



Town of Nipawin
2019 Municipal Property Tax Policy

Introduction

Property tax is an important revenue source for the Town of Nipawin and funds both operational and capital needs for general operations (all operations of the Town except for the utility operations, which are solely funded through utility billings and revenues as mandated by the Province of Saskatchewan). Each year, the Town of Nipawin sets the municipal property tax rates using municipal tax tools available as legislated by the Province of Saskatchewan. The property tax tools used include the municipal mill rate, mill rate factor, and base tax. Below is an overview of the property tax rates for the Town of Nipawin.

Property Assessment

Each year, the Saskatchewan Assessment Management Agency (SAMA) provides the assessment values to the Town of Nipawin for all properties within the municipal boundaries. The assessment values are provided in the spring and entered into the taxation database. Any properties with assessment value changes are mailed an assessment notice with information on how to appeal the assessment value if it is believed an error has been made. The opening of the assessment roll is also advertised in the local newspaper and The Saskatchewan Gazette.

Every four years, the province of Saskatchewan has a revaluation year, which brings property assessment values up to their calculated value as of a certain date. 2017 was a revaluation year for the province and brought assessed property values up to their calculated value as of January 1, 2015. The next revaluation year will be 2021 and will bring property values to their calculated value as of January 1, 2019.

Different classes of properties have different percentages of value (percentage of the assessed value that is taxable). The percentages of value are established by the Province of Saskatchewan. The percentages of value for the main tax classes found in the Town of Nipawin are:

- Commercial – 100%
- Residential (including multi-residential & condominium) – 80%
- Agricultural – 55%

Once the assessment roll is open, values can be viewed online on SAMAView (www.sama.sk.ca). This allows for a property owner to compare their property's assessed values with other properties in the municipality. The assessment roll is also available for viewing at the Town Office while the roll is open.

Tax Tools – Base Tax

Base tax is a tax that is levied on each property according to its taxation class (for example: commercial, residential, or agricultural) and if it is a vacant property or an improved property (has taxable structures on the property).

The 2019 base tax rates are as follows:

| Property Class | Vacant | Improved |
|----------------|------------|------------|
| Commercial | \$1,566.50 | \$2,089.00 |
| Residential | \$963.00 | \$1,284.00 |
| Agricultural | \$642.00 | \$1,284.00 |

Tax Tools – Mill Rate & Mill Rate Factor

The mill rate and mill rate factors are set by Council each year. The mill rate tax is calculated for each property as follows:

Assessed Value / 1,000 X Percentage of Value X Mill Rate X Mill Rate Factor = Municipal Mill Rate Property Tax

The mill rate is one uniform rate for all properties. In 2019, the mill rate is **6.40 mills**. Mill rate factors are then used to assign a higher or lower mill rate property tax to different classes of properties. The mill rate factors in 2019 are as follows:

| Property Class | Mill Rate Factor |
|----------------|------------------|
| Commercial | 3.19 |
| Residential | 0.87 |
| Agricultural | 0.76 |

The mill rate property tax is then added to the base tax to equal the total municipal tax levy.

In 2019, commercial properties in the Town of Nipawin saw on average a drop in assessed value of 27% due to an Assessment Appeals Board decision in 2017. In order to keep the same percentage of tax revenue being generated from each tax class, the commercial mill rate factor increased.

Local Improvement Levies

Local improvement levies have been used for pavement projects in the Town of Nipawin. There are currently no local improvement levies in place.

Education Mill Rate Property Tax

Each year, the Province of Saskatchewan sets the education mill rate for each property tax class. The Town of Nipawin is legislated to levy and collect this tax. All education property tax collected is remitted monthly to the Province of Saskatchewan. The education mill rate property tax is calculated as follows:

Assessed Value / 1,000 X Percentage of Value X Education Mill Rate = Education Mill Rate Property Tax

Please visit www.saskatchewan.ca for current education mill rates.

Property Tax Notice

Property taxes are levied in June of each year and payment is due by July 31st. The property tax notice includes the base tax, municipal mill rate tax, any applicable local improvement levies, and the education mill rate property tax. The property tax notice is mailed in June.

Penalties

Penalties on unpaid taxes will be added at the following rates on the dates indicated below.

Current Property Taxes Owing:

| Month | Rate |
|---------------------------|------|
| August 1 st | 1% |
| September 1 st | 1% |
| October 1 st | 1% |
| November 1 st | 1% |
| December 1 st | 1% |

Arrears Property Taxes Owing:

| Month | Rate |
|--------------------------|------|
| January 1 st | 5.6% |
| February 1 st | 0.7% |
| March 1 st | 0.7% |
| April 1 st | 0.7% |
| May 1 st | 0.7% |
| June 1 st | 5.6% |

Property Tax Discounts

Property tax discounts are offered on the municipal base tax and municipal mill rate tax. Discounts are not offered on local improvement levies or on education mill rate property tax (as legislated by the Province of Saskatchewan). The discount rates in 2019 are as follows:

| Month | Discount Rate |
|----------|---------------|
| January | 3.45% |
| February | 2.95% |
| March | 2.45% |

Contacts

The following offices can be contacted for more information about assessment and property taxation.

Town of Nipawin

Phone: 306.862.9866

Website: www.nipawin.com

Saskatchewan Assessment Management Agency (SAMA)

Assessment Questions Only

Phone: 1.800.216.4427 (Melfort Office)

Website: www.sama.sk.ca

Province of Saskatchewan – Education Property Tax Questions

Phone: 306.787.2653 (Ministry of Government Relations) ~ www.saskatchewan.ca