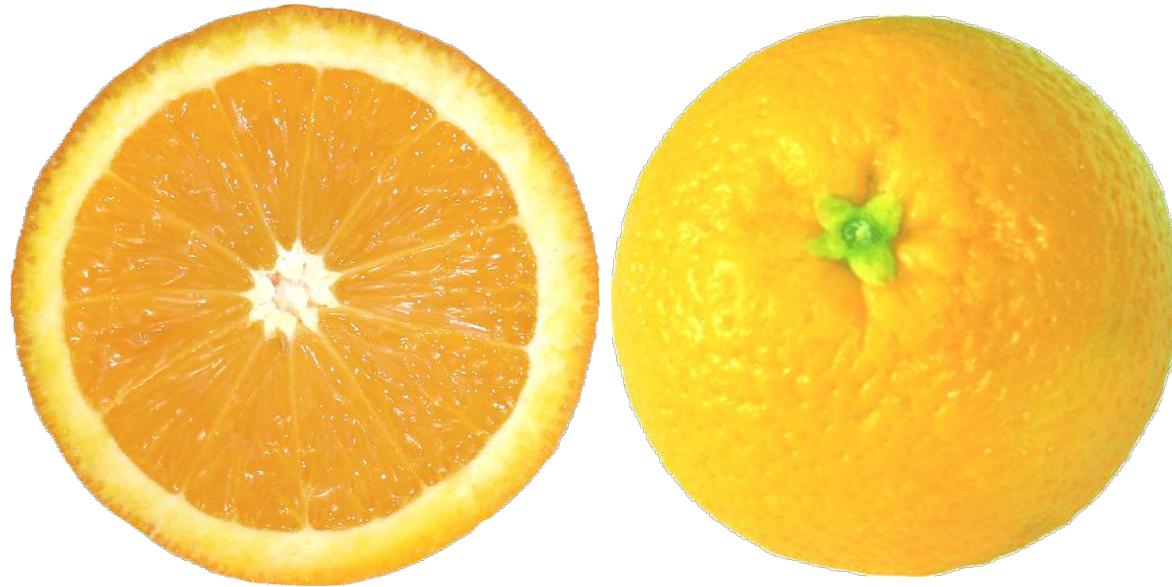


The Current Property Tax Structure

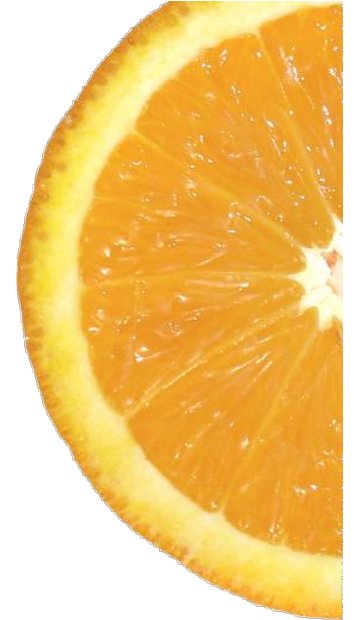


Regional Council Workshop on the
“Best Tax System”

Halifax Regional Municipality - November 16, 2009

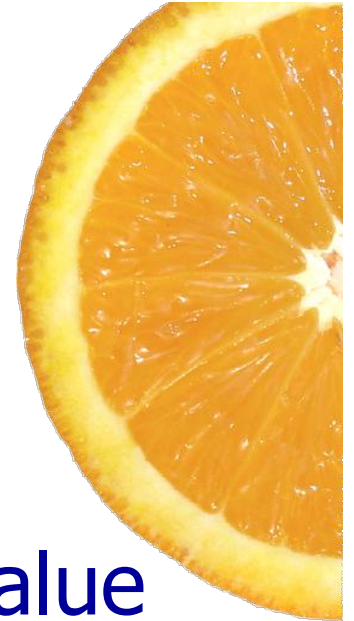
The Current Property Tax System

- Market Value Assessment
 - But with an “Assessment Cap”
- Three General Tax Rates
 - With area rates, Local Improvement Charges (LICs)
- Low Income Relief
 - Rebate and Deferral



Market Value Assessment

- The Property Valuation Services Corporation (PVSC) estimates the value of every property in Nova Scotia.
 - *"... the most probable price that an unencumbered property would sell for on the open market."*
 - updated annually



Capping the Value

- The Assessment for a home cannot rise more than the Consumer Price Index (CPI).
- Example:
 - 2008 Market Value of \$100,000
 - 2009 Market Value of \$110,000 (+10%)
 - But, CPI is 3.4%, so
 - 2009 Taxable Value is \$103,400 (+3.4%)

Example of Tax Calculation

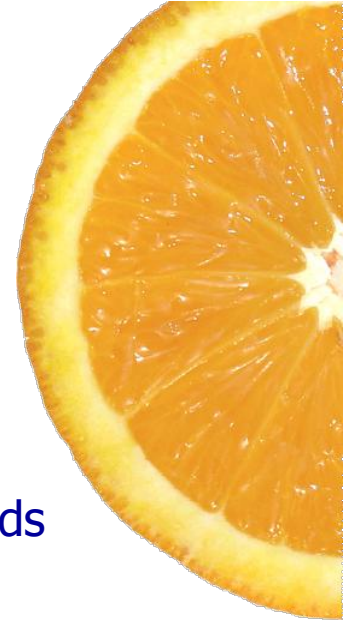
	<u>Value</u>	<u>Tax Rate</u>	<u>Taxes</u>
Market Value	110,000		
Taxable Value	103,400	* 83.5 cents	= 863.39

Value set by PVSC.

Tax Rate set by HRM
(Urban with Transit)

Taxes

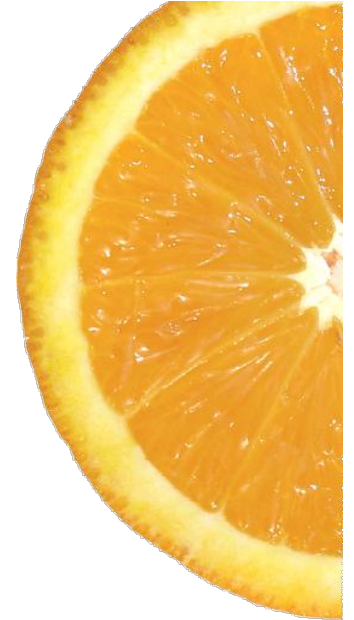
What are the Tax Rates in HRM



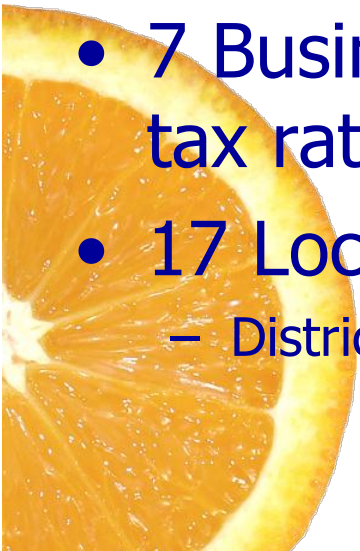
- **3 General Tax Rates**
 - Urban – Includes sidewalks, recreation centres, crosswalk guards
 - Suburban – Includes recreation centres, crosswalk guards
 - Rural
- **2 Transit Tax Rates** (Local and Regional)
- **One Hydrant Rate** (1,200 feet from hydrant)
- **Supplementary Education**
 - 1 rate starting in 2010-2011



What are the Tax Rates in HRM



- Sidewalk Plowing Area Rate (for local sidewalks)
- 1 Sidewalk Area Rate
- 2 Crosswalk Guard Area Rates
- 25 Recreation Area Rates (facilities, playgrounds)
 - 17 on assessment
 - 8 flat area rates
- 7 Business Improvement District Commission (BIDC) tax rates
- 17 Local Improvement Charges
 - District rates and Mapped rates



Taxes by Home Value

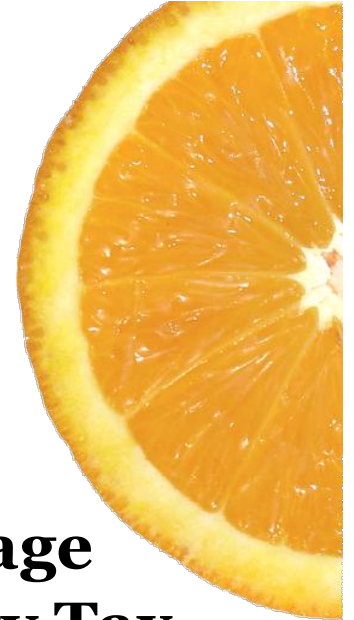


	Percent of Homeowners	Average Property Tax
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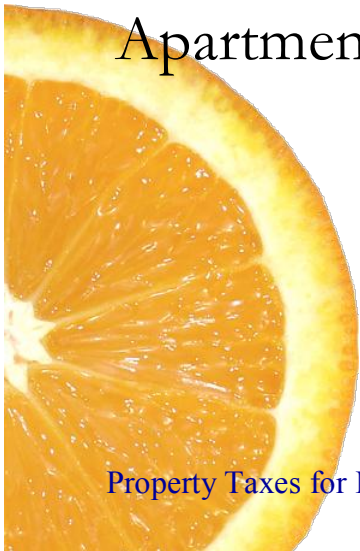
Under \$100,000	13.7%	616
\$100,001 to \$150,000	20.5%	1,371
\$150,001 to \$200,000	27.1%	1,851
\$200,001 to \$300,000	26.3%	2,542
\$300,001 to \$500,000	10.2%	3,978
\$500,000 to \$1 million	2.1%	6,697
Over \$1 million	0.2%	14,855



Taxes for Multi-Unit Properties



	Percent of Apt Units	Average Property Tax
Homes with second unit	66.7%	1,247
Homes with third unit	10.5%	1,118
Apartment (4 to 6 Units)	10.1%	826
Apartment over 6 Units	12.6%	693



Low Income Relief

- Property tax widely considered to be regressive to low income individuals
- HRM offers assistance to families with under \$29,000 in income
 - Rebates up to \$850
 - Deferral of remaining taxation, collected when home is sold

