

FEATURE

New Brunswick releases White Paper on property tax

Homeowners will be offered a new “spike protection” mechanism against large property tax hikes, said Local Government Minister Bruce Fitch, who released the tax reform discussion document *Improving New Brunswick’s Property Tax System: A White Paper*. Homeowners will be moving back to a market-value system, and there will be a permanent exemption for the 146,000 homeowners under the two-year assessment cap until the residence is sold, when the new owner will pay the full rate. Homeowners will be given the option of paying for their property taxes monthly; the property tax freeze is being lifted, and a mechanism to limit assessment increases to no more than 10% will be in place. Another element is to reduce the amount of tax imposed on rental properties, commercial properties and second homes. Building owners have complained about passing on the extra cost to tenants, although the reforms will not force apartment building owners to do so. The White Paper also recommends reducing the rate on businesses/commercial properties and second homes; simplifying assessment processes; ensuring farmers are not seriously affected; and exempting libraries from property tax. The government says any revenue lost because of tax reductions will be covered by a doubling of the property transfer fee, estimated to generate up to \$8 million a year. Download *Improving New Brunswick’s Property Tax System: A White Paper* at www.gnb.ca/0024/index-e.asp.

Ontario’s Wolfe Island wind turbine assessment reductions total more than \$3 million

A list of property assessment reductions from MPAC since 2008 – the year before a local wind farm began operating – shows 78 significant assessment reductions, totalling some \$3 million due to wind projects. The detailed list was included in a September letter to the Huron East Council, an area that hosts Ontario’s second-largest wind farm, as evidence for the creation of bylaws to protect residents. Six of the largest residential reductions are close to turbines in the Township of Wolfe Island (Wolfe and Simcoe islands), each granted assessment reductions of more than \$100,000 from 2008 until January 2012. See MPAC’s detailed MS Excel database of some 480 local properties entitled *Wolfe Island Assessment Reductions* at www.windaction.org/news/36075.

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