



BC ASSESSMENT

The Basics of Property Assessment

AKBLG 2019 Convention

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April 26, 2019



Topics

1. About BC Assessment
 1. Valuation
 2. Highest & Best Use
 3. Classification
 4. Exemptions
2. Assessment appeals
3. Assessment cycle & key dates
4. Relationship between assessment & taxation
5. 2019 assessment roll statistics
6. Collaborating with BC Assessment



About BC Assessment

History of BC Assessment

- 1974 non-partisan commission tasked with examining property assessment & taxation
- Recommended creation of a province-wide assessment authority
- Operates independent of taxing function & provincial politics
- Since 1974, BCA has provided uniform, fair, & independent property assessments to the people of BC



Our product

The Assessment Roll

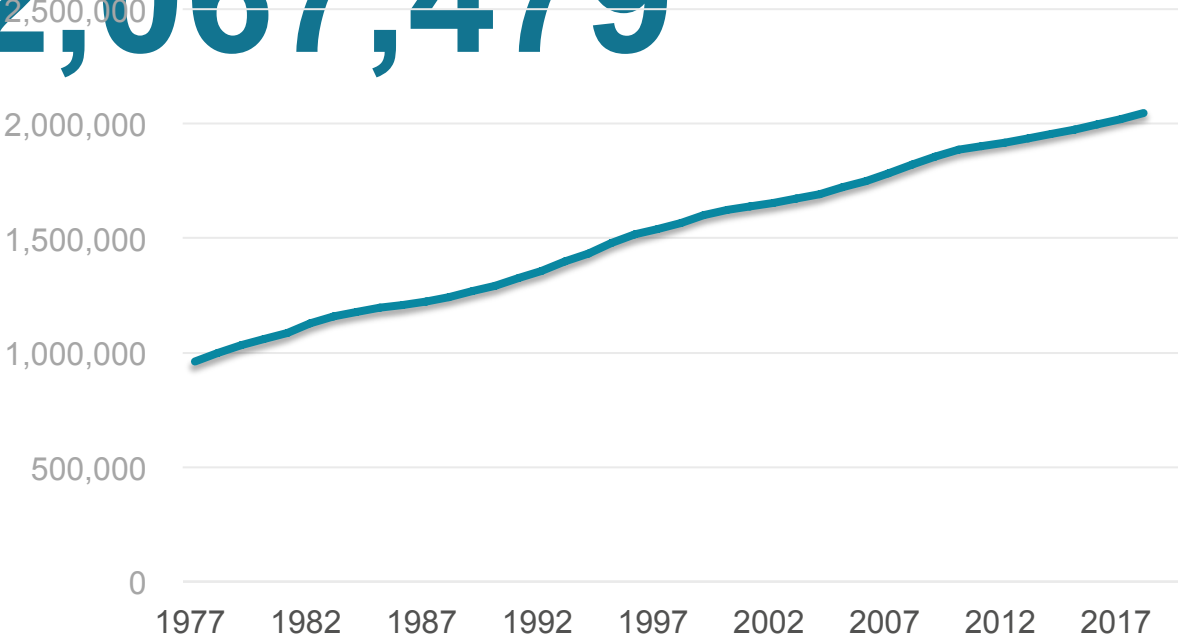


- Annual list of property values provides **stable, predictable** base for real property taxation in B.C.
- Identifies ownership, **value, classification & exemptions** for each property
- Provides the base for taxing authorities to raise **±\$8 billion** annually in property taxes for schools & local services



How many properties on the Roll in BC?

2,067,479



Valuation

How we value different properties

- Market value as of July 1st

Market value is the most probable price a property should bring in a competitive market under all conditions requisite to a fair sale, the buyer & seller, each acting prudently, knowledgeably & assuming price is not affected by undue stimulus.



Residential

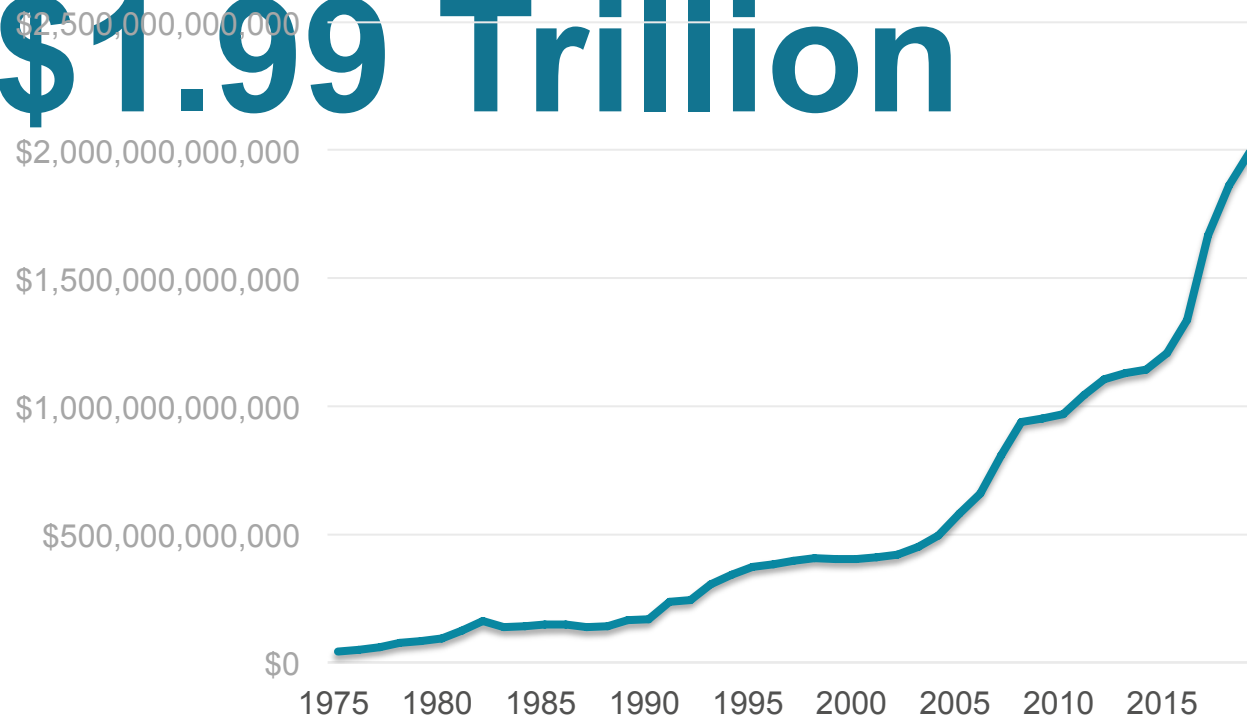


Commercial



What's the total value of Real Estate on the Roll?

\$1.99 Trillion



Approaches to value

Direct Comparison Approach

Informed purchaser would pay no more for a property than cost to acquire an existing property with same utility



Approaches to value

Cost Approach

Informed purchaser would pay no more for a property than cost of producing substitute with same utility



Approaches to value

Income Approach

Converts anticipated benefits (i.e. rental income) derived from ownership of property into a value estimate



Highest & Best Use

Highest & best use (H&BU)



Highest & best use (H&BU)



Highest & best use (H&BU)



How land use affects market value

Our communities are changing.



Local Government

When a local government introduces a new community or development plan, it provides a long-term vision for land use.



Rezoning

The plan may permit rezoning to encourage redevelopment of under used property.



Redevelopment

For example, new plans may support redevelopment of two-storey commercial buildings downtown into 20 storey mixed residential and commercial towers.



Market Demand

If market demand for new towers is high, smaller buildings often sell quickly and for high prices based on their redevelopment potential, not their current use.



Assessment

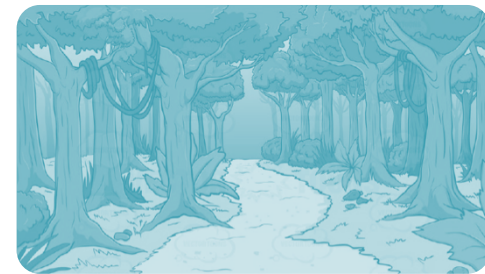
BC Assessment assesses properties at market value as of July 1 each year.



Non-market valuation

Properties not assessed at market value:

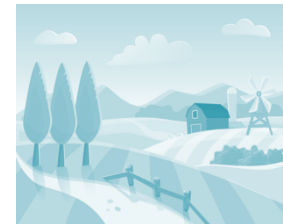
- Continuous Structures
- Major Industrial Properties
- Electrical Power Generation
- Farms
- Managed Forests
- Section 19-8



Classification

How we classify properties

Class	Title
1	Residential
2	Utilities
3	Supportive housing
4	Major industry
5	Light industry
6	Business other
7	Managed forest land
8	Recreational/non profit
9	Farm land





<https://youtu.be/ySzIjb4I-gY>



Comparison of classifications

2019 ROLL TOTALS Completed Roll Provincial Totals

Property Class	Occurrences	ACTUAL VALUE TOTALS			
			Land	Improvements	Total
Residential Vacant	165,557	Gross	59,236,384,749		59,236,384,749
Residential Single Family	1,113,824	Gross	706,215,128,527	282,497,784,316	988,712,912,843
Residential ALR	55,476	Gross	19,851,943,430	1,347,900	19,853,291,330
Residential Farm	21,001	Gross	83	4,416,680,357	4,416,680,440
Residential Strata	525,789	Gross	242,604,282,856	91,009,701,813	333,613,984,669
Residential Other	45,476	Gross	77,827,762,572	41,893,571,262	119,721,333,834
1 - *Total Residential *	1,927,123	Gross	1,105,735,502,217	419,819,085,648	1,525,554,587,865
2 - Utilities	16,091	Gross	4,651,855,378	26,047,385,304	30,699,240,682
3 - Supportive Housing	436	Gross	51,936	99,833	151,769
4 - Major Industry	12,168	Gross	2,965,866,856	6,497,590,078	9,463,456,934
5 - Light Industry	27,970	Gross	19,167,480,862	9,260,208,132	28,427,688,994
6 - Business And Other	126,011	Gross	224,886,600,613	106,735,953,064	331,622,553,677
7 - Managed Forest Land	3,982	Gross	1,596,611,400		1,596,611,400
8 - Rec/Non Profit	24,536	Gross	60,524,933,392	2,471,142,410	62,996,075,802
9 - Farm	51,000	Gross	1,263,589,067		1,263,589,067
S.644LGA/398VC	1,151	Gross			
Totals for the Province		Gross	1,420,792,491,721	570,831,464,469	1,991,623,956,190
				(2,278,190,959)	Included in Utilities above

Folio Count:
 Active: 2,067,479
 Reference: 0
Total: 2,067,479



Exemptions

Exemptions

An exemption is a release from paying all or a portion of the property tax



Common exemptions are:

- Statutory – granted by legislation
- Permissive – granted by taxing authorities



Assessment appeals

Appeal process

Property Assessment Review Panel (PARP)



Property Assessment Appeal Board (PAAB)



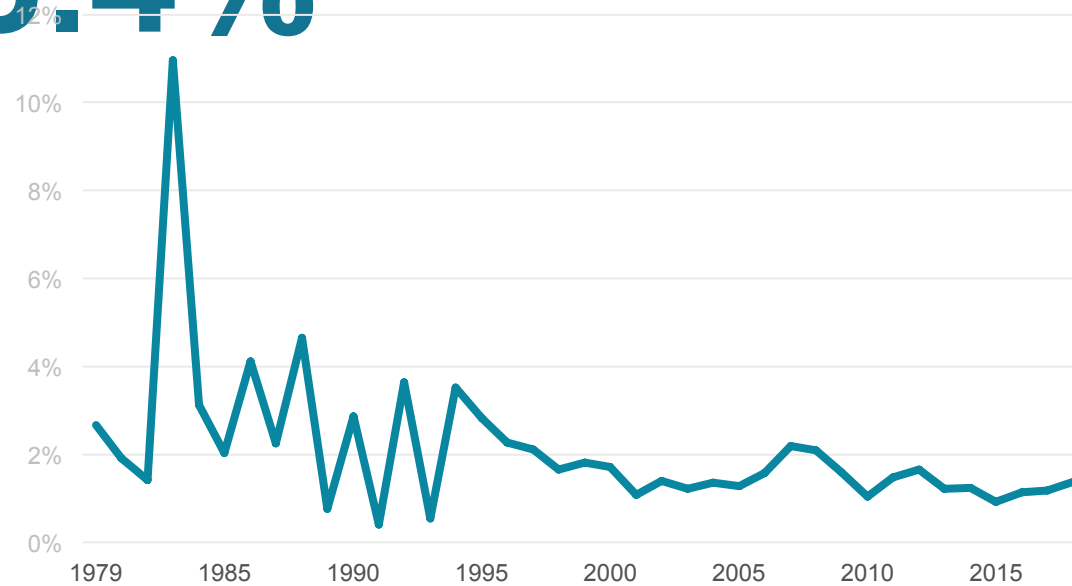
Appeal process – PARP & PAAB

- Independent of BCA & taxing jurisdictions
- Can review:
 - Assessed value
 - Classification
 - Exemption status
 - Ownership
- PAAB decision can be appealed to BCSC & BCCA on question(s) of law



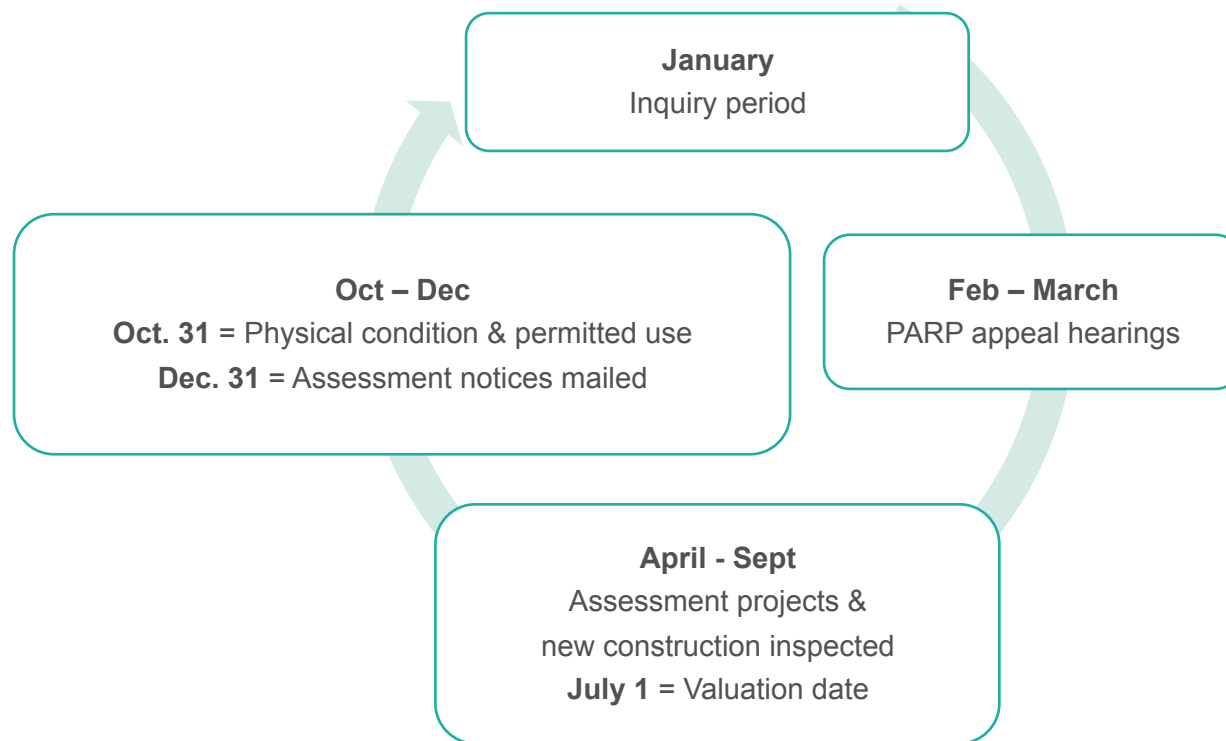
How many accept their Assessment without appealing?

98.4%



Assessment cycle & key dates

Assessment cycle & key dates






Relationship between assessment & taxation

Relationship between assessment & taxation



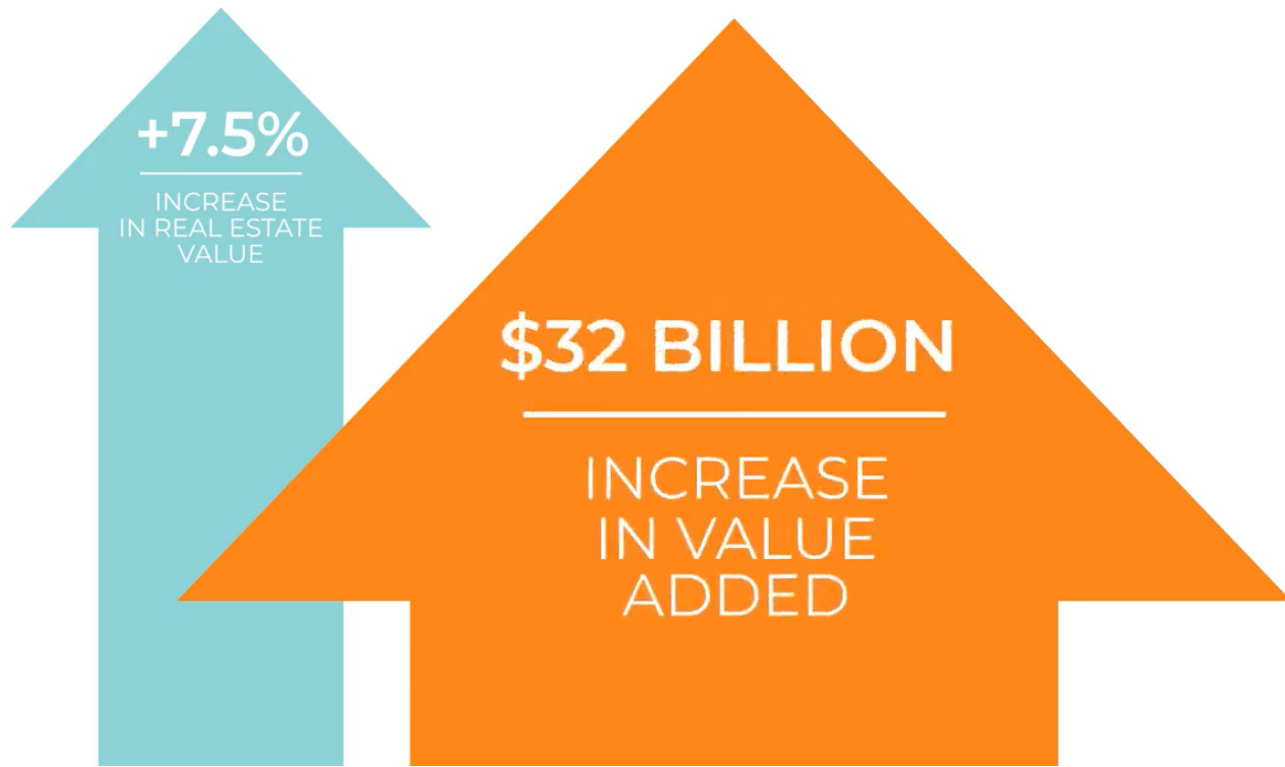
Impact of changes in assessed value on taxes

- *“My assessment has gone up 20%, I can't afford for my taxes to go up 20%!”*

	Your Property's Value Change	Property Tax Impact
1. 	LOWER than Average Change for Property Class	Taxes Likely DECREASE
2. 	SIMILAR to the Average Change for Property Class	Taxes Likely DO NOT CHANGE
3. 	HIGHER than Average Change for Property Class	Taxes Likely INCREASE



2019 assessment roll statistics

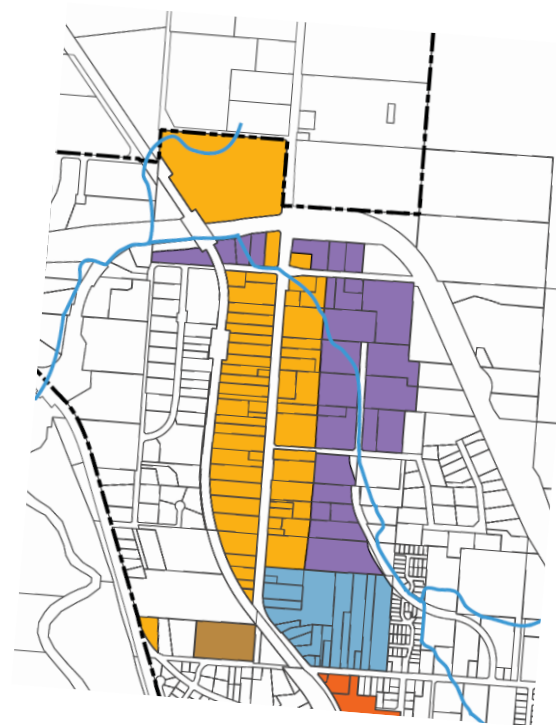


2019 SINGLE HIGHEST ASSESSED HOME



Collaborating with BC Assessment

Information impacting property assessments



Information impacting property assessments

Building permits

Permissive tax exemptions

Building plans

Revitalization exemptions

OCP & Zoning Changes

Mailing address changes

Development applications & approvals

Occupiers/lessees of your properties

Preliminary & final subdivision approvals

Situs (civic address) assignments

Extensions of service infrastructure



Collaborating to achieve our mandates

- By sharing information & working together, BC Assessment & Taxing Authorities can:
 - ✓ Ensure fair & equitable property assessments
 - ✓ Maintain a stable & predictable assessment roll
 - ✓ Optimize property tax revenue levied & collected by taxing authorities
 - ✓ Increase citizen awareness of property assessment & taxation



Resources

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905 313TH DR KIMBERLEY VIA 338
Area-Jurisdiction-Roll: 22-215-05696.119

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Report a problem

Total value \$412,500

Assessed as of 01-07-2018

Land	\$94,500
Buildings	\$318,000
Previous year value	
Land	\$90,200
Buildings	\$287,000

Questions about this property assessment? Visit our [Property assessment FAQ](#) or [Contact us](#) if you have questions.
Visit our [BC Assessment interactive market trends maps](#) for assessed value changes in your area, and our [Property tax page](#) to learn what your assessment value change means for your property taxes.
Find out more about BC Assessment's [Data Services](#)
Your experience with our website is important to us - [access our survey here](#)

Property value history

2019	+9%	\$412,500
2018	+9%	\$377,200
2017	+2%	\$346,400
2016	+5%	\$339,000
2015	+4%	\$321,600

Property value and City of Kimberley jurisdiction change

Legend: Assessed value (Bar), Property % change (Blue line), Jurisdiction avg % change (Orange line)

BC ASSESSMENT

Getting to Know BC Assessment

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