

# Overview

## Timing of Reassessment

- Announcement November 4, 2021 – Ontario Economic Outlook & Fiscal review: Build Ontario
- “Enhancing Assessment Accuracy and Stability - Providing Continued Stability”
- Consider valuation issues & property tax measures in this context
- Timing of reassessment central to this discussion



# Reassessment: Values & Audit



## Assessed values

- COVID has increased volatility in real estate markets
- Volatility is best addressed by timely reassessments
- Frequent reassessments provide the best means of ensuring that assessments are based on current value and are fair and accurate

## Appeal System

- Property valuations have a subjective component, and this is the basis of many appeals
- Requirement for mass appraisal means some properties will be disadvantaged
- Appeals are the most efficient means of auditing assessments and the assessment process

# Current Situation

## 2016 Current Value Assessment

- Assessments, tax policy and appeals based on 4-year cycle
- Present assessment cycle 7 years
- Disconnect between market value and assessments
- Prompts tax policy responses & compromises audit



# Ontario 2021



## 2021 Assessment Roll

- Total value of all assessed property exceeded \$3.04 trillion
- Property assessments reflect a January 1, 2016 base date
- 261,000 office, retail, industrial, & multi-residential properties valued at \$560 billion
- \$7.3 billion of new commercial assessment in 2021 included 109 warehouses and 8 distribution centers
- More than 5.5 million properties
- Generated revenue of \$30 billion for municipalities

# NYC Fiscal Year 2023



## FY 2023 Tentative Roll

- Department of Finance is required to determine market and assessed values for all properties annually
- The tentative FY23 roll for is \$1.398 trillion - 8.2 percent over FY 22
- Values reflect market activity January 6, 2021 - January 5, 2022
- Total value of commercial property increased by 11.7% to \$300.8 billion
- Remained 7.7% below its FY21 level, down \$25.2 billion
- Value increases - 11.6% office, 11.9% retail and 5.3% hotels