

# HANNEY - NELSON TAX FIGHTER GUIDE

# 2024



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## A GUIDE TO APPEALING YOUR PROPERTY TAX ASSESSMENT NOTICE



INDEPENDENTLY OWNED AND OPERATED

## ***How to ensure that your Property Taxes are fair***

- How your property taxes are calculated
- How you can tell whether your assessment is fair
- How to appeal your assessment

### ***Note to the Homeowner***

In our opinion, most assessment authorities try to be fair in assessing your property. Given the sheer number of properties they must assess, however, it is almost impossible for them to be fair to everyone. Your concern and input to the assessor is vital if the system is to work fairly for all concerned. It is your right, and responsibility, to work with the assessors to ensure that your assessment (and the taxes that result from it) are fair in relation to all other taxpayers in your community.

### ***How to use this kit***

Read this booklet first. It will give you a good understanding of how property taxes are levied, and a useful "checklist" or blueprint to follow should you decide to appeal your taxes. Keep this booklet with you. Use it to make notes and write down questions.

Now for the most important advice of all. If anything isn't clear, or you need some expert help, call your Real Estate Representative who gave you this kit. Our people are well informed about how the property tax system works in your area. They'll be pleased to offer advice, at no cost and no obligation.

*\*To the best of our knowledge, the information in this booklet is accurate. We've gone to considerable lengths to research this information carefully, but the property tax system is complex and varies from place to place, so some facts may have slipped through our net. If we have missed something, please let us know.*

All Canadian homeowners have something in common. Every year we get a bill for property taxes and every year we're at least a little mystified by it.

*We ask ourselves:*

- Am I paying more than my fair share?
- If I am paying too much—how do I go about paying less?

Getting answers isn't easy. In many parts of Canada the property tax system isn't "user-friendly". Sometimes it's hard to reach the right government official to get answers to your questions. Sometimes the answers themselves are hard to understand. Figuring out your choices, and your rights, can be frustrating and intimidating.

That's where The Tax Fighter Guide is designed to help. Its purpose is to guide you through the maze, give you plain answers and tell you where you can go for more information if you still have questions. So...let's get started.

## ***The Property Tax: How it all Began***

Property taxes have been around since the Roman Emperor, Augustus brought in the first property tax almost 20 centuries ago. Today property tax is the financial backbone of local governments all over North America and is the source of most of the funds that pay for police, fire, local road and sewer and other municipal services. The services vary from community to community

All of us should pay our fair share for these services. The problem arises when the property tax is applied unfairly, causing some people to pay more than they should.

When this happens, it usually isn't because the tax assessor is sloppy or unfair. It's because tax assessors have to make a lot of assumptions and sometimes these assumptions (or even the government's records) are faulty.





# ***How the Property Tax Works***

The property tax is based on what the government thinks your real property (the buildings and land you own) is worth. The key word here is "thinks". In principle, it works quite simply:

- Tax Assessors calculate what they think is the fair market value of every property in the municipality. The value of your property is calculated on July 1st of the previous year.
- The municipal government makes up its budget for the year. It divides that budget into the total assessed value of all the properties in the municipality. The result is what is called the "mill rate". This mill rate is expressed as so many dollars of taxes per year per \$1,000 of assessed property value.
- In most places you can appeal the assessed value of your property, but not the property tax itself. Once you have accepted the assessor's opinion of your property's assessed value, the calculation of the actual property tax is automatic.

In other words, you can't appeal your "taxes". You can only appeal the government's assessment of your property's value. If you think the assessment is too high, you have to produce evidence that shows the assessor made a mistake. Later in this Guide, we'll show you how.



## ***Assessment, Mill Rates and Taxes***

- Assume your municipality has a budget of \$1.5 million this year
- Assume the total assessment of all properties in your municipality is \$750 million
- In this case, the mill rate will be \$1.5 million divided by \$750 million or 20 mills. (In other words, \$20 of tax per \$1,000 of assessment).
- If your property is assessed at \$100,000 then your property tax will be \$100,000 times 20 mills per thousand dollars of value, or \$2,000 per year

## ***How do they determine "Assessed Value"?***



The actual value of buildings and land fluctuates and depends on many factors. In order to estimate a value for tax purposes, the government employs Tax Assessors. These officials produce an "assessment" of the value of your property based upon the price they think your property would fetch if it were sold in the open market at a fair market price.

This doesn't mean that the Assessor comes out each year and checks your house to see what he thinks it's worth. Instead, to try and stay current, assessors feed market information into a computer that compares similar properties and calculates a blanket appraisal by a certain date. These mass appraisals are usually done by comparing information about your property to similar properties recently sold in your neighbourhood or town.

In addition to these "mass appraisals", assessors get information about your property from other government departments. For example, if you apply for a building permit to build a garage, the local government department forwards the details to the assessment authority, who include the value of your new garage when appraising your property's value. The exact time of year that properties are appraised varies from province to province, and from municipality to municipality.

## ***Important point to remember***

The process of "mass appraisals" is not an exact science. The government makes mistakes and these mistakes can unfairly increase your taxes. The only way to be sure your assessment is fair is to check into the records. We'll show you how to do this.

## ***Why does the Assessed Value of your property change?***

Rising or declining property values in your neighbourhood can have a major effect on your assessment, because assessors look at the sale price of properties like yours. Another thing that can increase the assessed value of your property (even if neighbourhood property values haven't changed) is renovations. Renovations, not only to a home but also to other buildings like garages, barns and storage buildings, can make a property more valuable. (In case you wondered, normal residential maintenance—like keeping the grass cut or planting a garden doesn't increase or decrease the market value significantly.)

Here's what's important to remember. The assessed value of your property is a professional opinion based on the expertise of the appraiser and the accuracy of the information on file. Just because an assessor says your property has increased in value doesn't mean that it is so. Assessment methods can lead to wrong conclusions. (We give you some examples later on in this booklet).

## ***If your Assessment goes up, must your taxes go up?***

Not necessarily. Let's say the municipal government kept its spending flat this year. Let's also assume that everyone in town received a higher property assessment (perhaps a new industry was opening nearby, and land prices went up). In a case like this, no one's taxes would rise, because the mill rate would drop by the same amount as the increase in the overall assessment. In other words, the higher assessment would be cancelled out by a lower mill rate.

Unfortunately, in the real world it seldom works this way. Most of the time, governments don't hold the line on spending, they increase it. So both the assessment and the mill rate rise. The threat to your interests comes from the fact that your assessment may be unfair compared to other similar taxpayers. In that case, you'll be charged a higher property tax than you deserve. What you have to focus on is ensuring that your assessment is properly done and fair.

## ***What can you do if you disagree with the Assessment Authority's calculation of your property's value?***

Every property owner has the right to review government records on his or her property and the right to question the assessed value. Assessment authorities are public servants and usually are willing to assist you in making sure your property is accurately and fairly assessed. Before consulting the assessment authority, it's best to have an understanding of how the process works. Follow the steps outlined in the Assessment Appeal Checklist.



## ***If you have discussed your assessment with the local Assessment Office and still disagree with their evaluation, what should you do?***

Merely believing that your taxes are too high is no basis for lowering an assessment value. To successfully appeal an unfairly high assessment, you must present evidence that proves one or more errors in how the appraiser appraised your property. If you have followed the Assessment Appeal Checklist, met the assessor and still disagree with his/her opinion of value, you usually have the right to appeal to a higher authority that is independent of the assessment office.

One Warning. Don't expect your appeal to be heard quickly. There could be lengthy backlog of appeals already in the system.



## ***What if I appeal, and they increase my Assessment?***

There's no guarantee and you have to take the chance. However, the odds are good that it won't happen. According to a 1992 study done in one province, when people appealed their assessment to the second level of appeal, over 46% of cases received reduced assessments, 50% were unchanged and only 3.5% received a higher assessment. So if you do your homework and you have a strong case, the odds are on our side.

## ***Are there any tax relief programs available for property owners?***



Some areas offer tax relief programs or tax exemptions for certain kinds of property owners. Check with your local assessment office to see whether tax relief is available and whether you qualify for it.

In Calgary, call 3-1-1 to find out about the Property Tax Assistance Program.



## ***Assessment Appeal checklist***

The key to protecting your interests from the tax man (or tax woman) is to do your homework and document your case properly! Follow these steps and check each one off when you have completed it.

- Read your assessment notice carefully. Compare your assessment to the previous year. Does your new assessment seem fair?
- If you think your assessment is unfair, consult this guide for information on how the tax system works. Please note the important deadlines for filing an appeal.
- Familiarize yourself with the tax terms in the glossary at the back of this booklet. Knowing the language will help when you talk to an assessment officer.
- Visit the assessment authority and review all public records on your property (deed, title, roll and field report cards). Many offices will have a helpful assessment answer book that tells how the process works. Take a few moments to read their suggestions.
- Obtain the facts on the actual sale price of properties like yours
- Listings of all properties similar to it that sold in your area recently. If only a few were sold, go back further in time. (Ask assessment staff to explain the resources available to you).
- Review how the tax assessor has described your own property record. Note any blatant inaccuracies. Have they made errors in measuring the size of your lot, or the square footage of living space (or non-living space) in your home? Have they erred in describing any of the features of the property itself—e.g. Have they said there are two fireplaces when there is only one?
- Be prepared to substantiate your claims with proof of property size and if possible, provide pictures, classification of property
- Remember, you have to prove that your home has been given too high an assessment relative to other properties like it. If possible, find several comparable homes that have sold recently in your area and determine their selling price.
- Your sales representative will advise you where to obtain the information on your assessment. Or you can hire an independent real estate appraiser for a fee.
- Finish assembling your case. Gather copies of all the supporting documents you will need.
- For example: a copy of your latest tax assessment notice; a copy of your title to the property; a copy of the real estate bill of sale if you purchased your home recently this is proof of its market value).

***To access the City of Calgary's Assessment Search, visit:  
<https://assessmentsearch.calgary.ca/externallogin.aspx>***

# Appeal deadline

City of Calgary 2024 Annual Assessment Notices are mailed to all registered property and business owners in early January. A **Customer Review Period is then held for 67 days following this mailing date**, where you can arrange to speak with an assessor regarding any disagreements you may have with your assessed value.

If you still disagree with your assessed value, you may file a formal complaint with the Calgary Assessment Review Board (ARB). The deadline for filing a complaint on your annual assessment is the last day of your Customer Review Period shown on your assessment notice. **The 2024 Customer Review Period runs from January 10 until March 21, 2025.** If you received an Amended Assessment Notice then this date range will be different. You will still have a 67-day CRP based on the date of your Amended Notice.

**For full information on the Customer Review Period, visit:**

<https://www.calgary.ca/PDA/Assessment/Pages/Customer-review-period.aspx>

A formal complaint must be filed prior to the deadline in order for the Board to review your case, even if you are waiting to hear back from your assessor. All documents filed in respect of a matter before an assessment review board must be placed on the public record.

**To file your complaint, visit:**

<http://calgaryarb.ca>

**Or call:**

- 403-268-2888  
(Monday - Friday, 8 a.m. - 4:30 p.m.)
- 311 (after 4:30 p.m.)
- TTY 403-268-4889



*You can also follow this great video on more on your City of Calgary assessment.*

<https://youtu.be/wlHt4i1z7Wg?feature=shared>

*As always please feel free to reach out to us at anytime should you require help or want to discuss things further.*

# Submitting your Disclosure of Evidence

Assessment Review Board Email: [info@CalgaryARB.ca](mailto:info@CalgaryARB.ca)

## Mail:

P.O. Box 2100, Station M, #222  
Calgary, AB T2P 2M5

## The City of Calgary Assessment Business Unit

Mail: P.O. Box 2100, Station M, #8002 Calgary,  
AB T2P 2M5

## In-person Delivery:

1st floor drop box, 1212 - 31 Ave., N.E.  
Deerfoot Junction 3 Building (DJ3 Bldg.)  
Calgary, AB

\*In-person Delivery: 2924 - 11 Street N.E.  
Ad Valorem Place Calgary, AB

**Evidence Disclosure:** Parties may disclose to both the city and ARB **one electronic copy** of their evidence through **Evidence Disclosure Portal** online. It must be received no later than 11:59 pm on the disclosure deadline indicated on the front of the Notice of Hearing. It's imperative to have the disclosure documents page numbered with no passwords or other security features enabled.

Alternatively, parties may otherwise disclose **one hard copy** of their evidence to the ARB and the City of Calgary no later than 4:30 p.m. on the disclosure deadline indicated on the Notice of Hearing. ARB administration will convert this hard copy into an electronic document for the board.



## ***Submitting your Disclosure of Evidence***

All complaints submitted to the ARB will be heard by panel of board members, either a CARB (Composite Assessment Review Board) or a LARB (Local Assessment Review Board), as indicated on your Notice of Hearing document.

Members of the LARB are appointed by Council of the City of Calgary to hear residential property and business assessment complaints.

For a complaint about an assessment to be heard by a LARB:

- Complainant must provide full disclosure at least 21 days before the scheduled hearing date.
- Respondent must provide full disclosure at least 7 days before the scheduled hearing date.
- Complainant must provide rebuttal at least 3 days before the scheduled hearing date.

## ***Notification of decision***

You will receive notifications (by email or regular mail depending on the choice you made) of the Board's decision within six weeks of the hearing date.

You have the right to apply to the Court of Queen's Bench for judicial review of the ARB decision. An application must be filed with the Court of Queen's Bench no more than 60 days after the date of the decision of the ARB. Judicial reviews of the Board's decisions are governed by section 470 of the Municipal Government Act.

The City also has the right to apply for judicial review of the decision. If you are considering an application to the Court of Queen's Bench it is recommended that you consult legal counsel. The ARB staff are not able to offer any legal advice, suggestions, or guidance with respect to such inquiries.



# ***Glossary of Property Tax terms***

***Abatement:*** A reduction in the assessed value of a property.

***Appraisal:*** An assessor's opinion of value of a property and its improvements.

***Assessment:*** The official valuation of property for taxation

***Assessment Notice:*** An annual notice mailed to property owners stating the assessed opinion of value.

***Assessor:*** A professional who gathers, records and evaluates property to determine an opinion of value for taxation purposes. Assessors do not determine tax rates or collect property taxes.

***Deed:*** A legal description that conveys ownership of real property.

***Easement:*** The right to use, without ownership, a portion of an owner's property.

***Field Card:*** A record filled out by many assessors. Contains all relevant details about your property as viewed by an appraiser.

***Homeowner:*** Someone who enjoys the rights and privileges of property ownership and is subject to paying taxes on the assessed value of land and improvements.

***Improvements:*** Anything built or added to land to increase its value (garage, swimming pool, barn, etc.)

***Mass Appraisal:*** Determining the value of specific properties by comparing similar properties in a specific area and appraising all land and improvements together.

***Mill:*** One-tenth of a cent, a term often used to express real estate tax rates. Mill rates are usually expressed in dollars per \$1,000 of assessed value

***Property Tax:*** Your share of the total cost to provide community services and fund local government spending.

***Tax Authority:*** Regional Districts, hospitals and schools and municipal and provincial governments set tax rates based on the total assessed land value. Property taxes are collected from owners to pay for government services, debt, etc.

## ***Disclosure***

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Information was deemed current for the tax year of 2020. Rules, laws, and regulations change year- to-year. Please contact your local government for the most current information and changes.

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