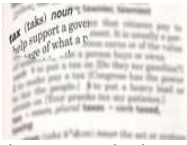


# Understanding Property Taxes



Each year, the Municipality, BC Assessment, Regional Library, Regional District, School District, & Regional Hospital require revenue for the services they provide to the residents of Kelowna.

Each public agency with taxing authority sets a budget for the amount of tax revenue it requires. Tax rates vary among property classifications and are calculated by dividing the budget needs of the agency by its assessment base.

The appropriate tax rate is then applied to individual property assessments, and the tax levy is calculated.

## Formula

- Your Property taxes are based on this formula:

$$\begin{array}{|c|} \hline \text{Assessed} \\ \text{Property} \\ \text{Value} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Property} \\ \text{Tax} \\ \text{Rate} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Property} \\ \text{Tax} \\ \text{Bill} \\ \hline \end{array}$$

## Assessed Property Value

- The value of property for tax purposes is determined by [BC Assessment Authority](#) which is established under provincial legislation and is independent of the municipality.
- Your assessment notice is mailed out annually on December 31<sup>st</sup>.
- You can not appeal your taxes, but you can appeal your assessment. Review BC Assessment's [Appeal Process](#) for deadlines and details.
- For more information on your assessment, contact the BC Assessment Office at 250 763-8300 or by email at [okanagan@bcassessment.ca](mailto:okanagan@bcassessment.ca).

## Property Tax Rate

- The [property tax rate](#) is the sum of each taxing authority's levy.

### School Tax Rate

- School tax rates applicable to residential properties are set by the provincial government.
- Residential school taxes are based in part on the number of residences, as well as the total assessed value of residential property in the province, creating a different tax rate in each school district.
- School tax rates applicable to non-residential properties are also set by the provincial government. The rates vary by property classification, but are uniform throughout the province within each non-residential property class.
- [Frequently Asked School Tax Questions](#)
- [BC Ministry of Finance](#) Phone: 1-800-663-7867 or 250 356-0907

### Municipal Tax Rate

- Municipal property tax rate is set by the City of Kelowna.
- The revenue from these taxes is used for public services such as police and fire protection, street lighting, road and drainage maintenance, as well as operating regional parks and recreational facilities.
- Municipal tax rate is set in correspondence to the tax year's municipal budget.
- To learn more about the 2011 Budget and where your property tax money is going, visit [kelowna.ca/budget](http://kelowna.ca/budget)

### Regional Library Tax Rate

- Library tax rate is set by the Okanagan Regional Library.
- Okanagan Regional Library is funded through a variety of sources, with the greatest amount (86%<sup>in 2009</sup>) coming from local taxation in the form of property taxes from municipalities and regional districts in the ORL region.
- View Okanagan Regional Library's [taxation information](#) by area.
- [Okanagan Regional Library](#) Phone: 250 860-4033

### Regional District Tax Rate

- Regional District tax rate is set by the Regional District of the Central Okanagan to raise revenue for budget needs.
- Tax revenues are used to fund a wide range of regional services of benefit to everyone within the boundaries of the region, such as dog control, regional parks, 911 services and recycling.
- [Regional District of the Central Okanagan](#) Phone: 250 763-4918

### BC Assessment Authority Rate

- BC Assessment property tax rate is set by BC Assessment Authority who is an independent, provincial Crown corporation, governed by a Board of Directors.
- The revenue from these taxes is used to produce independent, uniform and efficient property assessments on an annual basis to:
  - tax authorities
  - property owners
  - municipal, provincial and federal government agencies
  - realtors, appraisers, lawyers, bankers, title search companies
  - other private and public agencies
- [BC Assessment Office](#) Phone: 250 763-8300

### Hospital Tax Rate

- The Hospital tax rate is set by the Central Okanagan Regional Hospital District (CORHD).
- The Hospital tax rate raises revenue to repay the costs of major capital expenditures such as hospital construction and acquisition of medical equipment.
- Ratepayers contribute 40% <sup>(2010)</sup> of the funds for approved Interior Health Authority Capital projects and equipment. 2010 funding includes debt payments and financing for the construction of the new Ambulatory Care Building and the Interior Heart and Surgical Centre at Kelowna General Hospital.
- For additional information please phone: 250 763-4918

### Sterile Insect Release Program (SIR) Tax Rate

- The SIR tax rate is a bylaw pursuant to Section 200 of the *Community Charter* to impose and levy upon the owners of land or real property within the City of Kelowna being served by the Sterile Insect Release Program. The program consists of two separate levies.
- This first levy is based on the assessed value of the land and a tax rate for each class of property. This rate is provided by the Central Okanagan Regional District and applied to all property tax rolls within the City of Kelowna.
- The second levy is a parcel tax applicable to all properties that are 0.30 acres or more and contain 20 or more coding moth host trees (apple, pear, crab apple, and quince). The 2010 charge is \$139.26 per assessed acre.
- Effective 2011, [Bylaw No. 10519](#)
- Sterile Insect Release Program Phone: 250 763-4918

### Local Services Taxes-Bylaw



- Your tax notice may also include local services taxes such as:

#### Sewer Parcel


- Annual charge upon the owners of the land or real property within the City of Kelowna capable of being served by the City's sewer system.
- Effective 2009, [Bylaw No. 8924](#), Sewer Parcel Tax is no longer in place.

#### Sewer User Charge


- A Sewer Usage charge will be added to property taxes for properties that are outside of City of Kelowna utility boundaries, and are part of an irrigation district.
- Irrigation Districts include:
  - Black Mountain
  - Glenmore/Ellison
  - Lakeview
  - McKinley Landing
  - Rutland Waterworks
  - Southeast Kelowna
  - Westbank
- Properties within City of Kelowna utility boundaries are charged sewer usage on their City of Kelowna Utility Bill.

- Effective 2011, [Sewerage System User Bylaw No. 3480](#) 
- For City of Kelowna utility boundaries refer to [Kelowna Water Providers Map](#) 





### **Sidewalk, Boulevard Upgrade**

- Sidewalk charges are considered part of the City of Kelowna's Local Improvement Projects (LIP).
- All projects must go through an approval process, as well as a public meeting before they are started.
- A cash commutation is offered to payout the charge.
- If commutation is not accepted by the owner, it is added to property taxes to be paid over several years. (Normally 20 years)
- Owners may payout the charge in future years based on the number of years still outstanding. Payment must be made by March 31<sup>st</sup> to avoid charge on the current year's property taxes.
- All Local Improvement Projects must follow [City of Kelowna Policy 05](#) 




### **Water Parcel**

- Water Parcel tax is levied each year on each parcel of land within the City of Kelowna capable of being served by the City's water system.
- The parcel tax is levied each year on each parcel of land aforementioned, and the amount of such Parcel Tax is Fifty Dollars (\$50.00).
- Effective 2002, [Water Service Parcel Tax Bylaw No. 8923](#) 




### **Garbage/Landfill/Recycle**

- This is an annual charge for weekly [residential garbage collection](#) 
- 2011 basic charge is \$176.82 per suite.
- Additional charges may be added to tax roll for [cart upgrades](#) 
- Effective 2010, [Solid Waste Management Bylaw No. 10106](#) 
- For more information on waste management contact, [Regional Waste Reduction Office](#)  at 250 469-6250.

### **Downtown Business Improvement (DKA)**

- Charge implemented to establish a local area service for the purposes of annually funding DKA's improvement area.
- Under the current bylaw Council approves DKA's annual budget request to a maximum amount of \$679,000 per annum.
- The DKA tax rate is levied annually on all taxable land and improvements on Class 5 or 6 properties located within the designated [DKA Business Improvement Area](#). 
- Current [Bylaw No. 10010](#)  is to fund DKA for a period of 5 years, 2009 to 2013.
- Learn more about the [Downtown Kelowna Association](#)  Phone: 250 862-3515.

### **Uptown Rutland Business Association (URBA) Tax Rate**

- Charge implemented to establish a local area service for the purposes of annually funding the URBA's improvement area.
- Under the current bylaw Council approves URBA's annual budget request to a maximum amount of \$148,000 per annum.
- The URBA tax rate is levied annually against all taxable land and improvements within the designated [URBA Business Improvement Area](#). 
- Current [Bylaw No. 9813](#)  is to fund URBA for a period of 5 years, 2008 to 2012
- Learn more about the [Uptown Rutland Business Association](#)  Phone: 250 451-9861