



INFORMATION SHEET

2017 Property Assessments and Property Taxes

OVERVIEW

In January, property assessment notices are mailed annually to property owners throughout the province from BC Assessment, an independent agency created by the Provincial Government for the purpose of valuing all properties in BC for taxation purposes. Your assessment notice estimates the market value of your property as of July 1 of the previous year.

An increase in your property assessment does not mean your taxes will automatically go up by the same amount. If all property values increase by the same amount, taxes on individual properties will not change. Assessment is simply a distribution mechanism. Your assessment indicates the estimated value of your property. The property tax rate, which is based on budget requirements, is what determines how much your taxes will be. The tax rate is set by City Council each year.



MAJOR HIGHLIGHTS

How much have 2017 property assessments increased in the City of Duncan?

Total property assessment in the City of Duncan has increased by \$47 million or almost 8%. Some types of properties increased more than others:

- Single family homes have increased by an average of 7%
- Strata properties have increased by an average of 14%.
- Business properties increased by an average of 5%.

Approximately \$8.4 million of this increase is due to new development in the City; new businesses and residential properties. This new development contributes to the annual tax revenue of the City, reducing the amount that other property owners have to pay.

If my property assessment increased, will my tax bill go up too?

Properties that change in value by the same percentage up or down as the average property will experience a tax increase at the same rate as the overall tax increase set by City Council. Properties that increase or decrease in value by more or less than the average will experience changes in their taxes that are more or less than the average increase.

Is a property tax increase proposed for 2017?

For 2017, Council has worked hard to ensure that any tax increase remains affordable while providing the level of service that meets the needs of taxpayers. Currently, Council is proposing a property tax increase of 2.55%.

MAJOR HIGHLIGHTS CON'T

How will a tax increase affect my property tax bill?

Even though property assessments have gone up and City Council may decide to increase property taxes overall, new development will contribute to the annual tax revenue to reduce to amount that current property owners will have to pay. For example, if City Council sets the overall property tax increase at 2.55%, the property taxes on an average single family home will only increase by 1.8% or approximately \$22 for the year. That is less than \$2 per month! And for businesses, property taxes should remain at the same level they were in 2016.

What are City Council's spending priorities for 2017?

Council sets priorities that guide decisions about spending. The budget sets out how much money is required to achieve those priorities and outlines where that money will come from. In most years, the wants and needs are greater than what the community can afford, so Council prioritizes projects and services and decides what needs to be accomplished in the year. In 2017 a limited number of Capital projects are proposed. Instead, the budget focuses on the building blocks – such as an Asset Management Plan - necessary to ensure that future capital spending decisions maximize the value of every dollar spent.

How does the City of Duncan decide how much property taxes to collect?

After the annual budget is adopted by Council for the current year, Council passes a Tax Rate Bylaw. This Bylaw sets a tax rate for each property class as defined on the BC Assessment Roll. The total levy must be sufficient to raise revenue to pay all debts and obligations of the City falling due within the year. The tax rate applies to each \$1,000 of taxable value of land and improvements.

The City of Duncan is not the only authority that taxes properties in the City. Five taxing jurisdictions – like the Regional Hospital District - derive a portion of their annual revenue from the property base. The City of Duncan has no or little control over these other taxing jurisdictions' levies. However, to reduce the administrative cost of billing and collecting these other property taxes, the City of Duncan includes these levies on the tax notice sent to property owners each year.

NEXT STEPS

City Council will consider the City's Financial Plan and Tax Rate bylaws after the 2016 Census data is released in February, 2017. Should the City's population exceed 5,000, we will be asked to enter into a municipal policing contract with the Province effective April 1, 2017. Should the City's population remain less than 5,000, we will continue to be serviced by the RCMP through a Provincial contract.

Once the final property tax rates have been approved by City Council, property tax notices will be prepared in May. Notices will arrive in your mailbox after the Victoria Day long weekend in May. The due date is the first business day in July.

WHO TO CONTACT

If you disagree with your assessment, you are encouraged to call the BC Assessment Authority office first at 1-866-825-8322.

For further information about property taxes, please contact City Hall in-person at 200 Craig Street, by phone (250-746-6126) or by email (finance@duncan.ca).