

Property Taxation and Assessment

Description of the course

The purpose of this course is to provide both financial and non-financial managers with an understanding of the role of the property tax in municipal finance in Canada and the mechanics of how the property tax works. It is not intended so much for property tax specialists as for those municipal officials in other areas of local government who would benefit from a greater knowledge of how the tax works.

The emphasis of this course is on exploring current policy issues with respect to the property tax by providing a framework for analysis and then applying that framework to the tax. The course provides information on how the property tax is administered in Canadian jurisdictions. Since most provinces have websites that describe the details of property assessment and taxation and since the readings for this course provide province-by-province descriptions of the tax, the modules in this course generally provide only some examples from specific provinces to illustrate how the tax works. They do not provide a comprehensive review of each province. Students are encouraged to review the readings for more detail.

Learning Objectives

- Explain the important role of property tax in municipal finance in Canada and elsewhere
- Summarize which governments levy property taxes in Canada
- Describe the unique characteristics of the property tax
- Outline the public finance criteria used to evaluate taxes
- Analyze the economic effects of the property tax
- Describe what is included in the property tax base and what types of properties are excluded
- Explain how market value is calculated for different types of property
- Describe and evaluate other ways of determining a tax base for the property tax
- Explain how the assessment system works
- Describe the steps involved in taxing real property
- Explain how property tax rates are set in general
- Describe how property tax rates can be set to achieve different objectives
- Describe and evaluate the business occupancy tax
- Describe different measures for providing property tax relief
- Outline which types of measures are used in Canadian jurisdictions
- Describe additional property tax relief schemes that are used in the United States
- Evaluate the different measures in terms of standard principles of public finance
- Describe why property tax reform is undertaken

- Discuss the steps involved in reforming property taxes
- Evaluate the impact of property tax reform on taxpayers
- Discuss ways to cushion the impact of reform
- Describe and evaluate the use of land transfer taxes in Canada
- Describe how development charges are used in Canada and evaluate them according to public finance criteria
- Describe and evaluate land value capture taxes
- Explain how tax increment financing works in the United States and evaluate the advantages and disadvantages of such financing

Course Outline

Module 1 provides an introduction to the role of the property tax in municipal finance in Canada and elsewhere and suggests some reasons why some jurisdictions rely more on property tax revenues than others. The module summarizes by province who levies property taxes and describes the characteristics of the property tax. The first module also sets out some public finance criteria for evaluating taxes in general that will be used in subsequent modules to analyse various aspects of the tax. Finally, it reviews some of the economic effects of the property tax. (Who bears the burden? What is the impact on business location? What is the impact on land use?)

Module 2 focuses on tax assessment, and begins by describing what is included in the property tax base and then discusses how property is assessed for tax purposes. It describes market value assessment and the techniques for assessing property at market value. It looks at alternative ways to assess property that are used in other jurisdictions around the world. This module also looks at assessment administration. (Who is responsible for assessing property? What is the mechanism for appealing the assessment if owners do not agree with the assessed value?)

Module 3 describes the administration of the property tax including identification of properties, preparation of the assessment roll, setting of tax rates, issuing tax bills, collecting taxes, and enforcing tax collection. It focuses particularly on how tax rates are set and on the special tax treatment given to some properties (for example, farms and residential property) through the use of variable tax rates.

Module 4 discusses property tax relief measures. Whether or not the property tax is regressive, most jurisdictions have implemented some form of property tax relief for residential taxpayers. This relief takes the form of property tax credits, tax deferrals for seniors, exemptions, homestead exemptions, or assessment credits. This module will review the practice in each province and evaluate the use of different property tax relief schemes.

Module 5 focuses on property tax reform in different Canadian jurisdictions, in particular examining the recent reforms in Ontario and Saskatchewan. It reviews the experience with reform and then raises some policy issues. What is the rationale for property tax reform? How do you cushion the impact of reform on those who face tax increases? What lessons can we learn from the property tax reform that has been implemented in some jurisdictions?

Module 6 describes and evaluates the use of other land-based taxes in Canada. These include land transfer taxes (usually levied by provincial governments), development charges (levied by local governments in some provinces), land value capture taxes (levied at particular times in particular jurisdictions), and tax increment financing districts (not currently used in Canada but used extensively in the United States).

Required Readings

Module 1

Treff, K., & Perry, D. (2011). Property and Related Taxes. *Finances of the Nation 2011* (p 1- 24). Toronto, ON: Canadian Tax Foundation.

Youngman, J. (n.d.). *Core Module for Property Tax Curriculum* (p 1- 12). Cambridge, MA: Lincoln Institute of Land Policy.

Bird, R., & Slack, E. (1993). The Property Tax. *Urban Public Finance in Canada* (p 79- 102). Toronto, ON: John Wiley and Sons.

Kitchen, H. (2002). The Incidence and the Efficiency of Property Taxes. *Municipal Revenue and Expenditure Issues in Canada* (p 87- 99). Toronto, ON: Canadian Tax Foundation.

Slack, E. (2002, February). Municipal Finance and the Pattern of Urban Growth. *Commentary- C.D. Howe Institute* (p 158-160). Retrieved from <https://search.proquest.com/docview/216600765>

Module 2

Alberta Municipal Affairs. (2005). *Property Tax Exemptions in Alberta, a guide*. Retrieved from http://www.municipalaffairs.alberta.ca/documents/as/pte_guide_2005.pdf

Kitchen, H. (2002). The Property Tax Base. *Municipal Revenue and Expenditure Issues in Canada* (p 61- 67). Toronto, ON: Canadian Tax Foundation

California State Board of Equalization. (2017). *Homepage*. Retrieved from <http://www.boe.ca.gov/>

California State Board of Equalization. (2017). *Assessors' Handbook*. Retrieved from <http://www.boe.ca.gov/proptaxes/ahcont.htm>

Appraisal Institute of Canada. (2018) *Homepage*. Retrieved from <https://www.aicanada.ca/>

Slack, E. (2001). Alternative Approaches to Taxing Land and Real Property. *Report prepared for the World Bank* (p 201-208).

Module 3

Bird, R. (2003). A New Look at Local Business Taxes. *Tax Notes International*, 30(7), 695-711.

Kitchen, H. (2002). The Property Tax Base. *Municipal Revenue and Expenditure Issues in Canada* (p 67- 73). Toronto, ON: Canadian Tax Foundation pgs.

Slack, E. (2002). Property Tax Reform in Ontario: What Have We Learned? *Canadian Tax Journal*, 50(2), 576- 585.

Slack, E. (2003). Are Ontario Cities at a Competitive Disadvantage Compared to US Cities? A Comparison of Responsibilities and Revenues. *Report prepared for the Institute for Competitiveness and Prosperity*.

Module 4

Kitchen, H. (2002). The Incidence and the Efficiency of Property Taxes. *Municipal Revenue and Expenditure Issues in Canada* (p 98- 102). Toronto, ON: Canadian Tax Foundation pgs.

Duncombe, W., & Yinger, J. (2001). Alternative Paths to Property Tax Relief. In W. Oates (Ed.), *Property Taxation and Local Government Finance* (p 243- 293).

Additional Readings

Bish, R. (2002). *Local Government Finance Issues in the United States*.

Dal, N., & Nunes, R. (2007). Levy Limits: A Primer on Proposition 2 ½. *Massachusetts Department of Revenue*.

Module 5

Saskatchewan Ministry of Municipal Affairs. (2009, September). *A Guide to Municipal Property Tax Tools*.

Youngman, J. (1999). The Hardest Challenge for Value-Based Property Taxes Part I: Mitigating Volatility Without Sacrificing Uniformity. *State Tax Notes*.

Module 6

Slack, E. (2002, February). Municipal Finance and the Patterns of Urban Growth. *C.D. Howe Institute Commentary*, 160, 14-21.

Government of British Columbia. (n.d.). *Local Governments*. Retrieved from <https://www2.gov.bc.ca/gov/content/governments/local-governments>

Slack, E., & Bird, R. (1991). Financing Urban Growth Through Development Charges. *Canadian Tax Journal*, 39(5), 1288-1304.

Graded Assignments

Discussion Boards:

Grade Value: 5%

Students are required to participate in all 6 online discussions. Each online discussion will consist of an initial posting on the discussion topic and response postings (comments) either in response to a classmate's posting or as an augmentation of your initial posting. Students will have approximately one week to meet the requirements of each discussion board. Focused online discussions allow students to express their understanding of information that is covered in each of the modules, to discuss that information with classmates and their instructor, and to integrate the results of those discussions into their own learning.

Essay 1:

Grade Value: 15%

Requirements: 1000 words, double spaced and 12 pt font

Essay 2:

Grade Value: 20%

Requirements: 1000 - 1200 words, double spaced and 12 pt font

Final Assignment:

Grade Value: 35%

The final assignment is cumulative. Students are given one week to complete the assignment.

Evaluation Criteria

Essays

Essays in all courses are evaluated according to the following criteria:

Thesis (Grade Weight = 20%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none">• Thesis is clearly stated, creative, original and insightful• Presents a Point of View (POV) based on a critical analysis of factual evidence and relevant theory	<ul style="list-style-type: none">• Thesis is clearly stated and insightful• Presents a POV based on an assessment of factual evidence and may refer to relevant theory	<ul style="list-style-type: none">• Thesis is lacking in clarity and precision• Presents a POV based on a limited assessment of factual evidence and on common knowledge, generalizations and some theory	<ul style="list-style-type: none">• Thesis is poorly stated, ambiguous or absent• Fails to present a POV or presents a POV that is not based on analysis of factual evidence relevant theory or any other viable form of support

Background and Course Content (Grade Weight = 20%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none"> • Elaboration of the thesis is concise, focused explicitly situated (relevant to the community of learners and practitioners), contextualized (related to real life scenarios for practitioners) and draws on the student’s personal experiences 	<ul style="list-style-type: none"> • Elaboration of the thesis is clear and somewhat situated and contextualized • The essay contains some background information that is not central to the thesis so the focus on the thesis sometimes waivers 	<ul style="list-style-type: none"> • Elaboration of the thesis is somewhat clear, but too much time is given to contextualizing and situating the thesis • The extra emphasis on the background and context tends to draw the focus of the essay away from the central thesis 	<ul style="list-style-type: none"> • The thesis is neither situated nor contextualized in terms of practical professional experiences and/or situations • Focus on the thesis is poor or absent

Research, Supporting Data and Analysis (Grade Weight = 25%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none"> • Demonstrates a clear grasp of the complexity of the issues arising from the thesis • Refers to a full range of relevant current resources (course materials, external sources), and contemporary research findings • Uses relevant data, analyses and conclusions to conduct a thoroughly and objective examination of the validity of the thesis • Includes a critical analysis of the sources used 	<ul style="list-style-type: none"> • Demonstrates an understanding of the central issues arising from the thesis • Refers to current sources, including contemporary research findings • Draws on related analyses and conclusions that support the thesis • Uses a somewhat uncritical analysis of this information to examine the validity of the thesis 	<ul style="list-style-type: none"> • Demonstrates an appreciation for some of the issues arising from the thesis • Refers to current sources, research, opinions, and observations that support the thesis • The resources, evidence, and analyses used are somewhat limited in scope • Information is used in an uncritical way to examine the validity of the thesis 	<ul style="list-style-type: none"> • Fails to indicate an appreciation or understanding of issues that arise from the thesis • Makes limited or no reference to current sources, contemporary research or other forms of factual evidence, opinions or analyses to support the thesis • Does not use the information that is presented to assess the validity of the thesis

Conclusions (Grade Weight = 15%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none"> • Conclusions are clear, creative and insightful • Contain a clear, cogent reiteration of and support for the central points of the thesis • Thorough careful analysis confirms the superiority of this POV over other POVs. • The conclusions are based on arguments that are developed throughout the essay and offer a convincing defense of thesis and a compelling, insightful closure 	<ul style="list-style-type: none"> • Conclusions are clear and valid • Contain a cogent reiteration of the central points of the thesis • A careful analysis tends to support the superiority of this POV over a competing POV • The conclusions support the main hypothesis of the essay and provide a convincing sense of closure 	<ul style="list-style-type: none"> • Conclusions are offered but in a disorganized way • The central points of the thesis are reiterated • Analysis supports the thesis but little consideration is given to other POVs. • The thesis defense is somewhat successful but there is only a limited sense of closure 	<ul style="list-style-type: none"> • Conclusions are vague or absent • There is little or no reiteration of the central points of the thesis • Analysis is weak and offers limited support for the thesis and does not consider alternative POVs • Fails to defend the thesis adequately and provides no sense of closure

Writing Style and Essay Structure (Grade Weight = 10%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none"> • Essay is very well organized • Central ideas are presented very clearly, cogently and effectively • Thesis is insightful and creative and functions as a unifying factor throughout the paper • There is a critical analysis and integration of ideas throughout the paper 	<ul style="list-style-type: none"> • Essay is well organized • Central ideas are presented clearly, and effectively • Thesis is sound and imaginative and is referred back to frequently throughout the paper • Paper is analytical and relationships between ideas are clearly developed 	<ul style="list-style-type: none"> • Some parts of the essay are less well organized • Central ideas are fairly clear, but could be presented more effectively and consistently • Thesis is generally sound but utilized inconsistently as a unifying factor in the paper • Paper presents some analysis and integration of ideas 	<ul style="list-style-type: none"> • Essay lacks organization • Central ideas are unclear and poorly presented • Thesis is unclear and lacking in insight, creativity and soundness • Paper is neither analytical nor integrative

Grammar and Mechanics (Grade Weight = 10%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
<ul style="list-style-type: none"> • All sources are cited accurately • Minimal spelling, punctuation, and grammatical errors • Essay submitted on time (or delayed, with instructor permission) 	<ul style="list-style-type: none"> • Most sources are cited correctly • A few spelling, punctuation, and grammatical errors • Essay submitted late (marks deducted at instructor's discretion) 	<ul style="list-style-type: none"> • Some sources are cited incorrectly or inappropriately • Some spelling, punctuation, and grammatical errors • Essay submitted late (marks deducted at instructors discretion) 	<ul style="list-style-type: none"> • Sources not cited or cited incorrectly or inappropriately • Excessive spelling, punctuation, and grammatical errors • Essay submitted very late

Thesis	(Grade Weight = 20%)
Background and Course Content	(Grade Weight = 20%)
Research, Supporting Data and Analysis	(Grade Weight = 25%)
Conclusions	(Grade Weight = 15%)
Writing Style and Essay Structure	(Grade Weight = 10%)
Grammar and Mechanics	(Grade Weight = 10%)

Discussion Boards

Discussion Postings (includes initial and response postings) in all courses are evaluated according to the following criteria:

1. Demonstrates an understanding of a course concept. This applies to your initial and response posts, and includes the following elements:

- Are your posts relevant to the assigned topic and question?
- Do your posts demonstrate accurate understanding of course material?
- Does the subject field convey the essence of your post (in less than 10 words)?

Important Note for Quality Posts: While your posts will often draw on past experiences and informed opinions, the most successful posts will support personal opinions with reference to the course material.

2. Advances the discussion by adding new knowledge. This applies to your response posts, in which you should try to broaden the perspective presented in another post by building on their ideas or pushing those ideas in a new direction. Some possible ways to do this are:

- Apply references to course material/theoretical concepts.
- Provide a comparable example from your own work experience thereby extending the original idea, but with a new 'twist'.
- Provide a counter-example based on personal experiences that refute or weaken the position taken by the initial author (e.g. I hear you say this...., but my experience suggests this...)
- Apply a related concept from the course that the initial post did not refer to.
- Apply a related example from current events or some other resource.

Basic Requirements for Course Assignments

File Types: assignments must be submitted on the Course Site in MS Word .doc, .docx, or in .rft format. (These file types can be opened in Brightspace and receive comments; other formats such as .wpd cannot).

All assignments should be in 12 Times New Roman (TNR) font, double-spaced with a 1" margin on each side. Each assignment should be approximately 10 pages in length.

Each page should include the student's name and page numbers in the header or footer.

Each assignment should have a cover sheet as part of the document that has the following: course name, student's full name, instructor's name and essay title (ie. Essay Assignment #1).

Software and Technology Requirements

This course will use Brightspace learning management system for class communications, content distribution, and assessments.

Log on to: **dal.brightspace.com**

To access the course:

Username: Your College of Continuing Education username cXXXX.cce

Initial Password: Your College of Continuing Education password (it is recommended that you change this password and keep it in a safe place as we are unable to reset it at the College).

For this course, you will need a reliable and frequent access to a computer and to the Internet. You might also need a headset with a microphone or speakers and a microphone to be able to listen to online resources and conduct other activities in the course (not needed in all courses).

Brightspace supports the most common operating systems:

PC: Windows 8, Windows 7, Windows Vista

Mac: Mac OS X Mavericks

Note: computers using Windows XP, Windows 8 RT and OS X 10.6 or lower are no longer supported. Also please ensure that you have the most recent Adobe program downloaded to be able to access certain types of files on Brightspace.

Technology issues are not an excuse for missing a course requirement – make sure your computer is configured correctly and address issues well in advance of deadlines.

Help Desk Information

For technology or computer issues, you should contact the Help Desk at Dalhousie University.

Phone: 902-494-2376

Toll-free: 1-800-869-3931

Email: helpdesk@dal.ca

Operating Hours

Fall & Winter Hours

08:00am - 12:00am Monday - Friday

10:00am - 12:00am Saturday - Sunday

Summer Hours (May – Aug)

08:00am - 09:00pm Monday - Friday

08:00am - 06:00pm Friday
10:00am - 06:00pm Saturday – Sunday

You will find tutorials online under ‘Student Supports’ that will familiarize you with various aspects of Brightspace.

For issues related to course content and requirements, please contact your instructor.

Student Instructor Interaction

Instructors are committed to providing a learning experience through thoughtful planning, implementation and assessment of course activities. They are committed to being readily available to students throughout the course by:

1. Replying to emails within 24-48 hours.
2. Returning graded course work with feedback within 7-10 days of each assignment due date.

Brightspace and Privacy

While connected to Dalhousie University’s Learning Management System (Brightspace), students may be tracked for their use of the features and tools. For the life of the online course/program, all administrators and instructors with access to the course can request full or partial reports of tracked data for any student(s). Instructors may use tracked information to help determine grades—specifically date stamps on discussion postings and assignment file uploads are used to determine if activities were completed by a specific deadline, and to calculate late penalties if applicable.

Aggregate class and data is used by administrators to study usability, access, and pedagogical issues in the online learning environment.

Brightspace tracks each student’s use of all course tools and features, including:

- Entry time into each tool and feature
- Exit time from each tool and feature
- Time spent in each tool and feature per session
- Time spent in each tool and feature during the entire course
- Total time in Brightspace
- Number of Brightspace sessions
- Discussion messages read
- Discussion messages posted
- Mail messages read
- Mail messages sent
- Calendar entries viewed
- Calendar entries added
- Assignments read
- Assignments submitted
- Content files viewed
- Web links viewed
- Media library collections viewed

- Media library entries viewed

Academic Integrity

The commitment of the College of Continuing Education is to graduate future leaders of business, government and society who manage and lead with integrity. So when you submit any work for evaluation in this course or any other, please ensure that you are familiar with your obligations under Dalhousie University's Academic Integrity Policies. Dalhousie offers many ways to learn about academic writing and presentations; so that all members of the University community may acknowledge the intellectual property of others. Knowing how to find, evaluate, select, synthesize and cite information for use in assignments is called being "information literate." Information literacy is taught by Dalhousie University Librarians in classes and through online tutorials. See guides and tutorials at http://www.dal.ca/dept/university_secretariat/academic-integrity/student-resources.html

Do not plagiarize any materials for this course. Further guidance on what constitutes plagiarism, how to avoid it, and proper methods for attributing sources, *please see* <http://plagiarism.dal.ca/Student%20Resources/>

Furthermore, the University's Senate has affirmed the right of any instructor to require that student papers be submitted in both written and computer readable format, and to submit any paper to a check such as that performed by Safe Assign anti-plagiarism software. As a student in this class, you are to keep an electronic copy of any paper you submit, and the course instructor may require you to submit that electronic copy on demand.

Diversity and Nondiscrimination

Dalhousie University is committed to maintaining a community that recognizes and values the worth and dignity of every person. The University recognizes the diversity of its students and is committed to providing a learning experience in which students are able to participate, without discrimination on grounds prohibited by the Nova Scotia Human Rights Act. In particular, the University is committed to facilitating students' access to the University's academic programs, activities, facilities and services.

The University seeks to develop and nurture diversity and encourages each individual to reach his or her own potential. Dalhousie University prohibits discrimination against any member of the university community on the basis of race, religion, color, age, gender, ethnic, national or aboriginal origin, marital status, parental status, disability, source of income, political belief and sexual orientation.

The University is obliged to make every reasonable effort short of undue hardship to take substantial, timely and meaningful measures to eliminate or reduce the discriminatory effects of the learning and community environment.

Course Evaluation

At the end of each course, you will be invited and encouraged to complete a formal course evaluation. Evaluations provide an opportunity to provide honest and anonymous feedback on

course content and instruction quality. Your feedback contributes to continuous improvement of our courses. We would appreciate hearing your thoughts and opinions on the course/program. Thank you for engaging in this process. All responses will be held in strictest confidence.

Special Needs and Accommodation

It is the student's responsibility to self-identify and make a request for accommodation. The request for accommodation must be made reasonably in advance of the course or program in relation to which accommodation is being sought so that a decision can be made. The University will consider a request for accommodation made by a third party (physician, family member, caregiver, advocate or other representative) only where the student has provided prior written consent.

A request for accommodation must include the reasons for the accommodation, supporting documentation, the accommodation being requested and suggestions as to how the accommodation can be achieved, copies of medical reports (if applicable) to substantiate the request and where the request relates to a learning disability, a report describing the nature of the disability.

Disability Statement

In an effort to create a classroom environment that maximizes the success of all students, we encourage you to make us aware of any barriers that may inhibit your learning. Please feel free to ask any time about concerns or questions you may have about assignments, activities, or examinations.

The material in this syllabus and on the course site are fully copyrighted.

© Copyright 2018

Dalhousie University College of Continuing Education

Local Government Program

1459 LeMarchant Street, Suite 2201

PO Box 15000

Halifax, Nova Scotia B3H 4R2

Tel: (902) 494-2526

Toll Free: 1-800-565-8867

Fax: (902) 494-3662

E-mail: locgovt@dal.ca

www.continuinged.dal.ca