

How is my tax bill calculated?

In its budget, City Council approves the amount of expenditure required to support City services. From this amount, sources of revenue other than property taxes, such as provincial grants, license fees, and user fees, are subtracted. The balance is the amount raised by property taxes.

In order to calculate taxes, a tax rate is established. The tax rate reflects the amount of taxes to be paid for every \$1,000 of assessed value. The formula used to determine the tax rate is as follows:

$$\text{TAX RATE} = \frac{\text{Total Revenue Required From Property Tax}}{\text{Total Assessment}}$$

Your property taxes are calculated by multiplying the assessed value of your property by the tax rates:

$$\begin{aligned} & (\text{Assessment} \times \text{Municipal Tax Rate}) \\ \text{PROPERTY} & + \\ \text{TAX BILL} & = (\text{Assessment} \times \text{Education Tax Rate}) \\ & + \\ & (\text{Assessment} \times \text{Green Acres Tax Rate}) \end{aligned}$$

The Education tax rate and the Green Acres Foundation tax rate are set once the City receives the annual requisitions from the Government of Alberta and Green Acres Foundation. The amounts of the Education and Green Acres requisitions are not subject to review or approval by City Council.

What other information could be on my bill?

School Declaration

The City of Lethbridge is required by legislation to bill and collect taxes on behalf of the provincial government (Alberta School Foundation Fund) and the Holy Spirit Roman Catholic Separate Regional Division No. 4 School District. While the City of Lethbridge bills and collects school taxes, the municipality has no jurisdiction or control over school board budgets or operations.

School support on a property is shown as “undeclared” unless a declaration of school support is filed by the owner. If you wish to change your school support designation, a declaration may be obtained by calling (403) 320-3950 or in person at the Assessment & Taxation office on the 1st Floor, City Hall. The change does

not take effect until the following calendar year. Declaration forms are also available on the website.

Local Improvements

Property owners can petition the City of Lethbridge for improvements specific to their area (e.g. lane paving). These additional charges are reflected on your tax bill as local improvements. Local improvement levies include the cost of financing, but may be paid out in any year during the amortization period to avoid further interest charges.

Street Maintenance Tax

There may be additional charges on your tax bill for street maintenance tax. The objective of this levy is to fund costs associated with maintaining the streets and sidewalks fronting businesses and dwellings where the infrastructure is 10 years or older.

Supplementary Tax Bills

If a new building or an addition to an existing building is completed in the calendar year, a supplementary tax bill will be issued by the end of the year. The supplementary tax bill will reflect the number of months the building was completed or occupied during the year. To avoid penalties, supplementary tax bills must be paid by the due date, noted on the tax bill. If you wish to participate in the Tax Installment Payment Plan (TIPP) at this time, please contact the Assessment & Taxation office, (403) 320-3950. Application forms are also available on the website.

Manufactured Home Property Tax

Manufactured homes are assessed and taxed in the same manner as real property. Property tax on manufactured homes is based on the assessed value of the home only. The land is assessed separately and notices are mailed to the owner of the land.

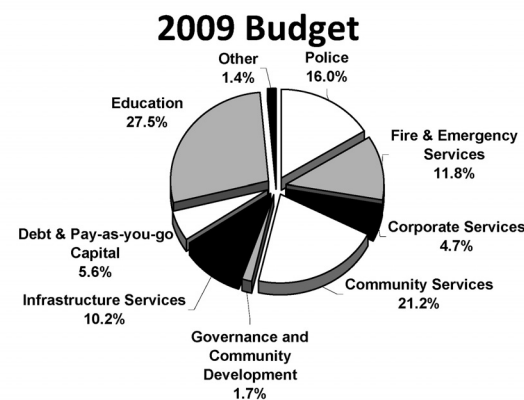
Liability for payment of the annual property taxes is the responsibility of the owner-on-record at the time of billing as reflected on the tax notice. When buying or selling a manufactured home that is already on a site in a manufactured home park, the annual taxes should be adjusted between the seller and purchaser.

Education Property Tax

Additional information contained in the Education Property Tax Brochure, is available at Assessment and Taxation Department, the City Website or by accessing www.seniors.gov.ab.ca

Payment Methods: see back of tax notice

Your Tax Dollar



Community Services includes:

- Transit, Handi-bus & School Bus
- Facility Services
- Parkland Management
- Public Library
- Recreation & Culture
- Aquatics
- Ice Centres
- Development Services
- Galt Museum
- ENMAX Centre
- Community and Social Development
- Fritz Sick Memorial Centre
- Helen Schuler Coulee Centre
- Cemeteries
- Yates Memorial Centre
- Environmental Services
- Regulatory Services
- Building Safety & Inspection Services

Infrastructure Services includes:

- Transportation (Streets & Roads) / Parking
- Parks Maintenance / Community Lighting
- Storm Sewer Maintenance

Corporate Services includes:

- Financial Services / Information Technology
- Human Resources / Risk Management
- Assessment & Taxation

To view the allocation of your tax dollars to these services, simply go to: www.lethbridge.ca and follow the links

ANSWERS

About Your Property Assessment and Taxes



CITY OF
Lethbridge

CITY ASSESSOR'S OFFICE

Phone: (403) 320-3950
Fax: (403) 320-4956
Website: <http://www.lethbridge.ca>
Address: City Hall
910 4th Ave S
Lethbridge, AB T1J 0P6

Note: This is an information brochure only and has no legislative sanction. For certainty, the Municipal Government Act and Regulations should be consulted.

ASSESSMENT & TAXES

The primary responsibility of the City Assessor's Office is to determine the market value of every property in the City of Lethbridge so that all taxpayers contribute their fair share to pay for the services they enjoy.

The assessor's office does not set tax rates nor does it determine how much must be collected in taxes.

Our most important product is the assessment roll, which is a listing of all properties located within the City of Lethbridge and their assessed values.

The purpose of an assessment system is the equitable distribution of taxation for the purpose of maintaining services for the public.

The City of Lethbridge uses the assessment roll to determine the tax rates that have to be set to raise the revenues required by the City and various taxing authorities. The City Taxation Office collects taxes for the Province of Alberta (Alberta Education), Holy Spirit Roman Catholic Separate Regional Division No. 4, Green Acres Foundation (seniors housing) and the City of Lethbridge to allow these authorities to provide services for the public.

ASSESSMENT

The Alberta Government has mandated that property assessments for 1998 and future taxation years within the Province:

- a)** are reflective of the market value of property as of July 1 of the previous year, and
- b)** 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
- c)** that the assessments must be kept current by being updated on an annual basis.

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 that the transaction is not affected by undue pressures.

What are property classes?

Once the assessment has been determined, the Assessor's Office must determine which tax classification is appropriate for your property. There are three different property tax classifications used in the City of Lethbridge as follows:

1. Single family residential/farm
2. Multi-family residential
3. Non-residential

Different tax rates are set for these different property tax classifications.

How is property valued?

The Assessor's Office doesn't create the value of your property, it is created by the real estate marketplace. The Assessor's Office just measures it.

The Assessor's Office is kept informed by the Provincial Land Titles Office of all real estate sales within the City.

The appraisers of the Assessor's Office apply accepted mass appraisal practices using information from all property sales within the City of Lethbridge to estimate the market value of your property.

The appraisers 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.

We paid \$145,000 for this property. Why is it assessed at \$155,000?

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 filing a written complaint, you are encouraged to contact the Assessor's Office at 320-3950. Personnel from the Assessor's Office will be pleased to review the assessment with you. If the appraiser 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 Assessor's Office your concerns are not satisfied, you may file a formal complaint with the Assessment Review Board. A written complaint explaining why you feel your assessment is incorrect along with the appropriate filing fee, must be sent to the Clerk of the Assessment Review Board. The information required to file a complaint is stated on the back of your assessment notice.

You cannot appeal your taxes, only the assessment on your property.

Should I pay my taxes if I have filed an assessment complaint?

Yes. If you have filed a complaint against your assessment you must still pay your taxes by the due date to avoid penalties. Similar rules apply for appeals to the Municipal Government Board.

If the Assessment Review Board makes a decision on your complaint that will result in a lower tax bill, a refund cheque will be issued to the taxpayer on record. Interest will be credited to the account if the account was paid and the tax reduction caused a credit balance.

Refunds are made to the owner-on-record at the time the refund is issued. If you sell your property before your refund is mailed, it will be mailed to the new owner unless the new owner specifically gives written instruction to the Tax Department to issue the refund to you. If you are on the Tax Installment Payment Plan (TIPP) your account will be adjusted before year end.

TAXES

What is a "tax rate"?

A tax rate is the rate of taxation applied against the value of property within a municipality to collect the revenue required by the various taxation authorities. Normally the tax rate is expressed in mills (dollars in tax paid per thousand dollars of property value) or sometimes as a percentage of the property's value. A tax rate of 1.5% on a home valued at \$100,000 would require the payment of \$1,500 in annual property taxes.

Why are my taxes not the same as last year?

If your tax bill is either higher or lower than last year it may be due to:

Assessment

The City of Lethbridge annually reassesses all property. How much your taxes change depends on how your assessment change varied from the average. Refer to your Assessment Notice or contact Assessment & Taxation office at 403-320-3950.

Budget Increase

The cost of providing City services has increased, as have the demands of a growing population. Council increased the City's operating budget accordingly.