2559
Hay River Sub-District Office	(867) 874-6994
Fort Simpson Sub-District Office	(867) 695-2626
North Mackenzie District Office (Inuvik)	(867) 777-3361
Norman Wells Sub-District Office	(867) 587-2911

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# Indian & Inuit Services



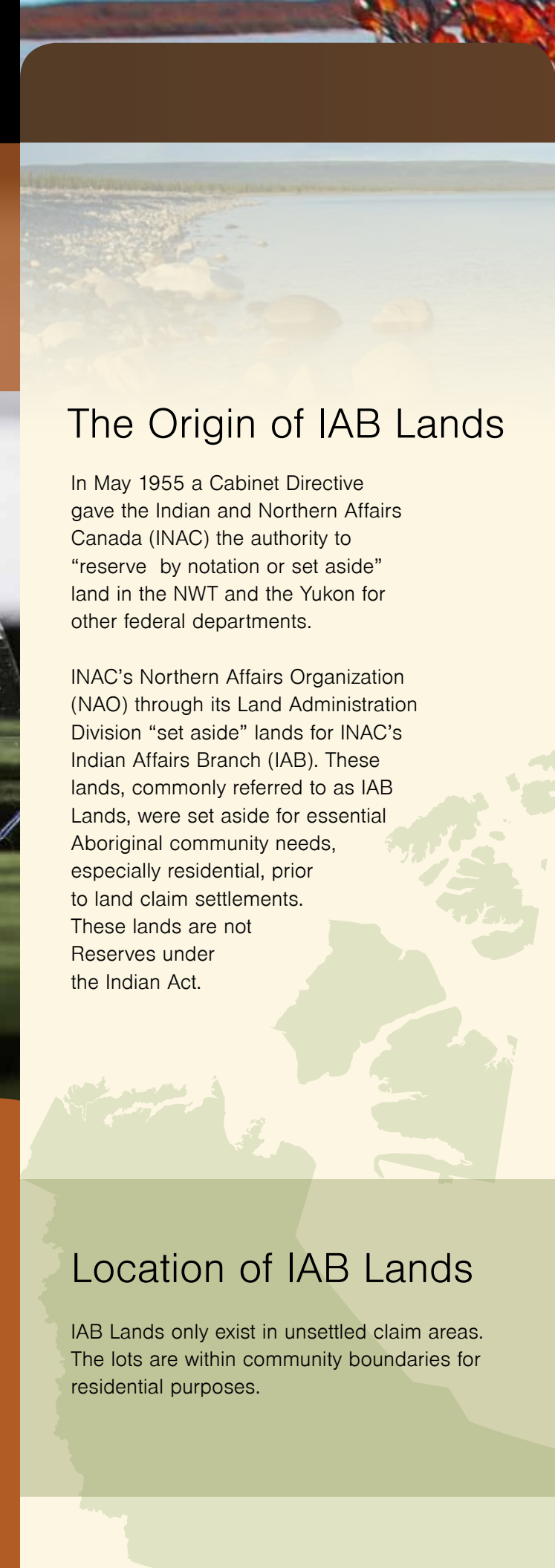
IAB stands for Indian Affairs Branch.

## Who can use IAB Lands?

IAB Lands are federal crown lands that have been set aside to the Indian and Inuit Affairs Program for the use of Aboriginal community members for residential purposes.

## How does someone know if they are on IAB Land?

First Nation members can check whether they are on IAB Land and get details from their band council office. Band councils should have a record of IAB Lands and who resides on those lands. Additionally INAC's Indian & Inuit Services (I&S) or GNWT's Department of Municipal & Community Affairs (MACA) are sources for information about IAB Lands.



## The Origin of IAB Lands

In May 1955 a Cabinet Directive gave the Indian and Northern Affairs Canada (INAC) the authority to "reserve by notation or set aside" land in the NWT and the Yukon for other federal departments.

INAC's Northern Affairs Organization (NAO) through its Land Administration Division "set aside" lands for INAC's Indian Affairs Branch (IAB). These lands, commonly referred to as IAB Lands, were set aside for essential Aboriginal community needs, especially residential, prior to land claim settlements. These lands are not Reserves under the Indian Act.

## Location of IAB Lands

IAB Lands only exist in unsettled claim areas. The lots are within community boundaries for residential purposes.

## Who Manages IAB Lands?

IAB Lands are managed in two separate divisions/branches of INAC – the Northern Affairs Organization (NAO) and the Indian & Inuit Services Program (formerly known as Indian Affairs Branch (IAB)).

INAC through its NAO Land Administration Division is the administrator of territorial lands as defined in the Territorial Lands Act.

INAC's Indian & Inuit Services Program (I&IS) works with First Nations offices to maintain records of the BCRs provided by the band council.

## Land Tenure:

is legal ownership or lease of land. In order to hold land tenure, an individual has to either buy (if the lot is for sale) or lease the lot.

## Limitations for IAB lands

As IAB Lands are federal Crown lands, they are managed by the federal government. While residents may choose to sell the improvements (such as buildings) that are on the lands, the actual lot of land cannot be bought or sold.

Residents living on IAB lands do not have legal land tenure (i.e. a lease or ownership) unlike conventional property owners, and as a result, have challenges accessing financing through a bank.

For example, residents on IAB Lands cannot apply for a mortgage and they are limited in what funding they can access to improve their homes. This is because banks and other lending institutions require formal land tenure as security against the loan or mortgage.

## Steps to get Land Tenure on IAB Land

- 1) If Aboriginal community members wish to lease a lot that is deemed IAB Lands (i.e.: to obtain a mortgage to build a house), they must first make the request to their local First Nation office.
- 2) The band council would then have to pass a Band Council Resolution (BCR) that states that the band relinquishes its interest in the IAB Land.
- 3) The BCR is sent to INAC's Indian & Inuit Services (I&IS) office, who would ensure a site inspection is completed.
- 4) INAC's I&IS office would then send a letter (and the BCR) to INAC's Land Administration office with approval to release the IAB Lands.
- 5) INAC's Lands Administration office would release the parcel from IAB status. It would no longer be IAB Land. The lot would become vacant federal Crown land.
- 6) The Aboriginal community members would then need to apply for a lease from INAC's Land Administration office or INAC district offices.
- 7) Assuming the applications are approved and lease issued, the Aboriginal community members would be granted formal land tenure and be required to pay annual lease fees to INAC. They would also be responsible for the property tax related to the land, buildings, improvements and upgrades on the lot to GNWT's Tax and Assessment Office.

## Purpose of Property Tax

Property tax is one way for a government to pay for services that the community needs such as roads, schools, and water and sewer.

Canada does not collect property tax. That is the job of the Government of the Northwest Territories and the Municipal Taxation Authority communities.

Property tax includes tax for any improvements on the land. The owner or occupier is billed, but the tax is charged against the property improvements.

## Money Owed



A new property owner or a lessee may have several monetary obligations related to their land and house. Property tax is paid by the owner of the property. Additionally, a lease has an annual fee that must be paid by the lessee.

If the homeowner (as a personal decision) has a mortgage on the property, it usually means monthly mortgage payments. As well, other money owed may include payments for home improvement loans.

## Land Tenure is a Tax Trigger

The responsibility for payment of property taxes moves from the federal government to the lease holder once the land no longer has IAB status. Lessees are responsible for all taxes related to their property and improvements to their homes.

### Property Can't Transfer with Debt

If the Lessee or owner wants to transfer or sell their property, outstanding debt must be paid off first. For example: taxes owing do not get cancelled with a change in ownership. The actual change of ownership can not be completed until the taxes are paid in full.



## IAB Lands & Land Claims

IAB Lands only exist in unsettled claim areas. In settled claim areas such as the Gwichin, Sahtu and Tlicho, IAB Lands were included in the land selection negotiations.

If the IAB lands were required by the claimant the lands were selected as part of the settlement of the land claim. Once the land claim agreements were signed, the selected lands that were formerly IAB were released to designated organizations under the land claim or to the Aboriginal government. Naturally the IAB status was removed.

IAB lands not identified for selection were reverted back to the federal government for the removal of IAB status and then transferred to the GNWT Commissioner.



## Taxation & Self Government

Taxation is a fundamental aspect of any government. When a First Nation becomes a new government and responsible for essential community services, such as roads, schools and water and sewer, it is likely that it will need to tax residents in order to pay for these community services.

