

Township of
Langley



Est. 1873

REPORT TO MAYOR AND COUNCIL

PRESENTED: APRIL 24, 2017- REGULAR AFTERNOON MEETING
FROM: FINANCE DIVISION
SUBJECT: COMPENSATION FOR OVERPAID PROPERTY TAXES DUE TO ASSESSMENT ERRORS BY BRITISH COLUMBIA ASSESSMENT

REPORT: 17-45
FILE: 1970-26

RECOMMENDATION(S):

That Council approve the refund to Horbay, Anthony and Maria for over-payment of property taxes, due to assessment errors by British Columbia Assessment over a period of three years as per Council Policy 03-834; subject to Ministry approval below.

That Council approve the refund to Meier, Robert and Costella, Lori for over-payment of property taxes, due to assessment errors by British Columbia Assessment over a period of three years as per Council Policy 03-834; subject to Ministry approval below.

That Council request permission from the Minister, under 781 of the Local Government Act, to dispose of assets including taxation revenue by writing off the taxes for the following individuals as stated below.

Taxpayers	Municipal Taxes	Other Taxing Authorities (subject to their agreement of these refunds)
Horbay, Anthony and Maria	\$752.71	\$575.73
Meier, Robert and Costella, Lori	\$110.12	\$84.81

EXECUTIVE SUMMARY:

The Township has a Council Policy (No. 03-834) which allows Council to refund property taxes overpaid due to an assessment error made by British Columbia Assessment (BCA). The Policy allows for a write-off of General Municipal taxes only, for a maximum of three years or \$100,000, subject to Ministry approval. The Township will also request a write-off from the Ministry, for property taxes collected on behalf of other governments, and then seek approval from the other governments to refund their portion of these taxes.

Owners, Anthony and Maria Horbay have requested a property tax refund for overpayment of property taxes due to assessment errors made by BCA. The error arose from a reduction in the square footage of floor area on the first and second floors.

The financial impact of the reduction in property assessment for this property is a total of \$752.71 for municipal property taxes and \$575.73 for taxes collected for other governments for the years 2013, 2014 and 2015.

Owners, Robert Meier and Lori Costella have requested a property tax refund for overpayment of property taxes due to assessment errors made by BCA. The error arose as the property was described as a single-family dwelling with a finished basement. The property is a single-family dwelling with an unfinished basement.

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The financial impact of the reduction in property assessment for this property is a total of \$110.12 for municipal property taxes and \$84.81 for taxes collected for other governments for the years 2014 and 2015. There was no change to 2013 assessed values.

PURPOSE:

The purpose of this report is to seek Council approval for a refund to an owner for overpayment of municipal property taxes, due to assessment errors made by British Columbia Assessment, as per Council Policy 03-834, subject to ministry approval.

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DISCUSSION/ANALYSIS:

British Columbia Assessment is the authority charged with the responsibility of assigning values to all properties within the Province of BC. They assign values based on a reasonable estimation of market value. The *Assessment Act* does not make any provisions for correcting errors or valuations in prior periods.

The Township has a Council Policy (No. 03-834) which allows for Council to refund property taxes overpaid due to an assessment error made by British Columbia Assessment (BCA). The Policy allows for a write-off of General Municipal taxes only, for a maximum of three years or \$100,000, subject to Ministry approval. The Township will also request a write-off from the Ministry for property taxes collected on behalf of other governments and then seek approval from the other governments to refund their portion of these taxes.

Owners, Anthony and Maria Horbay have requested a property tax refund for overpayment of property taxes due to assessment errors made by BCA in 2013, 2014 and 2015. The error arose from a reduction in the square footage of floor area on the first and second floors.

Owners, Robert Meier and Lori Costella have requested a property tax refund for overpayment of property taxes due to assessment errors made by BCA in 2014 and 2015. The error arose as the property was described as a single-family dwelling with a finished basement. The property is a single-family dwelling with an unfinished basement.

The financial impact of the reduction in property assessments for these properties is as follows:

Taxpayers	Municipal Taxes	Other Taxing Authorities (subject to their agreement of these refunds)
Horbay, Anthony and Maria	\$752.71	\$575.73
Meier, Robert and Costella, Lori	\$110.12	\$84.81

Applicable Policies:

The Township has a Council Policy No. 03-834 for writing off property taxes arising from the British Columbia Assessment (BCA) errors. British Columbia Assessment Errors – Write-off of Property Taxes Policy No.03-834 section 3.2 states the following:

“After a request from a property owner has been made and upon confirmation and acknowledgement by B.C. Assessment that an incorrect assessment of a particular property has occurred, the Municipality will, with approval from Council, provide a refund subject to Ministry Approval and under the following conditions:

- 3.2.1 *The refund will be for General Municipal taxes only*
- 3.2.2 *The refund will be for maximum period of three (3) years*
- 3.2.3 *The refund will be for a maximum of \$100,000*
- 3.2.4 *No payment will be made for interest*

The above conditions are subject to the current property owners(s) claiming the refund and demonstrating appropriate ownership of the property for the period of time that the refund is being claimed. In the event of a claim being made on a property held by a company, evidence must be submitted to the satisfaction of the Director of Finance demonstrating that ownership of the company has not changed.”

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Respectfully submitted,

Darlene Foxgord
MANAGER REVENUE AND TAX COLLECTION
For FINANCE