

Assembly of First Nations

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ANNUAL GENERAL ASSEMBLY
July 14-15-16, 2026, Ottawa, ON

Resolution no. 42/2026

TITLE: Addressing Tax Implications Relating to Additions to Reserve

SUBJECT: Additions to Reserve

MOVED BY: Chief Calvin Sanderson, Chakastaypasin Band of the Cree Nation, SK

SECONDED BY: Byron Louis, Proxy, Lower Similkameen Indian Band, BC

DECISION Approved by the AFN Executive Committee by consensus.

WHEREAS:

A. The *United Nations Declaration on the Rights of Indigenous Peoples* (UN Declaration) states:

- i. Article 19: States shall consult and cooperate in good faith with the Indigenous peoples concerned through their own representative institutions in order to obtain their free, prior and informed consent before adopting and implementing legislative or administrative measures that may affect them.
- ii. Article 26(2): Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired.
- iii. Article 26(3): States shall give legal recognition and protection to these lands, territories and resources. Such recognition shall be conducted with due respect to the customs, traditions and land tenure systems of the Indigenous peoples concerned.
- iv. Article 27: States shall establish and implement, in conjunction with Indigenous peoples concerned, a fair, independent, impartial, open and transparent process, giving due recognition to Indigenous peoples' laws, traditions, customs and land tenure systems, to recognize and adjudicate the rights of Indigenous peoples pertaining to their lands, territories and resources, including those which were traditionally owned or otherwise occupied or used. Indigenous peoples shall have the right to participate in this process.
- v. Article 28(1): Indigenous peoples have the right to redress, by means that can include restitution or, when this is not possible, just, fair and equitable compensation, for the lands, territories and

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42 – 2026

Page 1 of 3

resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent.

- vi. Article 28(2): Unless otherwise freely agreed upon by the peoples concerned, compensation shall take the form of lands, territories and resources equal in quality, size and legal status or of monetary compensation or other appropriate redress.
- B. For decades, First Nations have called for transformative change to Canada's Additions to Reserve (ATR) Policy to address barriers that impede efficient and timely conversion of lands to reserve.
- C. In 2012, the First Nations-in-Assembly passed Assembly of First Nations (AFN) Resolution 26/2012, *Additions to Reserve Policy and Process Reform*, mandating the AFN and the Government of Canada to jointly amend the existing ATR Policy to create a more efficient, effective, and transparent process.
- D. The Standing Senate Committee on Aboriginal Peoples produced a report in 2012 titled *Additions to Reserve: Expediting the Process*, which found that lengthy ATR processing times are costly for First Nations. The report identified municipal tax obligations as a persistent part of this problem, because fee-simple lands remain subject to taxation until designated as reserve lands.
- E. The AFN ATR Regional Dialogues Forum Roll-up Report in 2012 found that costs of excessive processing times have led to some communities selling fee simple lands before they could complete the ATR process.
- F. First Nations-in-Assembly passed AFN Resolution 37/2023, *Returning First Nations Lands through Additions to Reserve Reform*, calling on the Government of Canada to co-develop with First Nations a clear, effective, and transparent ATR process and mandating the AFN to advance First Nations priorities respecting ATRs, including policy and legislative reforms.
- G. In 2024, Crown-Indigenous Relations and Northern Affairs Canada's (CIRNAC) Technical Advisory Committee (TAC) was established to remove barriers and co-develop ATR policy reform with First Nations. Following TAC's establishment, the AFN was invited to participate in TAC and to seek a mandate to co-develop ATR reforms that quickly and efficiently creates reserve lands for First Nations.
- H. Throughout 2024, the TAC recommended nine interim changes to the ATR policy to the Minister of Crown-Indigenous Relations. These interim changes were approved in December 2024, and aim to improve the existing ATR Policy, but do not significantly expedite the approval of ATR proposals or address outstanding tax implications related to the ATR Process.
- I. In 2025, approximately 860 ATR submissions remained outstanding, despite the Government of Canada committing over \$45 million between 2021 and 2022 to advance ATR reform, reduce backlogs, and fund First Nation-led reform analysis initiatives.
- J. In 2025, CIRNAC released the *Pathways to Additions to Reserve Policy Reform: First Nation Voices in Action*, which provides an overview of the key themes emerging from more than 900 First Nation recommendations. Tax-related recommendations included a review of tax benefits and exemptions for ATR and fee-simple lands, and to establish a framework that would relieve First Nations from municipal, provincial, and federal tax obligations during the ATR process.
- K. Despite the tax-related recommendations, they were not included in the recent nine interim changes to the ATR Policy, which continue to burden First Nations during the ATR process. Without a reimbursement

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strategy, these costs may severely erode the economic potential of community development initiatives planned for new lands for First Nations across Canada.

THEREFORE BE IT RESOLVED that the First Nations-in-Assembly:

1. Direct the Assembly of First Nations (AFN) to call on the Government of Canada to work with the AFN to:
 - a. Review the benefits and tax exemptions of lands held in the Additions to Reserve (ATR) process and fee simple held lands;
 - b. Establish a legislative framework to relieve First Nations from all tax-related obligations throughout the duration of the ATR process; and
 - c. Implement interim measures to temporarily freeze all tax-related obligations for First Nations whose fee simple lands are currently subject to the ATR process until the legislative tax framework is co-developed.

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42 – 2026
Page 3 of 3