



IMPORTANT NOTICE TO PROPERTY OWNERS: Land Assessment Averaging

Prior year		Current year without averaging		Current year with averaging	
Taxable value (\$)	2023 taxes (\$)	Taxable value (\$)	Est. 2024 taxes (\$)	Taxable value (\$)	Est. 2024 taxes (\$)

Sample Residential Strata (Class 1) properties

Targeted “hot” property	665,000	1,086	810,000	1,402	738,943	1,281
Property not targeted	803,000	1,311	810,000	1,402	810,000	1,404

Sample Residential Single Family (Class 1) properties

Targeted “hot” property	1,864,200	3,045	2,209,000	3,822	2,071,484	3,591
Property not targeted	2,168,000	3,541	2,209,000	3,822	2,209,000	3,829

Light Industry and Business & Other (Classes 5 & 6) properties*

Targeted “hot” property	1,000,600	5,059	1,160,000	6,628	1,059,000	6,083
Property not targeted	1,179,507	5,964	1,160,000	6,628	1,160,000	6,663

* If eligible, a property from Classes 5 and/or 6 can benefit from one of the two tax relief programs – Targeted five-year Land Assessment Averaging Program or Development Potential Relief Program (DPRP) – but not both. The above taxation impact could change depending on the number of eligible properties seeking relief under DPRP.

Since 2015, the City of Vancouver has used targeted land assessment averaging to mitigate the taxation impact arising from significant assessment volatility as recommended by the Property Tax Policy Review Commission. While averaging does not increase or reduce the City’s tax revenue, it affects the amount of taxes paid by individual property owners.

Under the targeted averaging approach, only those properties facing significant year-over-year increases in property values above a certain threshold (“hot” properties) would be considered for averaging. For eligible “hot” properties, the program calculates property taxes for the City and other taxing authorities using an average of the assessed land value for the current and prior four years, plus their current assessed improvement value, provided that this averaged value does not go below the threshold value. Non-eligible properties will pay property taxes based on their current year BC Assessment value.

The table presented shows the estimated effect of the targeted five-year averaging program on the City’s general purpose tax levy for sample properties based on the thresholds proposed for 2024 (10% above class average change), subject to City Council approval. The program requires an adjustment to the tax rates such that properties below the threshold would pay slightly higher taxes to provide tax relief for those “hot” properties above the threshold. Amounts levied by other taxing authorities such as provincial schools, TransLink, BC Assessment, and Metro Vancouver are not included in the analysis.

On March 13, 2024, Vancouver City Council will consider whether or not to use targeted five-year averaging for residential (Class 1), light industrial (Class 5) and business and other (Class 6) properties, and determine the appropriate thresholds and other program parameters for these property classes if targeted averaging is adopted.

Should Council decide to use targeted five-year averaging, a bylaw must be adopted before March 31, 2024.

The report, which details the program and how it could impact property taxes, will be posted on our website at: vancouver.ca/averaging

For more information, visit: vancouver.ca/averaging

COMMENTS?

Contact Council:

vancouver.ca/contact-council

or write to:

Mayor and Council
453 West 12th Avenue
Vancouver, BC V5Y 1V4

SPEAK TO COUNCIL:

Prior to adoption of the bylaw, you may speak in person or by phone at the Council meeting on March 13, 2024.

Visit vancouver.ca/your-government/speak-at-city-council-meetings for details on how to register as a speaker.