



BILL NO. 40

Government Bill

*1st Session, 59th General Assembly
Nova Scotia
52 Elizabeth II, 2003*

An Act to Amend Chapter 23 of the Revised Statutes, 1989, the Assessment Act

CHAPTER 10
ACTS OF 2004

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR
MAY 20, 2004**

The Honourable Barry Barnet
Minister of Service Nova Scotia and Municipal Relations

*Halifax, Nova Scotia
Printed by Authority of the Speaker of the House of Assembly*

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**An Act to Amend Chapter 23
of the Revised Statutes, 1989,
the Assessment Act**

Be it enacted by the Governor and Assembly as follows:

1 Section 25 of Chapter 23 of the Revised Statutes, 1989, the *Assessment Act*, is amended by adding immediately after clause (b) the following clause:

(ba) where Section 45A applies to a lot or piece of assessable property, its taxable assessed value determined in accordance with that Section;

2 Subsection 42(1) of Chapter 23 is amended by adding “, subject to Section 45A,” immediately after “that” in the seventh line.

3 Chapter 23 is further amended by adding immediately after Section 45 the following heading and Section:

RESIDENTIAL AND RESOURCE PROPERTY TAXATION

45A (1) In this Section,

(a) “base year” means

(i) the 2001-02 municipal taxation year with respect to property to which this Section first applies in the 2005-06 municipal taxation year, and

(ii) the prescribed municipal taxation year with respect to property to which this Section first applies in a municipal taxation year subsequent to 2005-06,

or, where a property, or a partial interest in a property, is acquired in a later municipal taxation year, the immediately following municipal taxation year;

(b) “owner” means a beneficial owner;

(c) “prescribed” means prescribed by the regulations.

(2) This Section applies to

(a) residential property having no more than one dwelling unit on a single lot;

(b) residential property of a prescribed class; and

(c) taxable resource property of a prescribed class,

of which at least a half interest is owned by

(d) an individual or individuals ordinarily resident in the Province; or

(e) a member or members of a prescribed class of persons,

or combination thereof.

(3) For the purpose of the *Municipal Government Act* or any other enactment designated by the regulations, “assessed value”, “value of all assessable property” or any term of like meaning refers to the taxable assessed value determined pursuant to this Section.

(4) The taxable assessed value of property for any municipal taxation year is the lesser of

- (a) the assessed value; and
- (b) the total of
 - (i) the assessed value of any part of the property to which this Section does not apply,
 - (ii) the assessed value in the base year of any part of the property to which this Section applies plus the prescribed percentage of that assessed value for each successive municipal taxation year following the base year, and
 - (iii) the increase in assessed value resulting from construction not included in the base-year assessment plus the prescribed percentage of that assessed value for each successive municipal taxation year following the municipal taxation year of first assessment of the new construction.

(5) Notwithstanding subsection (1), the base year for property does not change upon transfer or devolution of the property or a partial interest in the property to, and only to, a spouse, child, grandchild, great-grandchild, parent or grandparent of an owner of the property, or a member of such other prescribed class of persons, if notice is given to the Director in the prescribed form.

(6) Property of a class not described in or prescribed for the purpose of subsection (2) that is converted to property of a class described in or prescribed for the purpose of subsection (2) is deemed, for the purpose of this Section, to have been acquired in the municipal taxation year during which it was converted, if notice is given to the Director in the prescribed form.

(7) Where an owner of a property becomes ordinarily resident in the Province and as a result this Section applies to the property, the property is deemed, for the purpose of this Section, to have been acquired in the municipal taxation year during which the owner became ordinarily resident in the Province, if notice is given to the Director in the prescribed form.

- (8) Where an owner of a property to which this Section applies
 - (a) ceases to be ordinarily resident in the Province; or
 - (b) converts the property to a class not described in or prescribed for the purpose of subsection (2),

the owner shall give notice to the Director in the prescribed form.

(9) An owner of property claiming to be ordinarily resident in the Province shall, where required by the regulations or when requested by the Director, provide to the Director or the clerk such evidence of such residence as and in such form

and within such time as the regulations or the Director, as the case may be, may require.

(10) Where an owner of property fails to comply with subsection (9) in any municipal taxation year, the owner is deemed not to be ordinarily resident in the Province in that year for the purpose of applying this Section in that year.

(11) Notwithstanding clause (b) of subsection (4), the Director may, when determining the taxable assessed value of a property for a particular municipal taxation year for the purpose of that clause, correct an error in the assessed value or in the increase in assessed value for that and subsequent municipal taxation years but, for greater certainty, nothing in this subsection affects the taxable assessed value of the property in previous municipal taxation years.

(12) The Minister shall

(a) for the municipal taxation years 2002-03, 2003-04, 2004-05 and 2005-06, before December 1, 2004;

(b) for the municipal taxation year 2006-07, before December 1, 2005;

(c) for the municipal taxation year 2007-08, before December 1, 2006,

table in the House of Assembly if the House is then sitting or, if the House is not then sitting, file with the Clerk of the House a report setting out the prescribed percentage referred to in subsection (4).

(13) The Minister shall, before April 1, 2007, review the operation of this Section and table in the House of Assembly if the House is then sitting or, if the House is not then sitting, file with the Clerk of the House a report of that review.

(14) This Section applies with respect to the 2005-06, 2006-07 and 2007-08 municipal taxation years.

4 Section 179 of Chapter 23, as amended by Chapter 3 of the Acts of 2001, is further amended by

(a) adding “(1)” immediately after the Section number;

(b) adding immediately after clause (b) the following clauses:

(ba) prescribing a municipal taxation year as a base year for the purpose of Section 45A;

(bb) prescribing classes of residential property and prescribing classes of taxable resource property to which Section 45A applies;

(bc) prescribing additional classes of persons to whom Section 45A applies and prescribing additional rules for the operation of Section 45A with respect to those classes of persons;

(bd) designating an enactment for the purpose of Section 45A;

(be) prescribing a percentage for each municipal taxation year for the purpose of calculating the taxable assessed value of a property pursuant to Section 45A;

(bf) prescribing additional classes of persons to whom property may be transferred without effecting a change in the base year for the purpose of Section 45A;

(bg) respecting proof of ordinary residence in the Province;

(bh) prescribing forms of notice for the purpose of Section 45A;

and

(c) adding the following subsections:

(2) In prescribing a class of property to which Section 45A applies, Section 45A may be made to apply to

(a) all of the property of that class except that part that is assessable property of a kind specified in the regulations; or

(b) that part of the property of that class that is assessable property of a kind specified in the regulations.

(3) Where additional classes of property to which or additional classes of persons to whom Section 45A applies are prescribed after the first municipal taxation year to which Section 45A applies, the regulations prescribing such additional classes must prescribe a base year for such classes.

5 Subsection 54(2) of Chapter 494 of the Revised Statutes, 1989, the *Vital Statistics Act*, as enacted by Chapter 29 of the Acts of 2000 and amended by Chapter 31 of the Acts of 2001, is further amended by relettering clauses (a) and (aa) as clauses (aa) and (ab) and adding the following clause:

(a) a spouse under Section 45A of the *Assessment Act*;
