



LUMSDEN, IN THE QU'APPELLE

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TOWN OF LUMSDEN

Combined Assessment and Tax Notice

The 2010 Combined Assessment and Tax Notice has been mailed to all owners of properties in the Town of Lumsden. The Town of Lumsden would like all property owners to review their property assessments. Properties within the residential tax class will see their 2010 tax dollar split between the Town (49.4 cents) and the Prairie Valley School Division (50.6 cents). These amounts are clearly highlighted on your tax notice.

The Town mill rate was increased from 8.8437 in 2009 to 9.8437 for 2010. The School mill rate, remained the same as in 2009. The school mill rates are set by the province and are as follows:

Agricultural tax class	7.08 mills
Residential tax class	10.08 mills
Commercial tax class	12.275 mills for first \$499,999 assessment, 15.75 mills for next \$5,500,000 assessment and 18.55 mills for the remaining assessment

The rate is expressed in "mills", where one mill is one-tenth of a cent (\$0.001).

2010 ASSESSMENT APPEALS

Provincial legislation requires a reassessment every four years to ensure that assessments are up to date, accurate and fair. In 2009, Saskatchewan moved to a results-based, mass-appraisal system and used a base date of **June 30, 2006**.

Any person may appeal the assessment of any property based on:

- an error made in the valuation or classification of property;
- an error in the content or preparation of the notice of assessment.

A person considering an appeal should meet with the assessor to discuss the issue on which the appeal will be based. A formal appeal must be filed with the assessor, who files the appeal with the board of revision established by the local municipality. The board of revision will conduct a hearing and make a decision based on the facts presented at the hearing.

Any party not satisfied with a board of revision's decision, may further appeal the decision to the Assessment Appeal Committee of the Saskatchewan Municipal Board.

There are application forms and publications on appeals which are available to assist you with the process. Publications regarding appealing your assessment can be obtained by calling the municipal office at 731-2404 or they can be found on the Saskatchewan Assessment Management Agency's website at www.sama.sk.ca and on the Town's Website at www.lumsden.ca. An appeal form has been included with the Assessment/Tax Notice for your convenience. The deadline for appeal of your property assessment is stated on your notice.



Municipal Tax Policy and Use of Tax Tools

Council has not changed their tax policy and use of municipal tax tools.

The following information on tax tools is for information purposes only.

Municipal Councils have three local classes of property they can use for tax tool application:

1. Agricultural
2. Residential
3. Commercial / Industrial

Councils may choose to implement tax tools such as Base Tax, Minimum Tax or Mill Rate Factors to help achieve a desired tax policy. As well, Councils may decide to maintain the tax allocations that result from revaluation. In this case, there is no need for tax tools to accomplish Council's tax policy goals. Councils may utilize various Tax Tools to adjust the shift for a class, depending on the desired tax policy goal.

Description of Municipal Tax Tools

Base Tax / Minimum Tax

The Town has the option to establish a base tax, which shifts the tax incidence within a property class. A base tax fixes a minimum level of taxation on each property within a municipality. A minimum tax can be established with respect to any property class, vacant properties or properties with improvements.

The total municipal tax due is calculated by adding the base tax or minimum tax to the calculated tax levy using the property assessment. The base tax or minimum tax can only be applied to the municipal portion of the property tax. Base Tax or Minimum Tax can be utilized to ensure that benefiting properties pay equal amounts for the services they receive. Generally, base tax tends to result in higher assessed properties paying less tax while lower assessed properties pay a higher municipal tax.

Presently, no Base Tax or Minimum Tax policy tools are utilized in the municipal tax calculations for the Town of Lumsden.

Mill Rate Factor

A mill rate factor is a tax policy tool used to redistribute the amount of total taxes paid by each property class. Multiplying the mill rate by the mill rate factor will increase or decrease the taxes paid by a property class. Changes to a mill rate factor will not increase or decrease the total amount of taxes collected annually by the Town, as the mill rate will be adjusted accordingly. A School Board can choose to use or not use the mill rate factor determined by the Town.

A mill rate factor of 1.0 is currently used; this does not alter or impact the final municipal tax levied. The municipal mill rate and any relevant mill rate factors are used to yield the desired tax dollars for the municipality.

Sample Taxable Assessment Calculation for a Residential Property (Tax Class R)

<u>Assessed Value</u>	x	<u>Provincial Percentage</u>	=	<u>Taxable Assessment</u>
\$175,000.	x	70%	=	\$122,500.

Sample Tax Levy Calculation for a Residential Property (Tax Class R)

<u>Taxable Assessment</u>	x	<u>Mill Rate</u>	=	<u>Municipal Tax</u>
\$122,500. x		9.84370	=	\$1,205.85
<u>Taxable Assessment</u>	x	<u>Mill Rate</u>	=	<u>School Tax</u>
\$122,500. x		10.080	=	\$1,234.80
		Total Taxes=		\$2,440.65