

Freehold Mineral Tax

Freehold Mineral Tax is:

- Assessed on revenue derived from production from freehold oil and gas properties.
- Assessed annually based on calendar year production.
- Levied on each owner of a petroleum or natural gas mineral right as shown on the estate fee simple Certificate of Title.

History:

- The tax has been levied since 1938, from 1938 - 1972 the tax was an acreage tax, assessed on petroleum, natural gas, coal and salt. Since 1973 coal and salt are no longer taxed.
- It was introduced to provide freehold monies for the province's regulatory body, at the time the Alberta Energy and Utilities Board, it is now the Albert Energy Regulator (AER).
- From 1973 to 1982 the tax was assessed based on reserves.
- Current freehold mineral tax [legislation](#) was introduced in 1983
 - Monies received go to the Province's General Revenue Fund.
 - On average, the tax levied is 4 per cent of revenues reported from freehold properties.
 - Tax is calculated annually on calendar year production collected in March of the following calendar year. Payment of the tax is due April 25.

Additional Information:

- Freehold Mineral Tax Unit Value Guides for the last five years are available on the Tenure [Guides page](#).
- [Historical statistics](#) are available for Net Tax Levied, Freehold Wells, and Freehold Production.
- [Information letters](#) (ILs) help keep owners informed about regulatory changes and interpretations, including those affecting freehold mineral rights. You can [subscribe](#) to this service to access active and inactive ILs.
- The [Land Titles Office](#) is responsible for registering freehold mineral ownership rights in Alberta.
- The [Farmers' Advocate](#), under the ministry of Agriculture and Forestry, is available for public information meetings on subjects such as surface rights, seismic activity, mineral leasing, trespass and other topics that may be of concern to the agricultural community.
- The [Freehold Owners Association](#) is a federally-incorporated, not-for-profit corporation currently registered to operate in Alberta, Saskatchewan and Manitoba. The purpose of the association is to attempt to "level [the] playing field between freeholders and the oil and gas companies that lease their oil and gas interests."
- For additional information, refer to our [FAQs page](#).

