

## Property Taxation Annual Cycle and the Role of the Tax Administrator

First Nation tax authorities levy and collect taxes in the same manner as other local governments throughout Canada. All property tax systems, including those of First Nations, base taxation on a property assessment, use market value assessment methods, use professional assessors, and set rates based on a budget.

Property taxation on First Nation lands is completed in annual cycles. While the timing on these cycles may vary slightly by province or territory, the main elements are consistent across Canada.



The annual cycle for Property Tax Administration can be broken into three main functions, the Budget & Rate Setting Cycle, The Assessment Process Cycle and the Property Tax Collection Cycle. Depending on the scope of responsibility of the Tax Administrator, there may be additional areas of responsibility such as the Capital Infrastructure Cycle.

### **Assessment Process Cycle**

The Annual Assessment Process Cycle begins with receipt of the Assessment Roll. Assessment Appeals and administrator initiated corrections and changes will result in supplementary rolls and a final completed roll total for the year. Maintaining an accurate Assessment Roll is important to ensure Tax Revenue is generated from each taxable property. Careful review of the Assessment Law is required. Managing the Assessment Appeal Cycle is an important component.

### **Budget and Rate Setting Cycle**

The Budget and Rate Setting Cycle begins with the Annual Preliminary Budget and ends with the Approved Expenditure Law or Bylaw. There may be more or less steps depending on the financial administration policy of the First Nation. For example steps are added when there is a Taxpayer Advisory Council or a Financial Advisory Board.

### **Property Tax Collection Cycle**

The Property Tax Collection Cycle begins with the issuance of tax notices and ends with the successful completion of enforcement proceedings for delinquent taxes.



## Role of the First Nation Tax Administrator

The First Nation Tax Administrator (sometimes referred to as the Surveyor of Taxes) is the person responsible for the administration of property taxation, taxpayer relations, property tax collection, and the enforcement of payment under the law. Each First Nation with an assessment and property taxation law must, by resolution, appoint a Tax Administrator to implement the assessment and property taxation law.

As the Tax Administrator, it is important to:

1. Base your work plan for the year on the Property Taxation Annual Cycle. *It is important to schedule work to begin in advance of the deadline. Depending on the task required, the work may take two weeks to complete, or in some cases, more. Plan work accordingly.*
2. Refer to the assessment and property taxation laws for the specific dates and deadlines for each of the main elements and activities of the Property Taxation Annual Cycle.

Tax Administrator Duties and Core Competencies:

- Thorough knowledge of tax and assessment laws and bylaws
- Thorough knowledge of the First Nations property tax regime including section 83 of the Indian Act and the First Nations Fiscal and Statistical Management Act (FSMA)
- Thorough knowledge of the FSMA regulations and standards
- Thorough knowledge of the First Nations Tax Commission (the FNTC) and FNTC policies and standards
- Advanced critical thinking, organizational and problem solving skills
- Sound written and verbal communication skills and the ability to discuss taxation services issues in a language suitable to the audience
- Sound management skills in a continually evolving environment
- Ability to research and interpret demographic analyses, trends and other indicators to generate recommendations that will improve service delivery
- Ability to establish and maintain relationships; and collaborate effectively with internal and external stakeholders to develop, manage and evaluate programs/services considering client needs, service delivery interrelationships and service potential
- Ability to provide leadership and manage staff collaboratively, in a team environment, utilizing effective team-building, communication and management techniques
- Ability to interpret Chief and Council direction and incorporate into operational policies and procedures
- Ability to align divisional capacity with the Nation's strategic goals and objectives
- Ability to delegate responsibility and authority as appropriate
- Ability to function effectively as part of the management team.