



Property Assessments Open House – Georgina Island TD

CHIPPEWAS OF GEORGINA ISLAND FIRST NATION
PROPERTY TAX ADMINISTRATION

SATURDAY, SEPTEMBER 15, 2018

Overview

Presentations:

- Robert Beaudry, Senior Tax Advisor from the First Nations Tax Commission
- Chris Fusco, Director of Real Estate & Strategic Accounts & Paul Campbell, Director of Valuation and Customer Relations from MPAC.

After the presentations, leaseholders are invited to meet one-on-one with an assessor to review the details of the assessment for your property.

Budget Base Tax Rates

The transition plan for the Georgina Island Tax District will be changed implement budget based tax rates right away instead of waiting until the end of the transition plan.

Simplified Budget Based Tax Rates Equation:

$$\begin{array}{|c|} \hline \text{Property Tax Budget} \\ \hline \text{for the Tax District} \\ \hline \end{array} \div \begin{array}{|c|} \hline \text{Total Assessed Values} \\ \hline \text{for the Tax District} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Property Tax} \\ \hline \text{Rate} \\ \hline \end{array}$$

The annual local services budget for the Georgina Island Tax District for 2019 and 2020 is anticipated to be \$300,000.

This means that since the total assessed values for the tax district are higher than expected, the property tax rate will be reduced, so the overall amount of tax collected remains the same.

Preliminary average tax bill (GITD) approximately \$1500 in Years 1 & 2, which corresponds to a property assessment of \$325,000.

Minimum Tax (\$750) limit approximately corresponds to a property assessment on \$155,000.



First Nations Tax Commission
Commission de la fiscalité des premières nations

First Nation Property Taxation and Assessment

Community Presentation
Chippewas of Georgina Island
September 15, 2018



First Nations Tax Commission

- Established in 2005 (*First Nations Fiscal Management Act* or FMA). Began operating in July 2007. Based in Kamloops, BC, with an office in Ottawa.
- Builds on the 20 year work of the Indian Taxation Advisory Board. Provides regulatory oversight and support to the First Nations tax system.
- The Commission provides regulatory oversight for over 160 First Nations exercising their property tax jurisdiction across the country.



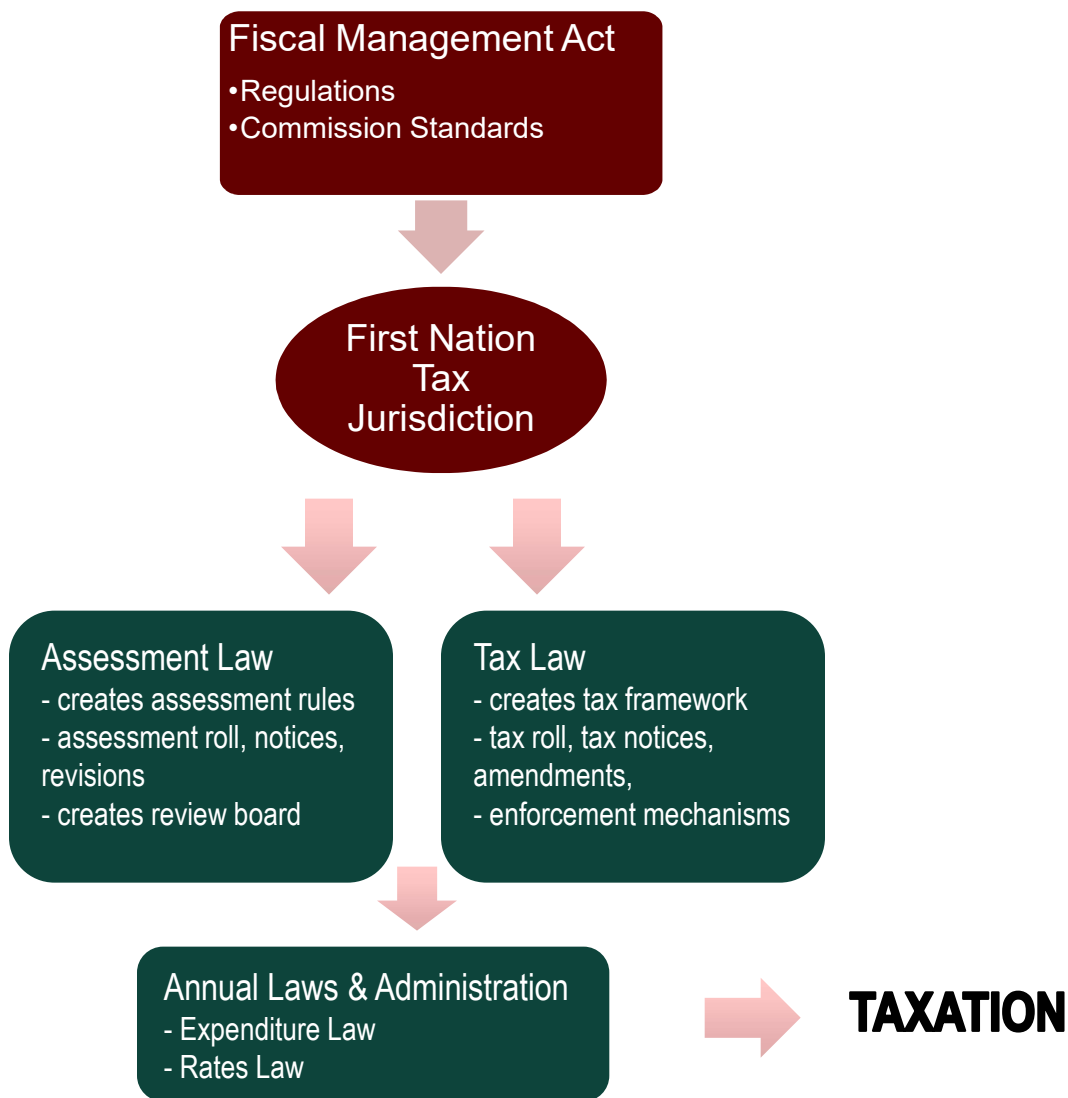
First Nations Tax Commission

- Ten member shared-governance federal Commission.
- Three Commissioners must have direct taxpayer experience on reserve: one representing taxpayers using reserve lands for commercial purposes; one representing taxpayers using reserve lands for residential purposes; and one representing taxpayers using reserve lands for utility purposes.
- Key policy objective is reconciling the interests of taxpayers with those of First Nations.



The FMA Legal Framework

- ✧ First Nations create their taxation systems through their laws.
- ✧ These systems are modeled on provincial taxation systems.
- ✧ All tax laws must be reviewed and approved by the FNTC before they come into force.
- ✧ FNTC reviews the laws for compliance with the legal framework.
- ✧ FNTC approves laws.





FMA Taxation and Taxpayer Interests

Taxation under the FMA includes the following benefits to tax payers:

- Strong regulatory framework (FMA, Regulations, FNTC Standards) to support fair tax administration;
- Required 30 day notice period providing an opportunity for persons to make representations concerning proposed laws;
- Further notice to taxpayers for assessment inspections, assessment appeals and taxation enforcement provisions; and
- Clear and harmonized assessment appeal provisions.



First Nations Taxation Assessments Harmonization & Best Practices

Assessment methods and practice are set out in First Nation assessment laws and reflect provincial best practices.

First Nation assessment laws, assessment inspections and assessment appeal process (including ARB) fall under federal legislation (FMA), its regulations and FNTC standards.

Property assessments are prepared on First Nation lands in the same way (harmonization) as they are prepared in all other taxing jurisdictions in Canada.



Assessment Service Providers by Region

Region	Assessment Service Provider	Assessment Services
British Columbia	<p>BC Assessment (90% of Taxing First Nations)</p> <p>Private Assessor (10% of Taxing First Nations) largely in the Lower Mainland.</p>	<p>Inspections, valuations, assessment roll preparation and certification, assessment notices, request for reconsideration, defense of the roll on appeals.</p> <p>Inspections, valuations, assessment roll preparation and certification, assessment notices, request for reconsideration, defense of the roll on appeals.</p>
Alberta	Private Assessors	<p>Inspections, valuations, assessment roll preparation and certification, assessment notices, request for reconsideration, defense of the roll on appeals (Information on the assessment of linear properties provided by Alberta Municipal Affairs to private assessors).</p>
Saskatchewan	<p>Saskatchewan Assessment Management Agency (SAMA)</p> <p>Private Assessors/First Nation Administrators for assessment administration.</p>	<p>Inspections, valuation, request for reconsideration, defense of the roll on appeals.</p> <p>Assessment roll preparation and certification and assessment notices.</p>
Manitoba	Private Assessors	<p>Inspections, valuations, assessment roll preparation and certification, assessment notices, request for reconsideration,</p>



Assessment Service Providers by Region

Region	Assessment Service Provider	Assessment Services
Ontario	Municipal Property Assessment Corporation (MPAC)	Inspections, valuations, assessment roll preparation and certification, assessment notices, request for reconsideration, defense of the roll on appeals.
Quebec	Private Assessor (for 1 First Nation)	Inspections, valuations, assessment roll certification, assessment notices, defense of the roll on appeals.
New Brunswick	Service NB (Crown Corporation), property assessment division Private Assessors/First Nation administrators for assessment administration.	Inspections, valuation, defense of the roll on appeals. Assessment roll certification and assessment notices.
Nova Scotia	Property Valuation Services Corporation (PVSC)	Inspections, valuations, assessment roll preparation and certification, assessment notices, defense of the roll on appeals.

Property Assessment Open House

Georgina Island

September 15, 2018

Chris Fusco and Paul Campbell, Municipal Property Assessment Corporation



Agenda

- First Nation Taxation and Assessment Systems in Ontario
- Roles and Responsibilities
- MPAC
- Total Assessed Value and the Tax Rate Examples
- Definition of “Assessed Value”
- Assessing Your Residential Property
- Assessing Your Residential Waterfront Property
- Looking at Comparable Neighbourhoods
- Locational Adjustments
- Property Assessment Process – 5 Steps
- Request for Reconsideration
- Notice of Appeal

First Nation Taxation & Assessment Systems in Ontario

- 2018**
Wasauksing
First Nations
- 2018**
Chippewas of
Georgina Island
First Nation
- 2016**
Kettle and Stony
Point First Nation



Roles and Responsibilities

The First Nation Tax Commission
passes legislation, sets property tax policies

The Municipal Property Assessment Corporation (MPAC) is contracted by the Chippewas of Georgina Island First Nation (GIFN) to provide property assessments on GIFN lands.

The Chippewas of Georgina Island First Nation (GIFN) Tax Administration determines their revenue requirements, sets tax rates and collects property taxes.

The Georgina Island First Nation Assessment Review Board (GIFN ARB) is an independent tribunal, set up through the assessment laws, hears assessment appeals.

MPAC is contracted by GIFN to provide property assessments on GIFN lands in accordance with GIFN property taxation and assessment laws.

- MPAC is an independent, not-for-profit corporation, funded by all Ontario municipalities, responsible for assessing and classifying more than 5 million properties in Ontario.
- More than 1,700 employees working in communities across Ontario.
- Our assessors are trained experts in the field of valuation and apply industry appraisal standards and best practices.

Total Assessed Value and the Tax Rate Examples

$$\text{Total Budget} \div \text{Total Assessed Value} = \text{Tax Rate}$$

Total Assessed Value in GIFN jurisdiction	\$10,000,000
Total Local Services Budget as determined by First Nation to provide services	\$100,000
Tax Rate as determined by First Nation	1%

Examples used for demonstration only

Total Assessed Value and the Tax Rate Examples

$$\text{Total Budget} \div \text{Total Assessed Value} = \text{Tax Rate}$$

	Scenario 1	Scenario 2	Scenario 3
Total Assessed Value in First Nation Jurisdiction	\$10,000,000	\$7,000,000	\$13,000,000
Total Local Services Budget as determined by First Nation to provide services	\$100,000	\$100,000	\$100,000
Tax Rate as determined by First Nation	1%	1.4%	0.76%

Examples used for demonstration only

Definition of “Assessed Value”

Chippewas of Georgina Island First Nation Property Assessment Law, 2018

“Assessed value” means in relation to an interest in land, the amount of money the fee simple of that interest, if unencumbered and held off the reserve, would realize if sold at arm’s length by a willing seller to a willing buyer, as determined under this Law.

The assessed value is based on a legislated valuation date of January 1st, 2016



Assessing Residential Property

In accordance with GIFN property taxation and assessment laws, MPAC will establish your property's assessed value by:

- looking at key features including location, lot dimensions, living area, age of property, quality of construction; and
- analyzing property sales off-reserve.



Assessing Residential Waterfront Properties

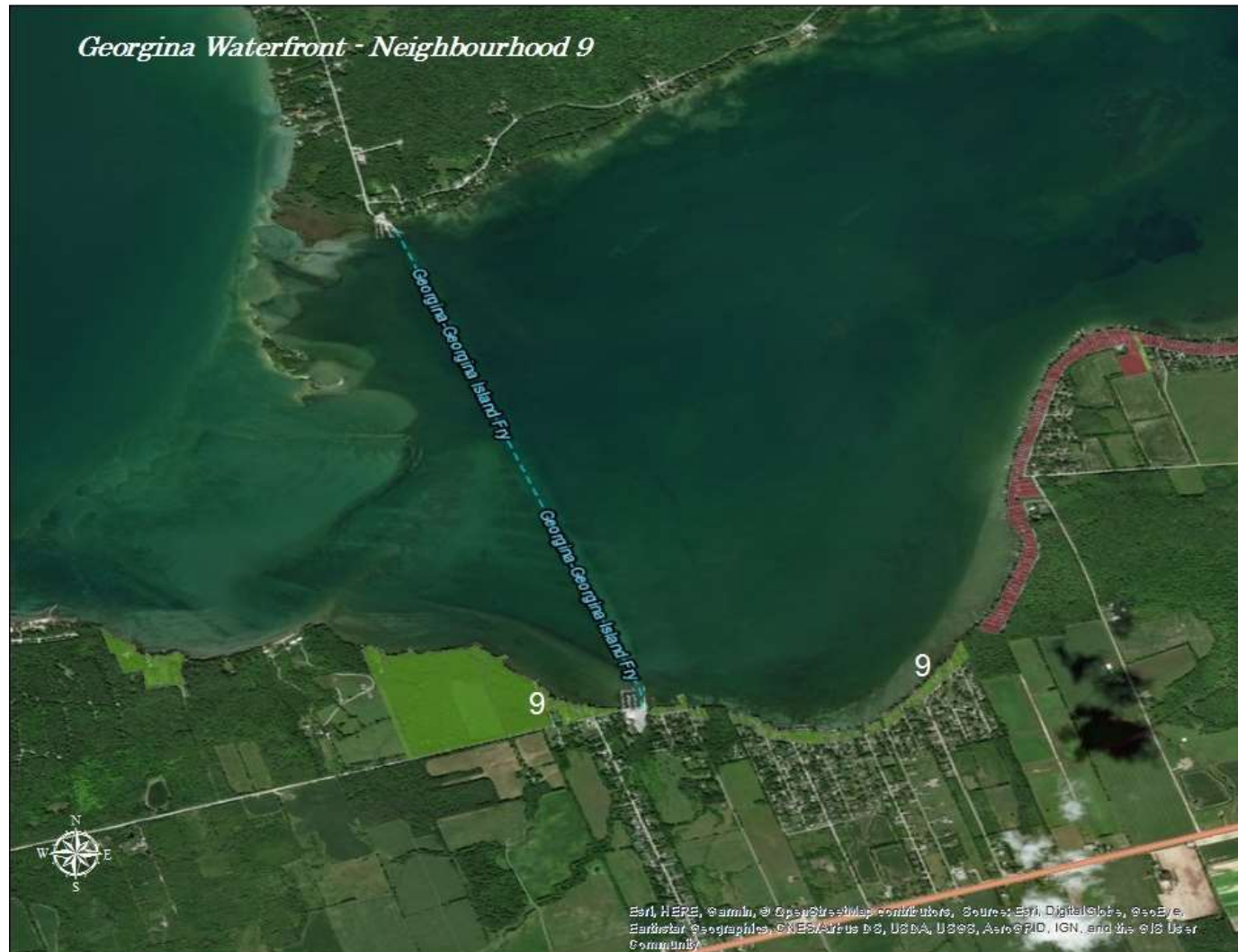
- We look at the body of water your property is located on and **the amount of water frontage you have.**
- Other key features that may affect the value of your waterfront property:

- ☐ Indirect waterfront
- ☐ Shoreline Weedy
- ☐ Shoreline Shallow
- ☐ Access
- ☐ Topography Cliff

- ☐ Topography Steep
- ☐ Exposure North
- ☐ Exposure West
- ☐ Second-tier lot



Looking at Comparable Neighbourhoods



Locational Adjustments

Georgina Islands

- Assessed properties on Georgina Island had an adjustment of **-55%** applied to the waterfront rate per front foot for island access.
- Second Tier lots located behind waterfront properties were adjusted by **-35%** because they are not on the waterfront.

In Ontario's property assessment jurisdiction, adjustments may be applied to the waterfront rate per foot which range from **-45%** to **-55%** for island access.

Property Assessment Process – 5 steps

✓ step **1** Property inspections are required to produce the initial property assessments for the new property tax system.

✓ step **2** We take the information gathered during your inspection to determine your property's assessment.

✓ step **3** A Property Assessment Notice will be mailed to you reflecting the assessed value of your property.

step **4** Review your property assessment

step **5** Disagree? File a Request for Reconsideration/Appeal



Request for Reconsideration (RfR)

- You may review the details of your assessment today with our assessors
- If you disagree with your property's assessment, tax status, or if there's an error or omission on your Property Assessment Notice, you have the option to file a RfR with MPAC, at no charge.
- The deadline to file a RfR is October 1, 2018.
- The RfR form is posted on georginaisland.com or available at the GIFN Administration Office.
- We have received information requests from leaseholders to support RfR submissions and we are working to process requests as quickly as possible.
- MPAC will review the request and provide a response within 60 days of receiving your RfR.
- If you are not satisfied with the outcome, you have the option to file an appeal.

Notice of Appeal

- You may appeal your property's assessment or the outcome of your RfR to the GIFN ARB by December 14, 2018.
- There is a \$30 administration fee required by the GIFN ARB, payable by cheque, bank draft or money order to the Chippewas of Georgina Island First Nation.
- The appeal form will be posted on georginaisland.com or available at the GIFN Administration Office.
- Please submit your completed Notice of Appeal, a copy of your Property Assessment Notice, and your payment to MPAC, 100 Via Renzo Drive, Suite 302, Richmond Hill, Ontario, L4S 0B8.
- You will receive an acknowledgment letter and a notice from the GIFN ARB detailing the time, date and location of your hearing.

Questions about...

Your property assessment?

MPAC: 1 877 254-4760 | GIFN@mpac.ca

Your property taxes?

Stephanie BigCanoe: 705 437-1337 | stephanie.bigcanoe@georginaisland.com | georginaisland.com