

# Nova Scotia Woodlot Owners and Operators Association

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Western Woodlot Conference

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# 2018 Assessment by the Numbers



**\$ 106.6 Billion** in Assessed Value in Nova Scotia

**50** Municipalities in Nova Scotia

**623,799** Properties in Nova Scotia

**589,664** Residential Properties

**328,463** Residential Properties with a Capped Assessment

**34,135** Commercial Properties

## Activity for 2018 Assessments

<b>40,238</b>	<b>14,418</b>
Sale Transactions	Permit Reviews
<b>28,729</b>	<b>9,207</b>
Client Inquiries	2017 Appeals

**In 2017...**

**\$14,000**

raised for Make a Wish  
Foundation

## Assessed Value By Region

Region	Residential	Residential with CAP	Commercial	Total
South (I)	\$11,626,651,700	\$10,723,268,600	\$2,708,655,700	\$14,335,307,400
Central (II)	\$57,655,058,400	\$52,487,468,900	\$17,093,889,100	\$74,748,947,500
East (III)	\$13,441,744,100	\$11,609,090,200	\$4,115,494,300	\$17,557,238,400
Provincial Total	\$82,723,454,200	\$74,819,827,700	\$23,918,039,100	\$106,641,493,300

Map can be found at the end of the media kit

# Assessment Act: Classifications

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- 26 (1) All assessments shall be designated as being residential property, commercial property or resource property, or partly one and partly another.
- Interpretation:
  - 2 (s) “resource property” means
    - (i) farm property,
    - (ia) aquaculture property,
    - (ib) conservation property,
    - (ii) forest property owned by a person who owns less than fifty thousand acres of forest property in the Province,
      - 2 (h) “forest property” means any lot of land, excluding any buildings or structures thereon, not used or intended to be used for residential or commercial or industrial purposes or any combination of such purposes;
  - 2 (d) “commercial property” means all property or part thereof except residential property and resource property, and **includes the forest property owned by a person who owns fifty thousand acres or more of forest property in the Province;**

# Resource Property Exempt from Taxation

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- Resource properties that are determined to be farm or bona fide forest according to the *Act*, are exempt from taxation.
  - **47 (1)** All forest property bona fide used or intended to be used for forestry purposes shall be exempt from taxation under this Act or any other public or private Act of the Legislature authorizing a tax on the assessed value of property, except as provided in the Municipal Government Act.
  - **46 (1)** All land, excluding any buildings or structures thereon, classified as farm property shall be exempt from taxation under this Act or any other public or private Act of the Legislature authorizing a tax on the assessed value of property

## Municipal Government Act - Taxation

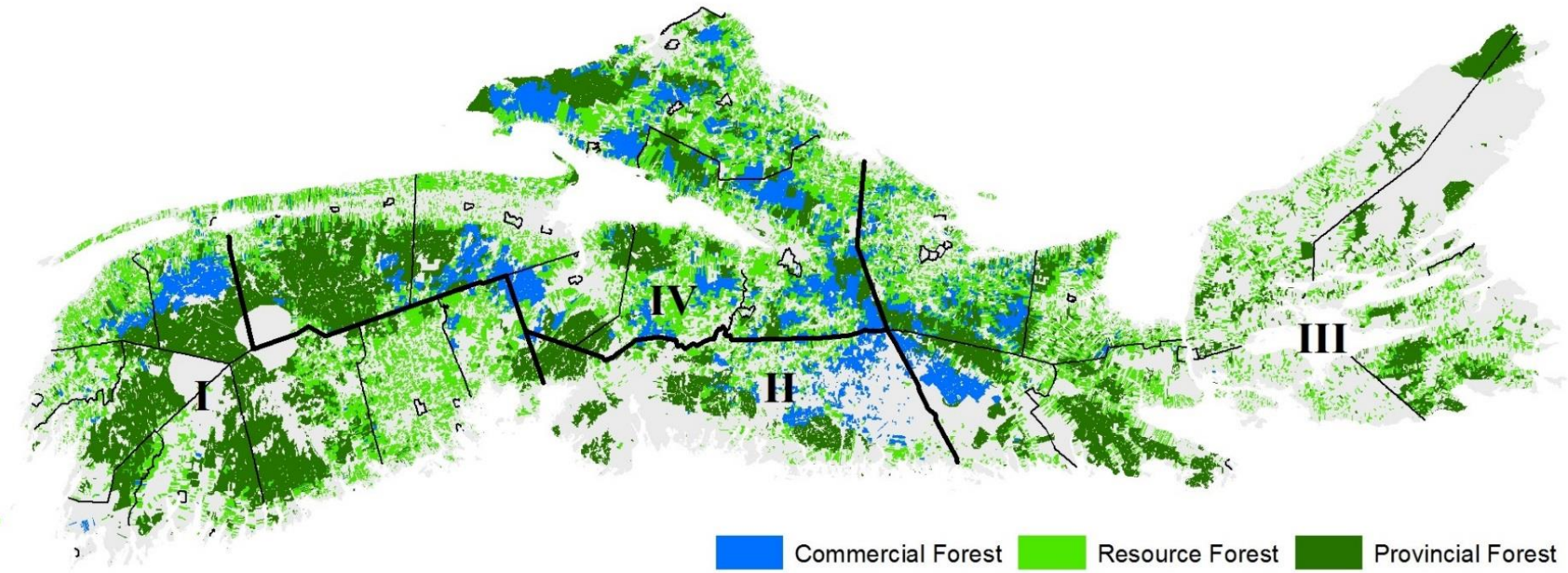
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- 78 (1) In lieu of all rates and taxes of the municipality, an owner of forest property *bona fide* used or intended to be used for forestry purposes shall annually pay a tax, to be known as a forest property tax, equal to
  - (a) twenty-five cents per acre, if the forest property is classified as resource property
  - (b) forty cents per acre, if the forest property is classified as commercial propertyand, where an area, village or commission rate is levied for fire protection, the owner is liable to pay an additional annual tax not exceeding one cent per acre, as the authority levying the area, village or commission rate determines.

## Assessment vs Appraisal

Assessment	Appraisal
Uses mass appraisal to assess all properties in Nova Scotia for the purpose of taxation (section 42 of the <i>Assessment Act</i> )	Single property appraisals can be completed at any time and are typically requested before buying or selling a property
Based on sales during a certain point in time (base date)	Can use sales from any point of time
Does not consider the future use of a property	Can take into consideration the future use of a property

# Forest Property in Nova Scotia



Commercial Forest	Resource Forest	Provincial Forest
Value*: \$478,453,000	Value*: \$1,118,839,400	Value*: \$1,330,983,400

## Valuation Process

- To determine the valuation of properties in Nova Scotia, PVSC uses mass appraisal, analyzing the market factors that would affect the value in any given area

Total Resource Property Sales - Forest (2018 Assessment Roll)	
More than \$1	Zero and \$1
950	163

- Values for the 2018 assessment roll reflect a valuation date of **January 1, 2017** (called the base date) and the physical state of the property as of **December 1, 2017** (called the state date)



# Resource Property Review Process

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- There are certain activities than generate a review of a resource property:

PVSC	Municipality
<ul style="list-style-type: none"><li>• Sale</li><li>• Subdivision of the land</li><li>• Client request or inquiry</li><li>• PVSC site visit/area review</li></ul>	<ul style="list-style-type: none"><li>• Inquiry</li><li>• Permits</li></ul>

## Guidelines – Exempt Forestry Classification

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- A forest management agreement is an indication of the practice of forestry, but a management agreement is not essential and forestry management practices can be carried out by an individual owner.
- In order for a property to be considered as forestry resource (exempt) there must be a “substantial act” of forestry activity being carried out on the property. This Includes, but is not limited to:
  - Timber harvesting and/or tree cutting
  - Renewal and/or planting
  - Construction of roads or trails
  - Blazing, signage and/or making of boundary lines
  - Wildlife management
  - Community forest
  - Regular inspections
  - Spraying, pruning and/or cutting
  - Sugar woods harvesting

## Resource Property Review – Statement of Use

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- Property owner is sent a Statement of Property Use form.
- The assessor uses the information provided on this form to determine:
  - The property classification
  - Whether a family exemption is applicable
  - Whether an exempt use has ceased

# Statement of Use



## STATEMENT OF FORESTRY USE

1. For the Assessment Account Number referenced above, is the total acreage PVSC has on record correct?

YES  NO

If no, what are the total acres?

2. Of the total acres, how many are actively used to conduct forestry practices?

If zero, please proceed to question 10.

3. Please indicated what forestry practices you are actively participating in (check all that apply):

- Timber harvesting and/or tree cutting
- Renewal and/or planting
- Construction and/or continued maintenance of roads or trails
- Blazing, signage and/or making of boundary lines
- Wildlife management
- Regular inspections of the property
- Spraying, pruning and/or cutting
- Sugar woods harvesting
- Other – please specify:

Please provide details and evidence regarding any of the forestry activities you checked.  
(Example: documentation of recent activities, schedule of planned activities, number of acres timber has been harvested, etc.)

# Statement of Use



4. Do you belong to a woodlot management group or cooperative?

YES  NO

If yes, please provide details and contact information:

5. Do you have a current forestry/woodlot management plan?

YES  NO

If yes, please attach a copy or provide the pages that indicate the name, plan number and expiry date.  
If no, please proceed to question 7.

6. Have you implemented the recommendations of the woodlot management plan?

YES  NO

If no, please explain why not, or provide evidence of why you were not able to implement the recommendations:

7. The objective of my forestry activity is for (check all that apply):

Income  Recreation  Personal firewood  Other – please specify

Please indicate what you do for each:

# Statement of Use



8. Have you harvested timber commercially from this property?

YES  NO

9. Do you plan to harvest timber commercially from this property?

YES  NO

If yes, what is your timeline for commercial harvesting?

10. I understand, upon investigation and determination by an assessor, should the land located at the above referenced address cease being used for forestry purposes or does not meet the criteria to qualify as forestry, the exempt status of my property will change, and pursuant to s.77(3) of the Municipal Government Act, a Change in Use Tax may be applicable.

\_\_\_\_\_  
Property Owner Signature

\_\_\_\_\_  
Date (mm/dd/yyyy)

## Change in Status

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If cessation is confirmed:

- The new value is determined (market value at time of cessation)
- A Change in Use tax amount may be applied to the new value
- Property owner and the municipality are notified
- The municipality provides a tax bill as per the MGA
- The property owner has 31 day appeal period

# Questions

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## Contact Information

Emily Wrobleski, Regional Manager

[EmilyWrobleski@pvsc.ca](mailto:EmilyWrobleski@pvsc.ca) or 902-670-0639

PVSC Service Centre

1-800-380-7775