

New property assessment rules: what's changed?

Earlier this month, BC Assessment (BCA) sent property assessment notices to property owners who reside within our Board's area.

This annual process is often a confusing one for many commercial and residential property owners. Typically, there is a difference between the property value assessment on the assessment notice and the current market value as determined by a REALTOR®.

This difference is a result of two factors. The first factor involves BCA's mass appraisal system, which calculates property value by evaluating prices for homes sold in each neighbourhood or for units in a strata complex and then applies the information to arrive at an assessed value. The variables BCA uses to calculate this value include house type, square footage, age, heating, property classification or use, and additions or demolitions of features such as garages, sheds, pools and spas.

The second factor depends on the time at which a property is assessed. Normally, a 2009 assessment notice is BCA's estimate of a property's market value as of July 1, 2008, whereas a REALTOR®'s market value reflects the current state of the market, not the market six months ago.

What's changed?

Temporary changes to the assessment process by the provincial government makes the 2009 assessment roll somewhat unique.

For this year only, assessment notices

will show the assessed value of a property as of both July 1, 2007 and July 1, 2008. The lower of these two values is the official 2009 property assessment.

For most properties, this means there will be no change between the 2008 and 2009 assessment. The lower value is the basis upon which 2009 property taxes will be calculated.

The provincial government believes this measure will help stabilize the provincial economy.

Assessed values are up

Provincially, property values increased by 1.4 per cent over the 2008 assessment roll, to \$953 billion from \$940 billion last year. Jason Grant, area assessor for the Vancouver Sea to Sky Region, attributes this increase to new construction, though stresses that the new government regulations ensure that property values remain virtually unchanged over last year.

"About 94 per cent of property owners in British Columbia will see identical or lower assessed values on their 2009 property assessment notices compared to last year," Grant explains.

Grant says there is an appeal process for those who think their assessments don't reflect market value as of July 1, 2008 or July 1, 2007 or see incorrect information on the assessment notice. "Start by contacting the BCA office indicated on your assessment notice as soon as possible."

To appeal or not to appeal

The deadline to appeal is midnight February 2, 2009. Here are some points to consider:

1. Carefully review all of the information contained in the assessment.
2. Compare your assessment with your neighbours' by going online and entering in your address. You will see the assessments of your neighbours alongside.
3. Contact the assessment office listed on your assessment notice and ask (politely) for an explanation.
4. Ask for a review in writing, if you disagree with the explanation.

Your request must include:

- the assessment roll number on your notice of assessment;
- the property description (address and legal description) on your assessment notice;
- your full name, mailing address and daytime phone number; and
- a statement about whether you own the property or you are an agent.

You can also complete an online request for a review at: www.bcasessment.bc.ca. For more information on assessment reviews and the Property Assessment Review Panel, visit: www.sbr.gov.bc.ca/parp