



2010

A GUIDE TO PROPERTY TAXES



City of Yellowknife

1. What property taxes are used for

The City of Yellowknife will raise 79% of all 2010 operating revenue through property taxation. As well, Yellowknife School Districts raise a significant portion of their operating revenues through property taxation. Municipal property taxes are used to provide the following services and programs:

Community Services:

- Maintenance of parks and meridians
- Public library programs and services
- Ruth Inch Memorial Pool programs
- Athletic facilities' operations and programs

Economic Development:

- New business marketing
- Development and enhancement of City profile
- Family relocation
- Program development initiatives (secondary diamond industry)

Grants to Community Groups:

- Funding to arts and cultural groups
- Funding to non-profit youth and service organizations

Public Works and Transportation:

- Dust control and street sweeping
- Winter sanding/snow removal
- Road patching/crack sealing
- Sidewalk maintenance
- Traffic signalization
- Street lighting
- Public transit
- Engineering services

Public Safety:

- Parking enforcement
- Traffic enforcement
- Emergency services

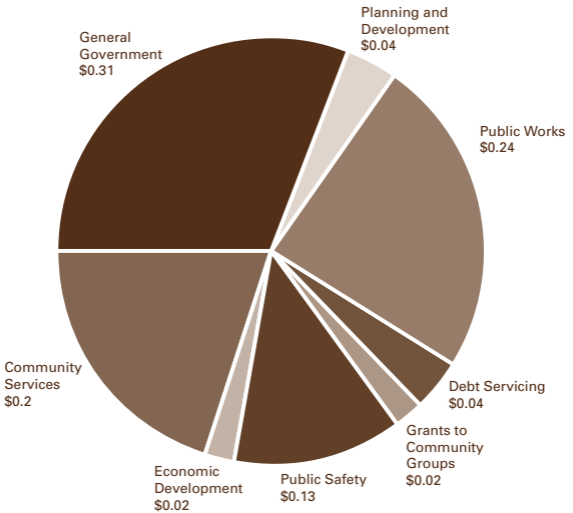
Planning and Development:

- Building permits and inspections
- Zoning and development control
- Land use planning
- Land administration
- Heritage committee

Support Services:

- Billing and collections
- Financial reporting
- Assessment
- Legal
- Advertising
- City Clerk
- Information technology
- Human resources
- Council
- Purchasing
- Cash management
- Risk management

Where each budgeted tax dollar will go in 2010



2. Property taxes – how they are calculated and billed



Your property taxes are the product of two factors: your assessment, and the municipal and education mill rates. The municipal mill rate is determined by dividing the total property tax revenues required to meet the City's yearly operating budget by the total property assessment in the City. The education mill rate is calculated in a similar manner. The City collects school taxes on behalf of the school Boards, but does not administer or control school taxes.

City of Yellowknife

One 'mill' represents \$1.00 of tax for every \$1,000 of assessment. Here's how the mill rate formula is applied in calculating your property taxes.

$(\text{Assessment} / 1,000) \times \text{Mill Rate} = \text{Property Taxes}$

The City is allowed to establish an interim tax levy (bill) not exceeding 50% of the property tax payable for the previous year. The interim and final bills are a combination of both municipal and school taxes.

For the last seven years the interim bill has been mailed to ratepayers at the end of January with the final levy being mailed at the end of June. The final mill rate is calculated once the Board of Revision has completed the second revision of the assessment roll and the school boards have submitted their requisitions to the City.

The 2010 interim tax levy is calculated by taking 50% of the 2009 municipal tax levy and 50% of the 2009 education levy.

3. Methods of payment

IN 2010, THE CITY WILL NOT ACCEPT CREDIT CARDS FOR TAX PAYMENT.



INTEREST FREE TAX PAYMENT PLAN

– The City offers interest-free payments to qualifying taxpayers. The payment plan is simple to use and allows you to pay your taxes interest free over 12 months.

To qualify:

- Payments are only by automatic bank withdrawal on the last business day of the month.
- All overdue charges must be paid before enrolment.
- Payments from January to June are equal to 1/12 of the previous year's taxes.

Payments from July to December are equal to 1/6 of the balance due on the June tax bill.

MAIL – Send a cheque or money order (do not mail cash) and enclose the return portion of your tax bill. The envelope must be physically received at City Hall on or before the due date; otherwise penalties will be added.

POSTDATED CHEQUES – Postdated cheques will be accepted by the City of Yellowknife, but the cheque must be dated for the due date or earlier.

BANKS – Payment can be made through your bank’s Internet and telephone banking systems. Visit your local branch for details. Please allow ten business days for your bank to transfer funds and payment information.

IN PERSON – Payment may be made by cheque, cash, and debit card to the City’s cashier at City Hall between 8:30 a.m. and 5:00 p.m., Monday to Friday.

AFTER HOURS – There is a night depository box located by the front doors of City Hall. After closing (5:00 p.m.), deposits are recorded as received the next business day.

MORTGAGE COMPANY PAYMENTS – If you are paying P.I.T. (principal, interest and taxes) to your mortgage company, the company will receive the original invoice for your taxes. You receive a duplicate tax bill for your records. The property tax bill will show the name of your mortgage company and your mortgage number. If the mortgage company name does not appear on the bill and you believe you pay P.I.T., contact your mortgage company immediately. The City does not determine the amount of your monthly mortgage payment. Please contact your bank if you have questions.

AUTOMATIC MONTHLY UTILITY PAYMENTS – The City of Yellowknife offers automatic payment of your utility bill. You continue to receive your utility bill and payment is debited from your bank account or credit card on the due date. To enroll in this service, please complete the Pre-authorized Payment Form by visiting the City’s web site or calling 920-5600.

4. Property tax relief programs

Senior Citizens

You may qualify for up to a \$2,000 rebate on an annual basis, if you are 65 years of age (or older), in the current year and you own and reside on the property.

Disabled Persons

You may qualify for up to a \$2,000 rebate on an annual basis if you own and reside on the property and you provide the City with appropriate documents, such as:

- a) a letter from the Workers' Safety and Compensation Commission that assesses your disability and describes the type of claim;
- b) an entitlement letter under the Canada Pension Plan;
- c) a Disabled Tax Certificate filed with Canada Revenue Agency; or
- d) other equivalent documents.

For further details, please visit our Customer Service Representative at City Hall or call 920-5600.

5. Penalties



Accounts which are not paid by the due date will be penalized 1.8% per month. Any unpaid taxes and penalties that have accrued from previous years will also be charged a penalty of 1.8% on the first day of every month until the taxes are paid.

Cheques not honoured by your bank will be returned to our office and a service fee of \$30.00 will be added to your account. A cheque can be returned for insufficient funds in your account or for not being completed correctly. Please ensure your cheque is completed accurately. If the taxes are unpaid at the due date as a result of a returned cheque, penalties will be added to the account.

If any previous arrears are outstanding your payment will be applied first to arrears, then to arrears penalties, then to current taxes, and finally to current penalties.

6. What happens if your taxes remain outstanding?

Property taxes still unpaid as at December 31st of the year in which the bills pertain to will lead to this fact being published to the local newspaper, collection costs will be added to your account.

Important Reminder

Due date for payment of interim taxes is March 31, 2010 to avoid being penalized. Whether or not you file a complaint against your assessment, taxes are still due and payable by the due date.

ASSESSMENTS –

What does it all mean?



The City of Yellowknife will raise 79% of all operating revenue through property taxation in 2010. As well, Yellowknife School Districts raise some of their operating revenues through property taxation. In order to have fairness in property taxation, accurate and timely assessments should be completed. In 2006, a general re-assessment of all property in Yellowknife was completed for the 2007-2010 taxation years. This process included the review and update of assessed values from their previous 2002 valuation date to a 2006 valuation date.

Appeal mechanisms are in place for taxpayers who disagree with their property assessment. The first step is a complaint to the "Board of Revision" (please refer to "The Complaint Process" for more information). The Board is made up of local citizens. If a taxpayer is dissatisfied with the Board's decision, a decision can be further appealed to the Territorial Assessment Appeal Tribunal. The final level of appeal is to the Supreme Court of the Northwest Territories.

What is an Assessment?

An assessment is a value placed on property (land and buildings) for municipal taxation purposes. Assessed values provide a means of distributing taxes among property owners in Yellowknife. Municipalities, including the City of Yellowknife, levy taxes to provide services such as fire protection, street lighting, parks and recreation, snow removal, road maintenance and public transit.

How is My Property Assessed?

The assessed value of your property is determined using standards established by Territorial legislation to ensure that all properties are assessed in an equitable manner. In addition, assessments are valued as of a "base year". Currently, the base year for Yellowknife is 2005.

Land Assessment Values reflect 100% of market values in Yellowknife for the 2005 base year. These values are determined by analyzing the average selling price of similar parcels of land in an area for the base year. Items such as lot size, location and zoning are taken into consideration.

Building Assessment Values reflect 100% of typical depreciated replacement costs for the 2005 base year. These values are determined by applying the guidelines of a building assessment manual based on northern costs. These guidelines are regulated by the Territorial Government.

Factors affecting building assessment values include size, type of structure, quality of materials and depreciation. Building assessment values include fixed structures such as residences and garages and do not include items such as home furnishings, fences, driveways and landscaping.

How Can I Check the Accuracy of My Assessment?



Review your assessment notice to ensure correct name, address, school support, etc.

Compare your assessment with other similar properties in your neighbourhood. For land comparisons, ensure similarity of location, lot size and zoning. For building comparisons, ensure similarity of age, quality, style and size.

Your assessment notice indicates property classification. Check to ensure the property classification is correct.

The property classifications are as follows:

- 1) Residential
- 2) Multi Residential
- 3) Commercial and Industrial
- 4) Mining and Quarrying
- 5) High Density Parking
- 6) Agricultural

When Should I File a Complaint?

You must file a complaint within 45 days of the mailing date noted on the assessment notice. Factors that warrant filing a complaint include:

- Factual errors such as structure description, quality or property classification, size, depreciation, land zoning, etc.
- Differences between your assessment and similar properties in your neighbourhood.
- Errors in the School Support Declaration

The Complaint Process

First, telephone our Customer Service representative at 920-5631. If you wish to file a complaint, it must be submitted in writing to the Secretary of the Board of Revision at P.O. Box 580, Yellowknife, NT X1A 2N4.

It is important to provide the following information:

- Indicate your property address and assessment roll number.
- Identify whether the complaint is against the land assessment only, building assessment only, or land and building values.
- State the specific reasons for your complaint, such as an error on lot size or building classification, or an assessment value that is different from neighbours with similar lots and buildings. Include the addresses of any properties to which you are referring to in your complaint.
- Indicate the address to which you want correspondence sent if it is different from the mailing address on your assessment notice. Include both your home and business telephone numbers. Be sure to sign and date your complaint.

Approximately two weeks after filing your complaint you will receive an acknowledgment from the Board of Revision. Later, a "Notice of Hearing" will be mailed to you at least 21 days prior to the hearing of your complaint, providing the date, time and location of your hearing. At the Board, you will have the opportunity to present your case to Board Members, who are not City employees or assessors. Please note that a hearing date will not be set for changes to the school support declaration.

Important Reminders



- Complaints can be filed against assessment only, not against taxes.
- If you feel your assessment is not fair in comparison to other similar properties, please discuss your assessment with us.
- If you decide to file a complaint with the Board of Revision, you must do so prior to the final date for filing shown on your assessment notice.

School Tax Support – You have a choice!

Where your school tax dollar goes

The Yellowknife Education District No. 1 and the Yellowknife Catholic Schools are the only two school jurisdictions within the Northwest Territories with the ability to raise revenue through property taxes. This revenue translates into a financial flexibility allowing value-added programming in a number of key areas. It can be seen in quality facilities, French Immersion programming, lower pupil/teacher ratios and appropriate technologies. The school districts are not limited to standard models, either in facility design or school operation. Yellowknife schools are some of the best in the Northwest Territories and in the country.

How school taxes are allocated

All ratepayers in the City of Yellowknife have the option of allocating where their property taxes go. A ratepayer can declare their support from 1% to 100% to either school district. All property owners receive a Notice

of Assessment in January indicating the prior year's school tax support and asking for any changes for the coming taxation period. If the homeowner wishes to change this support, they must do so in writing to the Secretary of the Board of Revision within 45 days of the mailing date of the assessment notice. Your school tax allocated monies will apply to the 2010/2011 school year.

If a ratepayer does not declare a specific school tax support then taxes are allocated on an enrolment ratio. Currently the enrolment split is 58.01% to the Yellowknife Education District No. 1 and 41.99% to the Yellowknife Catholic Schools. When a property is sold, the declaration automatically reverts back to the enrolment split and it is up to the new property owner to declare their new declaration if it is different from the enrolment split.

As mentioned above, a ratepayer can declare their support 100% to either Board or any portion thereof. For example, a ratepayer with 4 children, 2 of whom attend a public school and 2 of whom attend a Catholic school, may wish to declare his or her support 50% to the Yellowknife Education District No.1 and 50% to the Yellowknife Catholic Schools.

In Summary:

- A ratepayer can declare their support for either school board either partially or in full.
- A ratepayer can only change their school tax support within the 45 day period after the mailing date noted on the assessment notice.
- Upon the sale of a property, school tax support automatically reverts to the enrolment ratio.

Check your Notice of Assessment

Should you want to change your school tax support, fill out the form on the reverse side and mail to the address indicated or drop off at City Hall (4807 52nd Street) during office hours. In May, you will receive a letter from the Board of Revision indicating changes made.

We're here to help

For more information, call 920-5600 from 8:30 a.m. to 5:00 p.m., Monday to Friday, or visit our Customer Service representative at City Hall, 4807 – 52nd Street.



ARTISAN
PRINT SOLUTIONS

SCHOOL SUPPORT DECLARATION



Date: _____

To: The Secretary of the Board of Revision
P.O. Box 580
Yellowknife, NT X1A 2N4

I/we _____ of the City of Yellowknife declare that the Property Owner(s) education portion of my/our property taxes for my/our property, whose legal description is

Lot _____ Block _____ Plan _____ be designated as follows:

School Support:

(please check the appropriate space)

Split by Enrollment:

Education District No. 1 – 58.01%
Catholic School District – 41.99%
Total – 100%

or

Education District No. 1 – 100%

Catholic School District – 100%

Custom Declaration:

_____ Education District No. 1

_____ Catholic School District

Total – 100%

Please Note: A ratepayer can only change their school support within the 45 day period after the mailing date noted on the assessment notice.

I am aware that this change will take effect for the 2010/2011 school year.

Signature _____

For City Use

Roll No: _____

Entered by: _____

This form must be received by the Secretary of the Board of Revision within 45 days of the mailing date noted on the assessment notice.