



COUNTY OF NEWELL

Answers About Your Property Assessment

Each year, the assessor determines the market value of every property within the County so that all taxpayers contribute their fair share to pay for the services they enjoy.

The assessor does not set tax rates nor does he determine how much must be collected in yearly taxes.

The most important product of the Assessment Department is the Assessment roll which is a listing of all properties located within the County and their assessed values. The purpose of an assessment system is the equitable distribution of taxation for the purpose of paying public services.

The County uses the assessment roll to determine the tax rates that have to be set to raise the revenues required by themselves and various taxing authorities. The County annually collects taxes on behalf of the Province of Alberta (Ministry of Education) and the Newell Foundation.

Assessment

The Alberta Government has mandated that property assessments (excluding farmland & Designated Industrial Property) for 1998 and subsequent taxation years with the Province:

- Are reflective of the market value of property as of July 1 of the previous year, and
- Must reflect the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed, and
- Are kept current by being updated on an annual basis.

What is an Assessment?

An Assessment is the estimate of a property's market value, as of July 1, of the year previous to the tax year.

What is Market Value?

Market value is the most probable price which would be paid for a property in a competitive and open market. It assumes the buyer and seller are acting prudently and knowledgeably, allowing sufficient time for the sale and assumes that the transaction is not affected by undue pressures.

How is Property Valued?

The County Assessment Department doesn't create the value of your property; they just measure it. Creation of values is influenced by the real estate market-place. The Department is kept informed by the Provincial Land Titles Office of all real estate sales within the County. Assessors apply the accepted mass appraisal practices using information from all property sales within the County to estimate the market value of your property. They take into account all the market conditions that may affect your property's value such as location, size, shape, replacement cost, age and the condition of your buildings.

What are Property Classes?

Once the assessment has been determined, the Assessment Department must establish which tax classification is appropriate for your property. There are four different property tax/assessment classifications, as specified in the Municipal Government Act (MGA), used in the County: Residential, Small Business, Non-Residential, Farmland, and Machinery & Equipment. Unique tax rates are set for these distinctive property tax/assessment classifications.



We Paid \$300,000 for our property. Why is it assessed at \$310,000?

The real estate market has many forces affecting the value of property. These include supply and demand, motivation of buyers and sellers, renovations, remodeling, normal wear and tear and so on.

When similar properties are sold during the same time frame, a range of sale prices results. Assessed values reflect the sales in the middle of this range of prices. This is why there are assessments that are higher or lower than the selling price.

What can I do if I disagree with the Assessor's estimate of my property value?

Prior to completing the Assessment Review Board Complaint form, you are encouraged to contact the County Assessment Department (see below). The Assessor will be pleased to review the assessment with you. If the Assessor determines that an error has been made, your assessment will be revised.

I still disagree with the assessment or tax classification. What should I do?

If, after talking with the Assessment Department your concerns are not satisfied, you may file a formal completed Assessment Review Board Complaint form with the Assessment Review Board. This completed Complaint form, along with the appropriate filing fee, must be sent to the Clerk of the Assessment Review Board for the County. A Complaint form is available on the County's website or the office and the fee schedule is stated on the back of the tax notice. If additional forms are required, photocopies may be made, are available on the County Website, or at the County of Newell administration building. Making a complaint under this section does not relieve any person from the obligation to pay any taxes owing on any property or business or any penalties imposed for late payment of taxes.

Complaints

A complaint may be about any of the following matters, as shown on an assessment or tax notice: **the description of a property or business; the name and mailing address of an assessed person or taxpayer; an assessment; an assessment class; an assessment sub-class; the type of property; the type of improvement; school support; whether the property is assessable; whether the property or business is exempt from taxation; a local improvement tax.**

THERE IS NO RIGHT TO MAKE A COMPLAINT ABOUT ANY TAX RATE.

What is a Tax Rate?

The tax rate is the percentage of assessed value at which each property is taxed. It is applied to each individual property assessment using this formula:

$$\text{Property assessment} \times \text{Tax Rate} = \text{Taxes Payable}$$

This means that the assessed value of the property in dollars is multiplied by the tax rate set by the municipality. The result is the amount of taxes to be paid for each assessed property. For example, the tax bill for a home assessed at \$300,000 would be calculated as follows:

$$\$300,000 \times 0.010 = \$3,000.00$$

How can I get more information about property assessment?

Please Contact:

Kevin Halsted, AMAA
Senior Assessor
Phone: 403-794-2304
Fax: 866-867-0610
Email: halstedk@newellmail.ca

or

Shannon Biette
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