

Nick Nilsen



The Role of BC Assessment

BC Assessment's mandate is to produce and maintain assessments that are fair, equitable, and uniform throughout the whole of British Columbia.

Our responsibilities are set out in two pieces of legislation: the *Assessment Authority Act* and the *Assessment Act*. The *Assessment Authority Act* establishes BC Assessment as a Crown corporation. The *Assessment Act* establishes the rules under which annual assessment rolls must be created and it sets out the appeal process.

The core function of BC Assessment is to establish and maintain uniform real property assessments throughout the province, using current market data as a guide. The real estate market creates the value and BC Assessment reports it to taxing authorities and property owners.

After BC Assessment's professional appraisal staff determines the right classification, assessed value, and tax exemption status of approximately 1.9 million properties across the province, we provide local governments and taxing authorities with an assessment roll. The assessment roll lists all properties, names of the owners, and the taxable values of the land and any improvements.

It is up to the taxing authorities to determine how much revenue the community needs to raise; taxes are determined from that data. While there is a link between assessed value and the amount of tax that a property owner pays, it is important to note that taxes do not necessarily rise in proportion to an increase in assessed value. An accurate assessment simply ensures that you pay your share of property taxes, and so will your neighbour, which is fair.

Property assessments form the basis for distributing property tax for over 1600 different taxing jurisdictions in British Columbia. The assessment rolls support the building of sustainable communities by providing an independent and fair base from which local governments and the provincial government raise \$5 billion annually in property taxes, used to support a variety of important local services such as schools, hospitals, and recreational facilities.

For property owners who feel their newly assessed value is inaccurate, there is a two-stage appeal process. See our Website at www.bcasessment.ca for details. ▲

Nick Nilsen is Strategic Communications Advisor with BC Assessment. He invites inquiries from legal professionals who may have questions about the assessment process or about BC Assessment in general. He can be reached at nick.nilsen@bcassessment.ca.

Changes to the Legislation

In May 2007, the *Assessment Act* and the *Assessment Authority Act* were amended with the passing of the *Assessment Statutes Amendment Act, 2007*.

This Act changes several aspects of assessment legislation, including the governance structure of BC Assessment.

The *Assessment Act* has been amended in two ways that are significant for owners and managers of strata lots:

- the amendments establish the criteria to grandfather certain strata lots into Class 1, Residential; and
- the amendments create a new definition for "strata accommodation property," which may apply to those strata lots that do not qualify for grandfathering.

A New Classification Methodology

Under the new classification methodology, depending upon the information reported to BC Assessment, the proportion of time that a strata accommodation property is used for short-term rental purposes will be attributed to Class 6, Business and Other. The rest of the time will be attributed to Class 1, Residential. In addition, up to 36 days of short-term rental use will be attributed to Class 1, Residential.

For details of the new classification system, please read the fact sheet entitled *Classifying Strata Accommodation Property*, available at www.bcasessment.ca.