

DEALING WITH AN INAPPROPRIATE ASSESSMENT

It is now too late to appeal the assessment used for your 2009 taxes, **but not for 2010**. You will recall that, if your assessment (**CVA**) **as at Jan 1, 2008** increased, that increase is being phased in equally over the 4 years ending in 2012, at which time a new assessment will be made.

The value to be used in 2010 can be challenged if you commence that challenge before **March 31, 2010**. To do so, you must develop a rationale as to why you believe your property has been overvalued as at Jan 1, 2008, and therefore the phased-in value to be used in 2010 is not appropriate. It is all about that Jan 1, 2008 value – **NOT** what may have transpired since. You then submit a “Request for Reconsideration”(RfR) to the Municipal Property Assessment Corporation (MPAC).

Appendix A provides some guidance as to how to mount that challenge.

It is important to realize that only about 3% of property owners take the trouble to submit an RfR and that a high percentage of these are successful. So if you feel you can make a good case, it is a worthwhile procedure.

If your request for reconsideration is unsuccessful or has a less than satisfactory result, you can then formally appeal your assessment at the provincial government run Assessment Review Board (ARB). Appendix B provides some guidance as to how to handle your appeal.

Important Dates:

Jan 1, 2008 - effective date of Assessed Value (CVA) to be challenged

March 31, 2010 – date before which you must request reconsideration

Challenging Your Assessment by RfR

How MPAC assesses properties

MPAC's job is to accurately value and classify all properties in Ontario in compliance with the Assessment Act and related regulations.

To establish your property's assessed value, MPAC analyzes property sales in your community to determine the Current Value Assessment. This method is used by most assessment jurisdictions in Canada and throughout the world. When assessing a residential property, MPAC looks at all of the key features that affect market value.

Five major factors that account for 85% of the value:

1. location; (e.g. waterfront, neighbourhood)
2. lot dimensions;
3. living area;
4. age of the property, adjusted for any major renovations or additions; and
5. quality of construction.

Examples of some other features that may affect value include:

- finished basements;
- garages;
- pools;
- fireplaces;
- number of bathrooms; and
- the type of heating and air conditioning.

Site features can also increase or decrease the assessed value of your property, such as:

- traffic patterns;
- being situated on a corner lot; and
- proximity to a golf course, hydro corridor, railway or green space
- features uniquely relevant to waterfront property values (e.g. topography, beach, view, weeds, facing direction).

What to do if you have questions about your property's assessed value

Step 1 - Review your Property Assessment Notice

To make sure that it contains the most up-to-date information about your property. Ask yourself this question – could you have sold your property for its assessed value on the valuation date listed on your Property Assessment Notice? If you think NO; there are further steps you can take to have your concerns addressed.

Step 2 - Review the value of properties similar to yours

To help you determine its reasonability, compare your assessment to similar sold and unsold properties in your area. You can obtain information about your property and information on up to 24 additional properties of your choice and up to six selected by MPAC, free of charge.

How to do it :

A. By Internet:

If you have internet access, visit AboutMyProperty™ on the MPAC website www.mpac.ca.

Enter your personalized User ID and Password for AboutMyProperty™ included on your Notice in the bottom right hand corner and follow the instructions to register and obtain the information.

The first screen will be the **Your Property Profile** report which provides you with detailed property assessment information for your property. For residential properties this includes: assessment roll information, site information, recent sales information and structural information (e.g. square footage). A second page contains **Property Assessment Details**. For each measurable component of value the measurement and its value is shown. Their sum is your assessment. This may not make a lot of sense, but can be useful for detailed comparisons to other properties in your **Properties of Interest** report (see below).

You can next use the interactive map or property address search to help you compare your assessment to the assessment of similar properties in your neighbourhood. (Click on My Neighbourhood Properties of Interest in lower right corner of screen). Through the map, you can view up to 100 Property Detail Snapshots to help you make an informed choice of what is a comparable property, or a property that is most similar to your own.

The ***Properties of Interest*** report (free of charge) can then be obtained by a click after selections are made— it will be immediately emailed to you: This report compares your property with up to 24 other properties that you have selected through the map. The Properties of Interest Report will help you compare assessment information for these properties to determine whether your property's assessed value is appropriate, as for each of these 24 properties you can receive the 2 pages of information that you received for your own property.

B. Call Them:

If you do not have internet access you may call the Customer Contact Centre at 1 866 296-MPAC (6722). They are there to help you. They want to make your experience with MPAC a positive one. Please contact them with your questions or concerns. You may also request MPAC to select up to 6 properties of their choice for comparison.

C. Write Them:

MPAC
Attention: GRAD
P.O. Box 9808
Toronto ON M1S 5T9
Fax (toll-free): 1 866 297-6703

Step 3 - Ask MPAC to review your assessment through a Request for Reconsideration (RfR)

If, after reviewing comparable information, you do **not** believe or accept that your assessed value or classification is appropriate, MPAC will review it free of charge. The deadline to file your RfR is March 31, 2010.

There are two ways to file a RfR:

1. Complete a RfR form.
Forms are available at www.mpac.ca or call them and they will send you a copy. You may also choose to file your RfR electronically through AboutMyProperty™. You will be able to attach documents, pictures and reports to accompany your RfR.
2. Write a letter requesting a RfR.
In your letter, please include the 19-digit roll number on your Property Assessment Notice; your full name, address and phone number; and all the reasons why you feel your assessment is incorrect.

MPAC's mailing address is:
MPAC
P.O. Box 9808
Toronto ON M1S 5T9

Timeline for the RfR

You may request a RfR any time before March 31 of the current tax year. MPAC makes every attempt to review each request within 60 days. However, properties with unique or complex circumstances could take longer. Once the RfR is completed, MPAC will notify you of the results of the review in writing. If an adjustment needs to be made, the municipality will also be informed of the change so that your property taxes can be adjusted accordingly.

If you do not accept MPAC's conclusion, you have 90 days during which you may file an appeal (see Appendix B).

AEM 26/1/10

Appealing Your Assessment

Filing an Appeal with the Assessment Review Board (ARB)

If your RfR has been dismissed or you are dissatisfied with the reduction you may choose to file an Appeal with the ARB, an independent tribunal of the Ontario Ministry of the Attorney General.

Visit www.arb.gov.on.ca for details including a video on the procedures.

If you choose to file with the ARB, the deadline to file your Appeal is the later of March 31 of the tax year, or 90 days following the response to your RfR.

MPAC's Role at an ARB Hearing

It should be noted that during an appeal at the ARB, the onus is now on MPAC to prove that the assigned CVA is correct, whereas previously it was up to the property owner to prove MPAC wrong. This could mean that as little as one clearly appropriate comparison submitted by the property owner at the ARB hearing might carry the day. However, it is important that you are armed with accurate credible information to support your case.

MPAC will present comparable properties as evidence and will share that information with you prior to the hearing. You will also be asked to provide evidence to support your position. Ideally, you should select properties that are similar to yours (for example, neighbourhood, lot dimensions, living area, age of structure(s) and quality of construction).