

# Municipal Government Act

progressive powers for municipalities

## INFORMATION BULLETIN #31

### FIRE PROTECTION RATE

**- Revised -**

**Summary:** Municipalities may levy a special fire protection rate, often referred to as hydrant rental, with limited exemptions.

**Legislation:** Part IV, Section 80

**Discussion:** The fire protection rate authorized by Section 80 of the *Municipal Government Act* is a type of area rate that has very few exemptions. However, it is not mandatory.

The fire protection rate is intended to cover that portion of the cost of a water utility that is attributable to fire protection, sometimes referred to as hydrant rental. In practice, this amount is determined by the Nova Scotia Utility and Review Board as part of the water rates. It is the amount the municipality must pay to the utility for fire protection. It is *not* related to the cost of other fire protection services such as the fire department.

The rate is charged on all assessments located in the area council has determined by policy to be served by a water utility. *There is no provision for different rates on commercial and residential properties* as there is for other area rates. Only property of the federal and provincial governments **or property specifically exempt by by-law** is exempt from the charge. **~~however, they do pay~~ Note that the governments pay a grant in lieu for fire protection charges.**

The main reasons a municipality might choose to levy a fire protection rate include the limited exemptions from it or to separate it from the general rate. Otherwise it is the same as an area rate. Many municipalities have area rates to recover hydrant rental charges. These rates can continue as area rates, be blended into the general tax rate, or be converted to fire protection rates at the option of the council.

**Date Produced:** March 1999

**Note:** The reader is cautioned that preparation of this and subsequent Information Bulletins containing practical suggestions must necessarily involve interpretation of legislation as it applies in general situations. Specific situations may require careful legal analysis and therefore reference should be made to the *Municipal Government Act*, other relevant legislation and to legal advisors.