

factsheet



Information for First Time Home Buyers

BC Assessment

What is BC Assessment?

BC Assessment is a provincial Crown corporation that classifies and assesses the value of all real property in British Columbia. On December 31, BC Assessment sends property owners a Property Assessment Notice telling them the fair market value of their property as of July 1 of that year.

BC Assessment also produces an assessment roll listing the value of all properties in the province. Provincial and municipal tax authorities use this information to calculate the amount of property tax each owner will pay.

What is market value?

Market value is the price an unencumbered property would sell for on July 1 of the preceding year, if a reasonable amount of time is allowed to find a purchaser.

What does "Class 1, Residential" Mean?

Classification is based on a property's use and whether it meets the requirements for the class as specified by government regulation. There are nine property classes in British Columbia and each property's classification is shown on the Property Assessment Notice.

Class 1, Residential includes properties such as single-family residences, duplexes, nursing homes, seasonal dwellings, manufactured homes, apartments, condominiums, recreational property, some vacant land and farm buildings.

Other classes cover properties used for commercial businesses, forestry, farming, light and major industry, hotels and motels, pipelines, electrical systems and railways. For more information on

property classes, see the Fact Sheet *Classification of Property in BC*.

How does BC Assessment accurately determine the value of property?

BC Assessment has a professional appraisal staff and an extensive database that is periodically updated with information gathered through appraisal inspections. Municipal and provincial agencies inform BC Assessment of land title changes, building permit approvals and zoning adjustments. BC Assessment also considers a property's unique characteristics, including location, size, layout, shape, age, finish, quality, carports, garages, sundecks and condition of buildings. All these variables are considered when valuing each property.

What is the relationship between my property assessment notice & property taxes?

Market value is considered the fairest method of distributing the property tax burden. In any tax area, residential properties of equal value contribute the same tax. Higher-value properties contribute more tax than those with lower values.

BC Assessment determines the market value of properties and sends property owners a Property Assessment Notice. It also prepares the BC assessment roll, which is used by tax authorities to set property tax rates in their jurisdiction.

The simplest way to explain the assessment and tax relationship is: *The market value of a property multiplied by the tax rate set by the tax authorities equals the property tax.*

BC Assessment deals solely with the assessment of properties and has no jurisdiction or control over taxes or tax rates.

What if I disagree with information on my Property Assessment Notice?

If you disagree with the market value of your property, or if you believe your property is improperly classified, contact your local BC Assessment office before January 31.

If, after talking to your local BC Assessment office, you still disagree with your property's value or classification, you may request an independent review before a Property Assessment Review Panel (PARP). A written notice of complaint must be delivered in writing to your local BC Assessment office no later than January 31.

As a homeowner, it is important to understand that you cannot appeal your taxes. Neither the assessor nor the PARP can consider taxes when establishing the assessment value of your home.

For more information on the appraisal of residential property, contact your local BC Assessment office or visit www.bcassessment.ca.