



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 11, 2016
<b>SUBJECT/REPORT NO:</b>	2016 Property Assessment Notices (for Taxation Years 2017 - 2020) (FCS16034) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Larry Friday (905) 546-2424 Ext. 2425 Maria Di Santo (905) 546-2424 Ext. 5254
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance & Corporate Services Department
<b>SIGNATURE:</b>	

## Council Direction:

Not Applicable.

## Information:

The 2017 taxation year will commence another four-year assessment phase-in, with property assessments updated to reflect a valuation date of January 1, 2016 from the previous valuation date of January 1, 2012. Similar to taxation years 2013-2016, any increase in assessment due to this assessment update will be phased-in equally over four years (taxation years 2017-2020). Any decrease in assessment will be reflected in whole in 2017.

Similar to previous reassessment, note that **an increase in assessment does not necessarily mean an increase in property taxes.** In general terms, a property whose assessment is increasing above the city-wide average may see an assessment-related tax increase. Conversely, a property whose assessment is increasing less than this city-wide average, may see an assessment-related tax decrease. **Overall, there are no additional taxes raised as a result of a reassessment.**

In an effort to increase transparency, a shared understanding of property assessments and ensure stability and predictability in the municipal tax base, the Municipal Property Assessment Corporation (MPAC) is implementing a number of changes for this latest reassessment. The Property Assessment Notice mailed out by MPAC will not only be

redesigned to make it easier for the taxpayer to understand, they will also be mailed out earlier than previous years. This will assist property owners to better understand their assessment and resolve concerns before the final assessment roll is delivered to municipalities in December. The deadline for taxpayers to file a Request for Reconsideration (to dispute the current value assessment) has also been changed for the 2017 taxation year.

Property Assessment Notice Mailing Schedule:

The mailing schedule for Residential properties will be staggered across the Province between April 4, 2016 and August 8, 2016. The date for the City of Hamilton is **July 4, 2016**. All fully residential properties within the City of Hamilton will be issued their Property Assessment Notice on this date.

The Property Assessment Notice for Conservation, Farm and Managed Forest properties will be mailed out province-wide on October 11, 2016. This will be followed by business properties on October 18, 2016, and mixed-use Residential properties on October 24, 2016.

Request for Reconsideration Deadline:

The Request for Reconsideration allows taxpayers to dispute their property's current value assessment without having to file a formal appeal with the Assessment Review Board (for Residential properties, a Request for Reconsideration is mandatory before an appeal can be filed with the Assessment Review Board). MPAC will review the Request for Reconsideration free of charge. Upon receipt of the Request for Reconsideration, MPAC has up to 180 days to complete its review and respond to the taxpayer.

For previous reassessments, the deadline for Requests for Reconsideration has always been March 31 of the following year. **The deadline for the 2017 taxation year has been changed to 120 days from the date the Property Assessment Notice was issued** (as opposed to March 31, 2017). Although this new date will be identified on the Property Assessment Notice, it will be a significant change from what taxpayers would have been used to in the past. Note that the 120 day from the Property Assessment Notice issue date, and not the historical March 31 deadline, applies for the 2017 taxation year only. The deadline for 2018 - 2020 taxation years will remain unchanged as March 31.

The table below identifies the key dates applicable to the City of Hamilton for the 2017 taxation year.

<b>Property Class</b>	<b>Property Assessment Notice Issue Date</b>	<b>Request for Reconsideration Deadline</b>
Residential	July 4, 2016	November 1, 2016
Conservation, Farm, Managed Forest	October 11, 2016	February 8, 2017
Commercial, Industrial, Multi-Res	October 18, 2016	February 15, 2017
Residential with mix-use	October 24, 2016	February 21, 2017

The attached Appendix “A” to Report FCS16034 provides the information received by MPAC with respect to the above identified changes. MPAC representatives will be attending a future General Issues Committee meeting (date TBD) to provide further information and to answer any questions.

#### **Appendices and Schedules Attached**

Appendix “A” to Report FCS16034 – MPAC – Important changes for the 2016 Assessment Update