

# factsheet



## Frequently Asked Questions About Property Assessment

BC Assessment

### What is BC Assessment?

BC Assessment is a provincial Crown corporation that classifies and assesses the value of all real property in British Columbia. On December 31, BC Assessment sends property owners a Property Assessment Notice telling them the fair market value of their property as of July 1 of that year.

### What is an assessment?

An assessment is the determination of a property's market value, property classification and applicable exemptions as of July 1 each year. On December 31, BC Assessment mails a Property Assessment Notice to each property owner in the province, showing the property's market value. This assessment is the basis used by taxing authorities for determining the share of municipal and provincial property taxes owners will pay.

### Why is the assessment notice mailed six months after the July 1 market value date?

BC Assessment's professional appraisers must review close to two million properties every year and this six month period provides staff with the time they require to ensure the annual assessment roll is as fair and accurate as possible. Appraisers must analyze real estate transactions which can occur before and after the July 1 valuation date.

In the fall, appraisers also inspect new construction and development, verify the physical condition of each property by the end of October and verify ownership through the Land Title and Survey Authority by November 30. Once this information is collected, appraisers complete the final assessment roll in early December. This work is audited for quality assurance and then notices are printed and mailed to all property owners on December 31 as required by the *Assessment Act*.

### What is market value?

Market value for assessment purposes in British Columbia is the most probable price that an unencumbered property would sell for on the open market on July 1, if a reasonable amount of time is allowed to find a purchaser.

### How is an assessment of property made?

BC Assessment has a professional appraisal staff and an extensive database that is periodically updated with information gathered through appraisal inspections. Municipal and provincial agencies inform BC Assessment of land title changes, building permit approvals and zoning adjustments. BC Assessment also considers a property's unique characteristics, including location, size, layout, shape, age, finish, quality, carports, garages, sun decks and condition of buildings. All these variables are considered when valuing each property.

### What is the relationship between property assessment and taxes?

Provincial and municipal governments (taxing authorities) pay for public services through property taxes, which are based on assessed value. BC Assessment determines the market value of properties and sends property owners a Property Assessment Notice. Then, tax authorities determine the property tax rate they will set to raise the revenue needed to pay for public services. The tax authorities apply this rate to the assessed value of properties and send property owners a Tax Notice.

### Why did the value of my property change?

Property values usually change as a result of real estate market forces and these forces vary by property type and location. If a property was upgraded, the value will likely increase.

### **What happens if I disagree with my property's assessed value?**

Property owners who disagree with the estimate of their property's market value, exemption status, or who believe their property was improperly classified, should contact their local assessment office.

BC Assessment will review the assessment and, if a change or correction is required, will recommend the changes to a Property Assessment Review Panel (PARP) on behalf of the owner. If the property owner still disagrees with the assessment, he or she may request an independent review before a PARP. This request must be delivered in writing to BC Assessment no later than 11:59 p.m. PST on January 31.

### **What is the PARP?**

The PARP is made up of three people appointed annually by the provincial government. The impartial panel hears evidence and will determine if a property has been valued or classified correctly, or if exemptions were properly applied.

PARPs are independent of BC Assessment and the tax authorities. Neither the PARP nor BC Assessment has jurisdiction or control over taxes or tax rates. Property taxes cannot be appealed.

### **Are any tax relief programs available?**

The provincial government makes the Home Owner Grant available to most residential property owners who occupy their property.

The provincial government also provides tax deferral support. People 55 years of age and older, widows, widowers and disabled people (as defined in the Guaranteed Available Income for Need Act) may defer their property taxes until they sell their property.

For more information on tax deferral, contact the municipal or government agent office in your area or visit [www.gov.bc.ca](http://www.gov.bc.ca). See also the Fact Sheet on *Section 19(8) of the Assessment Act*.