
Preparing For Your Assessment Complaint or Appeal Hearing



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Alberta's Municipal Government Act and the Assessment Complaints and Appeals Regulation (AR 238/2000) are the source for the information in this guide. If there are differences between the information in the act and regulations, and what is presented in this guide, the legislation and regulations take precedence.



INTRODUCTION TO THIS GUIDE

If you own a residence or business in Alberta, you may use this guide to help you file an assessment complaint or appeal.

This guide offers ideas on how to prepare for your hearing with an assessment review board, or the Municipal Government Board.

This is only a guide. It is not mandatory to use it to file an assessment complaint or appeal. But it may help you to gather the information you will need and to clarify in your own mind how best to present your case to the board.

You may also wish to get further help from a tax agent, appraiser, lawyer, or other person experienced in assessment appeals. You may have one or more of these people present your case to the board.

This guide will be of help if your property has been assessed on the basis of its “market value.” Agricultural properties are not assessed using the market value approach. If you have concerns about an assessment that was prepared for an agricultural property, contact your municipality’s assessor.



SECTION 1: SOME FACTS ABOUT PROPERTY ASSESSMENT

Why are property assessments prepared?

The assessment process establishes the value of a property in relation to similar properties. The purpose of property assessment is to distribute the property tax fairly among property owners in a municipality.

The assessment of a property does not in itself generate property taxes. Property taxes are generated when the tax rate, established by your municipality, is applied to the assessed value of your property. Your municipality sets its tax rate based on the amount of revenue it needs for local programs and services.

Property tax dollars pay for municipal services such as: police and fire protection, roads, waste management, parks and recreation, and capital projects.

Your property tax bill also includes a school tax, which is collected by your municipality and then submitted to the province. The province uses the school tax to help pay for primary and secondary education programs. Your property tax bill may also include local improvement taxes or other municipal taxes.

Note: You cannot file a complaint about the tax rate with an assessment review board, or appeal it to the Municipal Government Board. Neither type of board can change tax rates or the services that are provided by a municipality. If you have specific concerns about these matters, you may wish to discuss them with the administration or council of your municipality.



How is my property assessed?

In Alberta, residential and most commercial property is assessed using the market value approach.

Market value is defined as the price a property might reasonably sell for, after adequate time and exposure to an open market, when sold by a willing seller to a willing buyer.

To calculate your assessment, assessors look at property characteristics such as the size, type and age of your property, as well as its location, style, condition, upgrades and the lot size. The selling prices of similar properties in the same neighbourhood or similar areas are also considered.

Mass appraisal

Assessors use a method called “mass appraisal” to calculate property assessments for a large number of properties at the same time. Mass appraisal is based on the idea that, in most cases, similar properties in a neighbourhood will have similar values.

Assessors gather data for a group of properties in the same area using sales data, data collected through the land titles office, and by conducting site-specific appraisals. Assessors use the information gathered through these processes to estimate the value of your property.

In this way, your property’s assessment is determined from a range of probable selling prices of comparable properties, not a specific selling price. Keep in mind that the assessed value of a property is not likely to be the same as the sale price of the property.



Valuation date

To ensure that properties are assessed fairly, the province of Alberta sets a specific date to value all property for assessment purposes. This is called the valuation date. In Alberta, the valuation date is July 1 of every year.

The assessment you receive this year shows the market value assessment of your property on July 1 in the last calendar year.

Example: The assessed value of your property on your 2001 assessment notice is based on the market value of your property on July 1, 2000.



SECTION 2: IF YOU ARE CONCERNED ABOUT YOUR ASSESSMENT

If I don't agree with my assessment, what can I do?

If you don't agree with your property assessment, there are steps you can take to try to resolve your concern before you file a formal complaint.

First, you should talk to the assessor who prepared your assessment before you begin the complaint process. To contact the assessor, call your municipal office at the phone number listed on your assessment notice. This is an important step as the assessor can inspect your property and correct the assessment if necessary. If the assessor agrees that the original notice is not accurate, a new notice can be issued.

If you are unable to come to an agreement about your assessment, you can file a complaint with your municipality's assessment review board (ARB). If you disagree with the decision of an ARB, you may file an appeal of that decision with the Municipal Government Board.

Note: It is your responsibility to contact your municipal office and check your property record to make sure the details are accurate.

Assessment Review Board (ARB)

Instructions are included with your assessment notice on how to file a complaint with the local assessment review board (ARB). If you have questions about the process, call your municipal office to find out how to contact the ARB.



A complaint made to the assessment review board:

- Must be in writing and include the appropriate fee for filing the complaint (check your assessment notice or contact your municipal office to find out if there is a filing fee in your municipality).
- Must be made by a person who receives either a property assessment notice or business tax assessment notice from the municipality.
- Must relate to an assessed property or business in the municipality.
- May be made about any of the following items of information listed on the assessment or tax notice:
 - the description of the property or business
 - the name or mailing address on the assessment notice
 - the assessment of the property or business
 - the assessment class or subclass assigned to the property
 - the type of property
 - the type of improvement
 - the school support listed
 - whether the property is assessable
 - whether the business or property is exempt from taxation.

Remember: Your complaint to the ARB has to be filed with your municipal office by the date specified on your assessment notice. If you are not sure about the deadline, contact your municipal office.



Municipal Government Board (MGB)

If you disagree with the decision of your assessment review board, you may appeal to the Municipal Government Board (MGB).

Appeals must be filed with the MGB within 30 days of the date you receive the written confirmation of the ARB decision.

Forms you will need to use to file an appeal are available at your local municipal office or the office of the MGB. The address and phone number of the MGB are listed at the end of this guide.



SECTION 3: PREPARING FOR YOUR HEARING WITH THE ASSESSMENT REVIEW BOARD

When you are preparing for your hearing, it is important to remember that you are responsible for gathering information that proves your assessment is unfair or inaccurate. Your goal is to demonstrate that the assessment on your property is not a fair estimate of the price your property would sell for on the market.

Step 1 - Check your property record

Contact the office that prepared your assessment and ask to see your property record (this is sometimes called an assessment record). This record lists details the assessor considered when he or she assessed your property.

If you see an error (for example, it says you have a garage and you don't), ask the assessor to review the record for your property. The assessor may want to visit and inspect your property to check the accuracy of the details in your property record.

If there is a physical problem with your property that you believe significantly affects its value (for example, the foundation is cracked, the roof leaks, etc.):

- Get a reputable contractor to confirm the problem in writing.
- Get an estimate of the cost to repair the problem from a reputable contractor.
- Take photographs of the problem area.



Note: Contact the municipal assessment office to discuss these problems. Find out if these problems were considered when your assessment was prepared.

Keep in mind that not every defect will lower the value of your property. Some defects result from normal wear and tear and/or aging of your property.

Step 2 - Estimate the market value of your property

Look for sales data on properties similar to yours (size, age, location) that sold close to July 1 in the assessment year. The data that you collect on these “comparison” properties will help you to estimate the market value of your property.

Comparable features

Look at the recent sale prices of properties that are comparable to yours in terms of the following characteristics or features:

- Location (neighbourhood, access to transportation, open space, etc.)
- Services (near schools, recreation facilities, shopping, etc.)
- Lot size
- House size
- Age of house
- Landscaping
- Number and size of bathrooms
- Basement (finished or unfinished)
- Fireplaces
- Garage/carport
- Outbuildings



- Major or minor repairs needed
- Environmental problems (odours, high traffic, loud noise, etc.)

Condominium units

If you own a condominium unit, you might also want to compare features such as:

- The floor the unit is on
- View
- Corner (inside, or end unit)
- Floor plan
- Parking (underground or street)
- Elevators
- Other features (health club, party room, swimming pool, tennis court, etc.)

Rural areas

If you live in a rural area, you may have to look further than your neighbours to find comparable properties. If this is the case, remember that market conditions and selling prices may vary significantly in different locations and regions.

If you own property in a rural setting, consider the following when looking for properties that are comparable to yours:

Land

- * Area or dimensions
- * Services (garbage, water, sewer, etc.)
- * Location



Building

- General description
- Finished area
- Year built
- Effective year
- Number of stories
- Number of bedrooms
- Number of bathrooms
- Basement
- Outbuildings

There are a number of ways you can find sales information on properties comparable to your own:

Multiple Listing Service

Search the Multiple Listing Service database on the Internet (at www.mls.ca). This is a collection of all properties that are listed for sale in your community through a real estate office. If you are using this service, search for properties with characteristics and in neighbourhoods that are similar to yours.

When entering the features of your home for your search, make sure to specify a “minimum” and “maximum” that match your property. For example, if you own a three-bedroom house, search for comparison properties with a “minimum” and “maximum” of three bedrooms.

Note: Free access to the Internet is available to library cardholders in most libraries.

Local Registry Office

Go to your local registry office to search for recent sale prices. There will likely be a fee for this service. To find the nearest registry office, look in the Yellow Pages under Licence and Registry Services.



Get a computer printout of the search at the registry office. Make sure the “declared value” of the property (usually the same as the sale price) is on the computer printout. Keep copies of the search results to bring to your hearing.

Hint: You will need the legal description of the properties you want to search for when you go to the registry office. You can find this information on the assessment roll at your municipal office by first looking up the street addresses of the properties.

Step 3 - Obtain assessment information on similar properties

The office that prepared your assessment might have information on the assessments of properties similar to your own.

If you want to access this information, make sure that you have decided which properties you want information on, and that you know the street addresses of those properties before you arrive at the office.

If you can't go to the office in person, ask if you can fax or mail in your request.

Your municipality may charge you for this service and limit the number of properties for which it will provide information.

Note: Make a reasonable request. It is unlikely that you can get information for all the properties in a municipality. In any event, this would not be helpful to you in preparing for your hearing. To present a strong case, present comparisons for three to four properties that are similar to your own.



Step 4 - Develop a comparison chart

By now, you should have enough information to compare your assessment to assessments of similar properties. You should have an idea of whether your assessment is a fair estimate of the value of your property in comparison to other similar properties.

Look at the property characteristics and details that might affect the value or price of your property and the comparison properties. If you list these comparables in a chart, board members can see your evidence at a glance when you are at the hearing.

Hint: If possible, use a spreadsheet program on a computer to create your comparison chart. If you do not have a computer, you can prepare a chart by hand. The following is an example of how the chart may look.

Sample Comparison Chart

Comparable properties			Comparable features*				
	Sale price	Sale date	Feature 1	Feature 2	Feature 3	Feature 4	Feature 5 ...
Property 1 (include address)							
Property 2 (include address)							
Property 3 (include address)							

* See Step 2 for examples of comparable property features.



Do the facts support your case?

Make sure that you have enough information to demonstrate to the board that your property is similar to those that you have selected as comparable properties, and that the assessed value of your property differs significantly from those properties.

Choose comparable properties that are located in your neighbourhood. Properties outside your neighbourhood may be affected by factors that may cause prices to differ significantly from those in your neighbourhood. If this is the case, it would not be feasible to use these properties to compare to your own.

If possible, take photographs of the outside of the comparison properties and of your own. Contact your municipality to get a map of the neighbourhood and mark the locations of all the properties on a map of the area.

If you have the sale prices and/or assessment information on at least three good comparable properties and still believe that your property is unfairly assessed, carry on with step 5.

If you are not proceeding to step 5, please write to the board and tell them that you wish to withdraw your complaint or appeal. This should be done as far in advance of the hearing as possible.

Step 5 - Visit your local assessment office

Don't assume that the assessor knows why you are unhappy with your assessment.

Call or go to the assessment office and explain why you think your assessment is unfair or inaccurate. Show the assessor the



information you have gathered in Steps 1 through 4. This is an important step, because the assessor can change an assessment and issue a new notice if he or she agrees that the original notice is not accurate. In that case, you would not need to proceed with a hearing.

If the assessor disagrees with you, and you believe you have evidence to support your opinion, you may proceed with a hearing.

Remember: If you are proceeding with a complaint, you need to file it with your municipal office on or before the date specified on your assessment notice.

Step 6 - Pre-hearing contact with the assessor

When preparing for an assessment hearing, there are rules that the property owner and the assessor must follow about the exchange of information prior to the board hearing.

These rules help the hearing to proceed fairly and without unnecessary delays. By sharing information, both you and the assessor will have a better understanding of how to present your cases to the board. It is also another opportunity for you and the assessor to resolve the issue before the hearing.

It is important to contact your local ARB office for details about the process you need to follow and the information you need to provide.

In general, the rules for the exchange of information are as follows. The process you need to follow will depend on the type of property you own and its assessed value.



For residences

If you filed a complaint about the assessment on a residential property:

- You must inform the assessor of the nature of the information you plan to present to the board - and the assessor must do the same for you.
- You and the assessor should disclose this information in enough detail so that each of you can determine how to respond to it at the hearing.
- You and the assessor must exchange this information within a reasonable time before the hearing. It is suggested that you provide each other with all the information at least 10 days before the hearing.

If you filed complaints about the assessments on two, three or four single-family residences - and if you or your representative will be presenting these complaints to the board in a single hearing — then the rules above apply.

If you filed complaints about the assessments of five or more single-family residences - and if you or your representative will be presenting these complaints to the board at a single hearing - then you must follow the same rules that apply to non-residential property assessments of more than \$250,000. (See below.)

For non-residential property (including business property)

If you have filed a complaint about the assessment on non-residential property, then you must file an issue statement with the ARB clerk in a format set out by your municipality.



In this issue statement, you are required to:

- State the grounds of your complaint with facts that support it.
- Specify the change that you believe should be made to your assessment.
- Confirm that you and the assessor have discussed your complaint, and describe any facts or issues that you have agreed upon.
- If you and the assessor have not discussed your complaint, explain why.
- Estimate the amount of time you will need to present your case to the board.

If your complaint relates to non-residential property and the assessment is equal to or less than \$250,000, you must file the issue statement at least seven calendar days before the hearing.

If your complaint relates to non-residential property, the assessment is greater than \$250,000, and the ARB provided you with at least 45 days notice of the hearing date*, then the following rules apply:

- You must file the issue statement (described above) with the ARB clerk no less than 21 calendar days before the hearing date.
- Seven days before the hearing, the assessor must inform you of the evidence and information he or she will present at the hearing.
- At least three days before the hearing, you must inform the assessor of any rebuttal evidence that you may have



in response to the information the assessor has disclosed to you.

* If you have not received 45 days notice of the hearing date from the ARB, contact your local ARB clerk.

For business tax assessments

Some municipalities levy a tax on businesses in addition to the property tax.

- If you have filed a complaint about a business tax assessment, and the assessment is equal to or less than \$50,000, you must follow the same rules that apply to complaints about residential property assessments.
- If you have filed a complaint about a business tax assessment, and the assessment is greater than \$50,000, you must follow the same rules that apply to complaints about non-residential property assessments of more than \$250,000.

Step 7 — Preparing for the hearing

Think about how you want to present your comparison information to the board.

You could describe your property and explain how each of your comparable properties is similar to or different from your property. Use the sale prices or assessments of your comparison properties to show how the assessed market value of your property is inaccurate or unfair.



Bring your comparison chart to the hearing along with other information you have gathered including:

- The notes you took when you reviewed the assessment roll.
- Copies of the registry searches.
- Any other material you have gathered, such as photographs and maps.

This information will help you to answer questions about the accuracy of your comparisons.

If you say there is a physical problem with your property that affects its value, bring to the hearing:

- Written confirmation that the problem exists and a repair estimate from at least one reputable contractor.
- Photographs of the problem area.
- The written opinion of a realtor or appraiser saying how this might affect the value of your property in the current market. (This opinion may or may not be accepted as evidence.)

Note: Make copies of all your material (including photographs) to take to the hearing, for yourself, the board members, and the assessor. Contact the ARB to confirm the number of copies you will need to provide.

Step 8 — The ARB hearing

The following is a typical sequence of events at an assessment review board hearing:

- The hearing is called to order and board members are introduced.



- The clerk reads the assessment complaint.
- You and the assessor introduce yourselves.
- The presiding officer outlines the hearing process.
- You and the assessor summarize your presentations.
- If you require written reasons for the board’s decision on your case, request them.
- You present your case.
- The assessor and board members may ask you questions.
- The assessor presents his or her case.
- You and the board members may ask questions.
- You may offer evidence regarding the assessor’s case.
- You summarize your case and state your argument.
- The assessor summarizes his or her case and states an argument.
- The board considers the information presented.
- The board may announce its decision at the hearing if the members believe they can make an immediate decision. If not, you will be notified of the board’s decision once it has been made.
- The clerk will send you a written decision of the board. If you requested them at the hearing, the clerk will also send written reasons for the board’s decision.



Step 9 — Decision of the board

An assessment review board may make any of the following decisions:

- Dismiss the complaint if it was not made within the proper time.
- Dismiss the complaint if you have not explained why you think information in the assessment or tax notice is incorrect or unfair.
- Change the assessment, the description of your property or business, the name and mailing address on the assessment notice, an assessment class, an assessment subclass, the type of property, the type of improvement, the school support, whether the property is assessable, whether the business or property is exempt from taxation.
- Decide that no change is required.



SECTION 4 - THE MUNICIPAL GOVERNMENT BOARD APPEAL PROCESS

If you are not satisfied with the decision of the ARB, you may appeal that decision to the Municipal Government Board (MGB).

You have 30 days to appeal the decision of the assessment review board once you receive the written decision in the mail.

The form to use when filing an appeal with the MGB is available at your municipal office or from the MGB. When you complete the form, you should prepare a package that includes the information you presented at the ARB hearing as well as any additional information you believe supports your appeal.

It is important to note that the MGB requires the property owner and the assessor to exchange information prior to the board hearing. The rules are similar to those outlined in Step 6 of this guide.

Guidelines are available from the MGB on the procedures to follow in appealing to the board, including the sharing of information before the hearing. The MGB's address, website and phone numbers are listed on the following page.



SECTION 5: FOR FURTHER INFORMATION

- Contact your municipal office at the address printed on your property assessment notice for information on how to file a complaint with the assessment review board.
- Contact the Municipal Government Board for information on how to file an appeal with the board:

Municipal Government Board
15 Floor, Commerce Place
10155-102 Street
Edmonton, Alberta T5J 4L4

Phone: (780) 427-4864
(To call toll free, dial 310-0000 first)
Fax: (780) 427-0986

Website: www2.gov.ab.ca/ma/mgb
E-mail: mgbmail@ma.gov.ab.ca

- Contact Alberta Municipal Affairs:

Alberta Municipal Affairs
Assessment Services Branch
15th Floor, Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4L4

Phone: (780) 422-1377
(To call toll free, dial 310-0000 first)
Fax: (780) 422-3110

Website: www.gov.ab.ca/ma



- You may purchase copies of the Municipal Government Act, and the Assessment Complaints and Appeals Regulation (AR 238/2000), from the Queen's Printer Bookstore. To call the bookstore toll-free, dial 310-0000 and then the phone number:

In Edmonton, call (780) 427-4952

In Calgary, call (403) 297-6251

Website: www.gov.ab.ca/qp

You can view the Municipal Government Act on the Internet at www.gov.ab.ca/qp. Scroll down to the third paragraph and double click on Laws. Under Alberta Legislation, highlight Statutes of Alberta. The legislation is listed in alphabetical order. Scroll down to the Municipal Government Act and double click.

You can view the Assessment Complaints and Appeals Regulation (AR 238/2000) on the Internet at www.gov.ab.ca/qp. Scroll down to the third paragraph and double click on Laws. Under Alberta Legislation, highlight Regulations of Alberta. The regulations are listed in alphabetical order. Scroll down to the Assessment Complaints and Appeals Regulation and double click.

Most public libraries are on line and can provide you with access to the Queen's Printer website to view the act or regulation.



For further information:
www.gov.ab.ca/ma
or
Assessment Services Branch
(780) 422-1377

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