

Province's property assessments could spike

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THE TELEGRAM

Some homeowners in this province could see a big jump in their property assessments when the reviews come out this fall.

Sean Martin, executive director of the province's Municipal Assessment Agency, said Friday his offices preliminary work is showing an increase in property values for most areas of the province.

The size of the hike depends on the location.

"In some areas, increases may be 25 per cent," he says. "In other areas, it may be two per cent. We're still looking at those numbers and seeing what the increases are going to be. There's no doubt in some areas, values are up."

Martin's agency does assessments for cities and towns that charge property tax — excluding St. John's, which has its own assessment division.

Done on a three-year cycle, the appraisals are being based on home values from January 2008, when, according to recent remarks by an economist with the Canadian Real Estate Association, the provincial market was coming off a peak quarter.

Property owners will be taxed on the forthcoming assessments from 2010 to 2012.

While Martin offered some indication of what people across the province might see, the manager of assessments for the City of St. John's preferred not to make a prediction.

Ron Cadigan said it wouldn't be fair to speculate about what capital city property owners might find when they open their assessments.

"Probably in August we'll be in a better position to say, 'Yeah, well it looks like property values are going up X per cent overall,'" he said, noting values aren't finalized until the latter part of the cycle.

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Increases may not mean bigger bills: Letto

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The last round of property assessments was based on the hot market of January 2005.

That review saw the taxable value of the provincial assessment roll — excluding St. John's — climb 17 per cent and property values in the capital city shoot up an average of 22 per cent.

The increases prompted many places to lower mill rates, which proves the point made by the president of Municipalities Newfoundland and Labrador Friday when he was contacted about the possibility of property values going up this year.

Graham Letto said assessment increases are always a concern, but it doesn't necessarily mean people will pay more.

The evaluations, he noted, are only one factor municipal governments use to determine taxation.

"There's one thing for property values to increase or decrease, but councils can still control the revenues," Letto said.

Martin said his office will release its assessments on the first Friday in October.

Cadigan and staff are shooting for the end of September. There is an appeal process in place for property owners who disagree with their evaluation.

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