

ASSESSMENT *Facts*

Answering your questions about assessment

Business Assessment

- Municipalities may, by bylaw, request a business assessment be made on all persons who engage in an occupation, art, profession, enterprise or livelihood for the purpose of making money for profit.
- The business tax is a tax on the occupant of a business, not on the building itself.
- Business assessments are calculated on the basis of rental value and reflect what a property would rent for on the reference date.
- Municipalities may vary the tax rate on business premises but the rate cannot exceed 15% of the assessed value. For example;

Rental value / business assessment	Tax rate	Business tax
\$6000	5%	\$300

- Exemptions from business tax are allowed for non-profit associations where there is no personal gain to its members.

Personal Property Assessment

- Personal property as defined in The Municipal Assessment Act includes goods, chattels, machinery and equipment but does not include farm produce, farm stock, farming implements, household effects, books, minerals, equipment belonging to a railway company and equipment used in aggregate mining.
- The Municipal Assessment Act directs that personal property assessments be made on gas distribution systems, spurs and railway sidings, and oil, gas, and/or salt production equipment.
- In addition, the Act permits municipalities to pass a bylaw to assess machinery and equipment such as mining equipment or equipment and machinery used in a manufacturing plant. Municipalities must specify in their bylaw the personal property to be assessed.
- Personal property is assessed at its depreciated replacement cost and is taxed at the same rate as commercial property in the municipality.