
ARE YOU PAYING MORE THAN YOU SHOULD?

Some municipalities may be able to reduce costs for the assessment service. How is this possible you ask? Well, prior to 1996, every municipality paid for the assessment service based on a fee of 0.02% of the total assessed value for the community. The province recovered approximately 55% of the cost of the assessment service on this charge. In 1996, the province announced it was moving to full cost recovery for assessment services and introduced a charge per assessed parcel. The result: many municipalities had split parcels for ease of billing or to accommodate property owners and now the municipality had to pay a fee for each assessed parcel.

In response to this situation, the Agency developed its practice of joining parcels at the request of the municipality provided certain criteria were met:

- The parcels are adjoining
- The parcels are owned by the same person or company
- The owner had no objection
- The parcels to be joined had similar use or zoning.

This criteria was implemented and the Agency, at the request of a municipality, would review property to determine if they could be combined. Every combination could reduce the costs to the Agency of providing the assessment service and we would pass those savings along to the municipality. This was accomplished by eliminating a parcel fee where two parcels are combined to a single assessment roll entry.

At our 2007 annual meeting during the Municipalities Newfoundland and Labrador convention in St. John's, Mayor Clarke of Campbellton asked that the Agency promote this service to ensure no municipality would pay any more than it must. In response to her request, we have developed a brochure entitled "Combining Parcels". The brochure is available under the *What's New* section on the Agency's website at www.maa.nf.ca.

Municipalities that are submitting requests for the combining of land parcels should keep the following information in mind:

Are the parcels adjoining?

If yes, then the parcels can be combined. If they are not then the request will not be processed.

Are the parcels owned by the same person or company?

If the legal entity is not the same then they cannot be combined.

Does the owner object?

If the owner objects then the parcels cannot be combined.

Are the parcels to be combined residential use or commercial use?

The use or zoning of the parcels could affect the valuation - Each parcel may have to be reviewed to determine if the parcels can be combined.

By combining parcels, a municipality is reducing their costs by eliminating a parcel fee. Your billing will be adjusted to reflect these cost savings beginning with the January invoice following the annual roll.

Please contact our staff at a Regional Office nearest you by calling our toll free number, 1.877.777.2807 to discuss the particular circumstances for your municipality.