

STAKEHOLDER PERSPECTIVES/ENGAGEMENT

- Consultations were held June through July 2016. Participants in the consultations included:
 - Provincial Ministries
 - Government Finance Officers Association (Cities)
 - Residential Property Associations
 - Agricultural Associations
 - Grain Elevator Industry
 - Oil and Gas, and Pipeline Industries
 - Railway Industries
 - Commercial/Business Sector
 - Mining and Forestry Industries
 - Local Government Associations
 - Saskatchewan Assessment Management Agency
- Consultation meeting attendees offered comments at the presentations and were invited to provide written feedback and viewpoints.
- A detailed copy of the ministry's presentation is available on the government website with contact information for stakeholders to provide any feedback. The presentation includes maps showing projected tax shifts. The link for this website is:
<http://publications.gov.sk.ca/documents/313/93311-WebPres2017.pdf>

Summary of Consultations Remarks & Submissions

Meeting Date and Sector

24-Jun-16 SAMA Board

- SARM representative noted RMs do not have property subclasses to distinguish between pasture and cultivated land; therefore, it is hard to manage the shifts.
- Chairman wondered if government should re-examine providing subclass authority for municipalities outside of cities. Need to look at overall picture in considering goals.
- SARM representative stated it was possible to harmonize agriculture and pasture, as BSE is long past.
- SARM representative felt 45 per cent for Agriculture land and 80 per cent for residential would be possible, or even 50 per cent for Agriculture land for POV.
- No expectation for government to fully cushion municipal tax shift to Agriculture land.

28-Jun-16 Provincial Ministries

- Finance feels EPT will be of interest to the ministry – when will POV decision be announced?
- Parks is looking at changing its fee structure for provincial parks and is sensitive to leaseholders. Wondering if SAMA will do valuations in parks. Have had Cabinet direction to move to an assessment and tax system for residential sector.
- Sask Housing feels the change for multi-unit residential changes will affect them and other affordable housing - higher property taxes mean higher rents.
- Sask Housing agreed recent demand for multi-unit housing pushed values up. Asked about how assessed values are calculated.
- Agriculture felt the increase in Agriculture land was not unexpected. Sector is doing well and they have been watching land values increase.
- Agriculture also felt the province needs to consider the balance between Agriculture land and value-added Agriculture industries.
- Agriculture would like to consider a review of tax tools as well.

- Eliminate POV (move all to 100 per cent). Municipalities alter the intent of POV through the use of tax tools.
- Eliminate the inequitable treatment of commercial properties when compared to other properties.
- Since the move to 100 per cent POV for agriculture may not be feasible this year, move to 100 per cent on residential.
- Implement an urban residential to commercial mill rate ratio of 1.43.
- Harmonize pasture and cultivated agriculture lands at 50 per cent POV.
- Ask that mill rates, mill rate factors, base tax and minimum tax be replaced with an effective rate of tax for each classification of property. This will increase clarity and transparency.

North Saskatoon Business Association

- Support more property classes being at 100 per cent POV with mill rate tools to be used to determine the property tax burden between classes.
- Feel commercial ratepayers face an undue tax burden when compared to other property classes.
- States municipalities are increasing mill rates at rates greater than inflation and economic growth.
- Feel local governments should work with reduced revenues and stringent operating budgets (as businesses are faced with) and this should be reflected in the POV decision.
- Goal should be to have property tax increases at less than the rate of inflation. This would make municipal government operate more effectively and efficiently.
- Would also like a two-year revaluation cycle, as they feel this would allow for timely adjustments, predictability and more accurate taxes.

Regina Chamber of Commerce

- Believes that we are missing economic opportunities because investors view the system as being complicated and not understandable.
- Want to move to a two-year cycle. Increased costs would be paid for through local increased mill rates.
- Alternative of allowing Regina and Saskatoon to be on a two-year cycle while the rest of the province remains on a four-year cycle.
- Rather than using equalization to make up for the differing cycles; cap the total tax generated in each city for EPT purposes and redistribute the tax within each community so there is no loss to government.
- Move to 100 per cent POV for all properties and then use mill rates and mill rate factors to distribute the tax burden between property types.
- Move toward a tax rate ratio of 1.43 between commercial and other properties.
- On the assumption that a move to 100 per cent POV is not possible in 2017, would like to:
 - harmonize agricultural land at 50 per cent POV,
 - increase residential to 80 per cent POV; and
 - resist offsetting energy sector reductions to offset the increases to the agriculture sector (energy sector needs our support).
- Would also like government to investigate moving toward the Alberta model of property assessment (examine if there would be any cost savings).