



Levies on Permits

Permit Fee - Administration Fee - Inspection Fee - Travel Fee

What Does It All Mean?

A basic premise of the safety codes system in Alberta is that **users should pay** the cost associated with administration of the Safety Codes Act.

When a municipality chooses to become accredited it is authorized to administer the safety codes system within its boundaries. If the municipality engages an agency, the agency provides safety codes services on behalf of the municipality, which often includes the charging of fees. Municipalities and agencies may charge fees to cover the cost of administering the Safety Codes Act. For any of these permit fees, **a Safety Codes Council (SCC) levy must be applied.**

Administration of a permit includes any and all activity associated with ensuring the terms and conditions of a permit are satisfied, including permit issuance, plans review, code advice, site inspection, verification of compliance, orders and variances and permit services reports. If a fee is charged for any of these activities it is subject to the Safety Codes Council levy.

Levies provide the Council with the majority of its funding and enable us to fulfill the duties and powers of our mandate as stated in the Act.

The Quality Management Plan under which all accredited municipalities operate states that the municipality will collect the SCC levies (operating fees) for each permit issued, and remit those monies to the Council.

It is important that the definition of what constitutes a “permit fee” and therefore is subject to the Council levy is clearly defined.



The permit fee charged when a person takes out a permit should in some way reflect the cost, to the organization, of servicing that permit. This would include plans reviews, inspections, travel, code advice, and follow up on deficiencies. It would also include any activity associated with the permit process, including clerical and administrative functions.

Municipalities around the province use a variety of names for the fees that they charge. They include Administrative Fees, Application Fees, Inspection and Re-inspection Fees and Travel Fees among others.

To ensure consistent application of the Act and in the spirit of the “user pay” system, the Council requires all accredited municipalities and agencies to apply a levy to **all fees** associated with a permit.

Simply put, if your municipality or agency charges a fee that relates to its administration of a permit issued under authority of the Safety Codes Act, it is subject to the levy. The levy should be collected when the permit is sold or the fee charged and the money remitted to the Council, either monthly or quarterly as has been your practice.

The requirement to charge levies on **all fees** associated with administration of a permit should be acted on immediately.

The levy increase from 3.5% to 4% effective 1 April 2010 is unrelated to the question of what constitutes a fee that is subject to the Safety Codes Council levy.

Should you require further clarification, please feel free to contact Doug Clough, Research and Policy Coordinator, at 780.413.0099 or 1.888.413.0099.

Respectfully yours,

Brian Alford
Acting President & CEO