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YOUR RURAL PROPERTY TAXES



March 2011

Rural property is land outside cities, towns, districts and village boundaries

Your Rural Property Tax Notice

You should receive your annual property tax notice in the mail by the middle of June. If you do not receive it by then, contact your local Service BC Centre or the Surveyor of Taxes in Victoria.

Home Owner Grant

The home owner grant application is on your tax notice. To determine if you are eligible, refer to the brochure, [Home Owner Grant Program](#), included with your rural property tax notice.

When claiming your home owner grant, you must:

- apply each year as the grant is not automatic, and
- submit your completed grant application to the Surveyor of Taxes or your local Service BC Centre either with your tax payment (see next section for details) or electronically at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/forms.htm

To avoid penalty, your payment and home owner grant application must be received on, or before, July 2.

Please remember:

- if you cannot pay your taxes, please ensure you claim your home owner grant if you are eligible, and
- a penalty will be charged on unclaimed home owner grant amounts after the July 2 due date.

You can claim the home owner grant without paying taxes by applying for the grant before the due date. You can mail your home owner grant application or file electronically at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/forms.htm

How to Pay your Rural Property Taxes

Rural property taxes must be paid on, or before, July 2. If this date falls on a weekend or a holiday in British Columbia, taxes are due on the next business day.

A 5% penalty applies if your payment is late (including any unclaimed home owner grant amount). A further 5% penalty is added to any unpaid balance after October 31 of the current tax year. Payments made from outside Canada must be in Canadian funds drawn on a Canadian correspondent bank.

You can pay your rural property taxes in different ways.

BY MAIL

Send your payment to the Surveyor of Taxes, PO Box 9446 Stn Prov Govt, Victoria BC V8W 9V6. Mailed payments must be postmarked not later than July 2 to avoid the late penalty. Mail your cheque early, as some post offices do not always postmark mail on the deposit date.

IN PERSON

You can pay at most Canadian financial institutions. Be aware that financial institutions process payments received in the afternoon using the next business date. You can also pay at your local Service BC Centre or through the drop box located at 1802 Douglas Street in Victoria. We cannot accept cash payments at the drop box location.

If you are making a payment through your financial institution, submit your home owner grant application separately to the Surveyor of Taxes or your local Service BC Centre.

PC/TELEPHONE BANKING

Contact your financial institution for details. Rural Property Taxation is listed as a "payee" under one of the following: Prov BC - Rural Property Tax or BC - Rural Tax. Enter your complete 15 or 16 digit account number (without spaces or decimals) shown on your property tax notice. If you are eligible, complete and mail your home owner grant application to the Surveyor of Taxes or Service BC Centre before the due date.

CAN MY FINANCIAL INSTITUTION PAY MY TAXES?

Your financial institution can pay your taxes for you if you arrange this through your mortgage agreement. However, if the financial institution makes a payment error, you are still responsible and the resulting penalty will not be waived. You must submit your home owner grant application directly through a Service BC Centre, the Surveyor of Taxes in Victoria or electronically at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/forms.htm

HOW DO PROPERTY TAXES APPLY TO MULTIPLE OWNERS?

When you share ownership of a property, each registered owner receives a tax notice reflecting the full amount of the tax due on the property. One owner should send in a cheque for the full amount billed to avoid processing duplicate payments.

WHAT IF I AM AWAY IN MAY, JUNE AND JULY?

You can mail a post-dated cheque before the due date of July 2. You may claim the home owner grant before the due date or you may give a Power of Attorney to another person to claim the grant for you. A Power of Attorney document must accompany your grant application. A *Power of Attorney* form (**FIN 80**) is available on our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/forms.htm

CAN I PREPAY MY TAXES?

You may make one prepayment per month of \$50 or more, each month from January 1 through May 15. If you prepay your taxes (in full or in part) between January 1 and May 15, you will receive interest from the prepayment date through to June 30. Prepayment is only available if you have no unpaid taxes from previous years. When prepaying, you must apply for your home owner grant when you receive your tax notice.

CAN I DEFER MY TAXES?

You may qualify to defer the taxes on your home under one of the following two programs: the Property Tax Deferment Program or the Families with Children Property Tax Deferment Program. Please refer to our website at www.sbr.gov.bc.ca/individuals/Property_Taxes/Property_Tax_Deferment/ptd.htm for further details.

CAN FARMERS GET A TAX DUE DATE EXTENSION?

Yes, the tax due date for rural farms may be extended to October 31 if your application is approved. First-time applicants must apply on, or before, July 2. Contact your local Service BC Centre or the Surveyor of Taxes for more information.

Farmers who received the time extension in the previous year and who remain eligible do not need to reapply for the current year. A 10% penalty applies to taxes unpaid after October 31.

How is my Property Assessed?

Property taxes are levied on the market value of real property (land and buildings). BC Assessment determines this value and your property classification for tax purposes. Assessment notices are issued annually in January reflecting the property's value as of July 1 of the previous year. You can appeal your assessment but not your property taxes.

How is my Property Taxed?

Each public agency with taxing authority sets a budget for the amount of tax revenue it requires. Tax rates vary among property classifications, but most are calculated by dividing the budget needs of the authority by its assessment base. The appropriate tax rate is applied to individual property assessments and the taxes are then calculated. Tax exemptions for some categories of property – farms, for example – are calculated as part of the assessment before the tax rate is applied.

The provincial government sets school tax rates for residential and non-residential properties.

Residential school taxes historically contribute an amount equal to about 13% of public education costs. Each year, the amount of school tax on the average residence is increased by the previous year's inflation level.

Within each non-residential property class, the rates vary by property classification but are uniform throughout the province. Taxes for non-residential properties historically contribute an amount equal to about 20% of public education costs.

The provincial government sets the same rural area property tax rate throughout the province. These revenues help pay for rural area public services, such as local road maintenance.

The local service taxes shown on your tax notice raise revenues based on the budget needs set by local government bodies, such as regional districts and regional hospital districts. There may also be service levies, such as for street lighting, fire protection, operating recreational facilities,

and water and sewer systems. Your tax notice may also include local service levies calculated on a per-parcel basis or on the frontage of your property, rather than on its assessed value.

If you occupy Crown land in rural British Columbia, you are responsible for paying property taxes levied during your term of occupation. Property taxes are in addition to the rental fee charged by the Ministry of Natural Resource Operations. You must pay property taxes as a condition of your Crown lease, licence, permit, right-of-way or easement.

TAX ADJUSTMENTS

Your property taxes may be adjusted due to a supplementary assessment after the main assessment roll has been set. If an adjustment occurs, you will receive a notice of the revised taxes.

If you are expecting a **decrease** in your assessment and taxes, the original amount remains due and payable on, or before, July 2. Penalties apply to any unpaid amount. Unclaimed home owner grant amounts are included in the total when a penalty is calculated. If BC Assessment provides revised assessment information, your account is adjusted. If your taxes are reduced **after** you have paid them, a refund is automatically sent to you on amounts of \$100 or more. Credit amounts of less than \$100 remain on your account unless a refund is requested.

If you are expecting an **increase** in your assessment and taxes, you must pay the original amount on, or before, July 2 to avoid a penalty on any outstanding amount. If your taxes increase **after** you paid the original amount, you will receive a notice of revised taxes and will have 30 days to pay the increase. After 30 days, penalties apply to the additional unpaid amount.

For overpayments of \$100 or more, you will automatically receive a refund. If the overpayment is less than \$100, a credit is applied to your tax account unless you request a refund in writing. Credit balances accrue interest.

New Home Owner Information

Be aware that you become liable for all outstanding taxes when you purchase a property. If the prior owner paid the current year's taxes in full, or if you already claimed a grant on another property, then you cannot claim the home owner grant on the property in the year of purchase.

Mailing Address

If you do not receive your tax notice by the middle of June, please contact us. If you move, or if the address where your tax notice is sent changes, inform the nearest BC Assessment or land title office, your local Service BC Centre or the Surveyor of Taxes in Victoria. Failure to receive a tax notice does not prevent a penalty from being applied after July 2.

More Information

The Surveyor of Taxes

(rural property taxes, tax deferral or the home owner grant)

Ministry of Finance

PO Box 9446 Stn Prov Govt, Victoria BC V8W 9V6

Phone: 250 387-0555 in Victoria

E-mail: ruraltax@gov.bc.ca

www.sbr.gov.bc.ca/individuals/Property_Taxes/Rural_Property_Tax/rpt.htm

(also for information on manufactured homes taxation, occupied rural Crown land and rural farm land)

Enquiry BC

604 660-2421 from Vancouver, or

1 800 663-7867 from throughout British Columbia and request a transfer to 387-0555

Service BC Centres

Check the blue pages of your local telephone directory for the number.

www.servicebc.gov.bc.ca

BC Assessment

Check the white pages of your telephone book for the office located nearest to your property.

www.bcassessment.bc.ca