



TK'EMLÚPS TE SECWÉPEMC

2015 Property Taxation Newsletter

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Local Revenue Budget – A Key Element to the First Nation Property Tax System

The local revenue budget is one of the most visible and important elements of the First Nation property tax system. For the majority of taxing First Nations, it appears as a Schedule to the First Nation's Annual Expenditure Law or By-law, and is published in the *First Nations Gazette*.

Not only is it a planning tool and a way to explain how community objectives and expected levels of services will be met, its serves as a point of engagement with taxpayers and members who may want to provide input on how budget resources are allocated.

Local revenue budgets have evolved from their early more modest versions, reflected in Budget By-laws made in late 1980's and early 1990's. These budgets would often itemize expenditures such as "telephone" and "janitor supplies", a practice which may have stemmed from the level of detail associated with federal contribution agreements.

By the mid 1990's, the Indian Taxation Advisory Board (ITAB) developed nine standardized expenditure categories as a part of its Budget Based Tax Rates Policy. Nine categories were used because they were similar to those used by communities in submitted expenditure by-laws.

The categories and were also similar to expenditure categories used by local governments while being comparable to government expenditure categories used by Statistics Canada. The ITAB advocated a standardized approach to facilitate the budget-making process, improve transparency for taxpayers, support First Nations tax administrators and promote investor confidence.

The advent of the *First Nations Fiscal Management Act* (FMA) in 2005, meant the introduction of a new First Nation local revenue budget template to reflect fiscal powers under the FMA. Since 2007, the FNTC has made modifications to its sample local revenue budget for both the FMA and section 83 of *Indian Act* tax system to reflect policy changes and new approaches to community economic planning, transparency, and budget reporting. First Nation budget reporting continues to evolve with advances in digital automation (Tax Administration System- TAS), increasing use of tax advisory groups, and online posting of proposed budgets for community input.

Reprinted with permission from the First Nations Tax Commission. ITAB evolved into FNTC when the First Nations Fiscal & Statistical Management Act was passed.

Property Tax payments received after the August 2, due date will be subject to penalty.

Mail lost or delayed by the post office will be assessed the penalty as the postmark will not be accepted as proof of payment by the due date.

HOURS OF OPERATION:

8:00 am
to
4:00 pm



This year the TteS created and implemented the Annual Rate Law 2015 and the Annual Expenditure Law 2015.

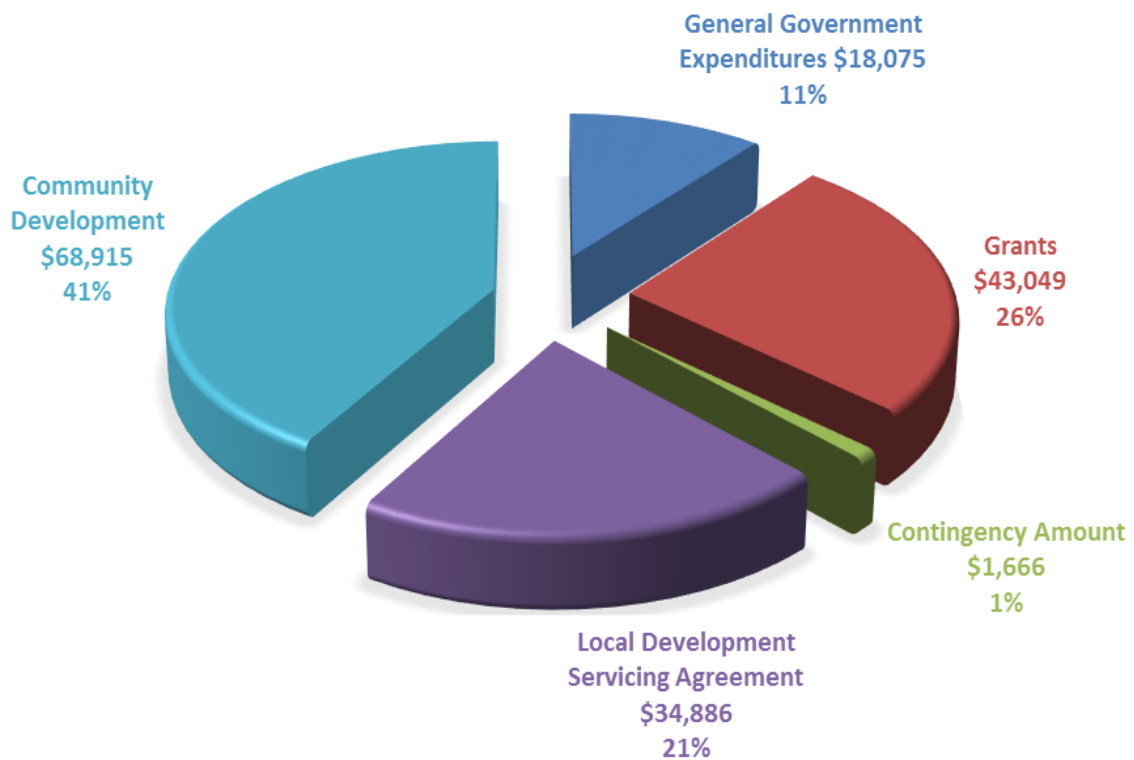
Tk'emlúps te Secwépemc (TteS) has a five year contract with the BC Assessment Authority (BCA) to do the assessments on Kamloops Indian Reserve #1 to 5. In November, the assessment is completed by the Assessor, with the building and/or improvements to the property considered as of October 31 of each year. In January, the Assessment notices are mailed out by BCA. Reconsideration of Assessments are accepted in February, and in March Assessments Appeals are filed for the Assessment Review Committee.

The LLTX meets with representatives of the Tenant Associations and the Locatee

Landlords in May. Tax rates and budgets are developed and presented to Chief and Council. The Property Tax Rates & Expenditures Law (Laws) go through three readings with Chief and Council and are reviewed by the First Nations Tax Commission (FNTC). Once Chief and Council approves the Laws, they are forwarded to FNTC for final review and approval. The Laws are then registered with the FNTC Law Registry, with a certified copy sent to TteS. Tax Notices may then be issued. For assessment questions please phone BC Assessment at 250-376-6281 or <http://www.bcassessment.bc.ca>

In the last two years there has been less than 1% of formal Assessment Appeals. Most taxpayers are using the Reconsideration as there is no cost.

2015 Paul Lake Tax Budget



First Nations Gazette

A copy of the Tk'emlúps te Secwépemc Annual Expenditure and Annual Rates Law can be found at the First Nations Gazette website <http://www.fng.ca/>.

Go to "Online Gazette", Part II, Search by First Nation, fill in required areas and year.

TteS CONTINUES TO PROVIDE ITS OWN GRANT

Due to the continued incomplete nature of the Carbon Tax—Rural and Northern Benefit Program (the rebate not being applied fairly to taxpayers on First Nation lands) Tk'emlúps te Secwépemc (TteS) Chief & Council are not offering the amount equal to the BC "Home Owner Grant Act".

TteS continues to offer a First Nations Grant and a First Nations Over 65 or Handicapped Grant in the same

amount as the Provincial "Home Owner Grant Act" without the Rural and Northern Benefit Program amount.

Would you like to receive the Rural and Northern Benefit? Contact the Provincial government and express your dissatisfaction with them not working with the First Nations Tax Commission on a way to include taxpayers living on reserve land.

There is a Tenants' Associations Meeting held annually for one representative from each tenant association to hear any concerns regarding servicing provided by the band and provide the proposed budget rates & expenditures for the current tax year.

We also meet with the Locatee Landlords for the G&M/ Leonard Estates, Silver Sage, Sage Meadows, Tagish, Paul Lake/Gottfriedson Estates, Wind Chimes, Mountain View Estates, and South Bend Estates discussions included:

- Budget Rates & Expenditures
- Planning & Engineering
- Servicing Agreements
- Collections
- Recycling

HOURS OF OPERATION:

8:00 am
to
4:00 pm



Hon. Michael de Jong
Minister of Finance and
Government House
Leader

Minister's Office:
PO BOX 9048
STN PROV GOVT
Victoria BC
V8W 9E2

Hon. Terry Lake
Minister of Health

Minister's Office:
Room 337
Parliament Buildings
Victoria BC
V8V 1X4

Tk'emlúps te Secwépemc is working on new Taxation Laws

The Tk'emlúps te Secwépemc Lands, Leasing & Tax Department are working to complete two proposed laws and consolidate the *KIB Property Taxation* and *KIB Property Assessment Laws*. The laws fall under the *Fiscal Management Act (FMA)*, its regulations, and the First Nations Tax Commissions standards by the fall of this year. The two proposed laws are: the *Taxpayer Represent-*

tation to Council Law and the *Property Transfer Tax Law*. The *Proposed Taxpayer Representation to Council Law* will provide a formal structure for taxpayer relations with the band. The *Proposed Property Transfer Tax Law* is another way to assert our jurisdiction regarding property tax and support economic growth from local revenues.

First Nations Gazette: a Governance Tool for First Nations

Bill C-428 underscores importance of the FNG

Under recent changes to the *Indian Act*, First Nations now have the authority to enact by-laws using sections 81 and 85.1 that will come into force when the First Nation publishes the by-law.

As of December 16, 2014, First Nations are no longer required to forward these by-laws to the Minister, and the Minister no longer has the authority to disallow these by-laws. The amendments to the *Indian Act* eliminate Ministerial oversight and create new requirements for First Nations to publish all by-laws.

First Nations Bringing Their Own By-laws into Force

First Nation by-laws will now come into force when the First Nation provides public notice through publication. All by-laws made by a First Nation using sections 81 or 85.1 of the *Indian Act* must be published and will only come into force upon their publication or on a later date specified in the by-law.

First Nations have three options for the publication of their by-laws: in the *First Nations Gazette*, on a website, or in a newspaper that has general circulation in their community.

The *First Nations Gazette* is a free, web-based service that provides a quick, easy, secure and reliable permanent archive for First Nations to meet these new requirements.

Why do First Nations choose the First Nations Gazette?

First Nations use the *First Nations Gazette* (FNG) to provide public notice of First Nation laws, by-laws, land codes, elections, land

designations, appointments, and other legal matters.

Close to 200 First Nations use the FNG to post their laws, by-laws, and notices. With a searchable database that houses close to 3,000 items, the FNG is also a powerful communication tool that First Nations can use to provide legal notices, research laws and learn how other First Nations have addressed key issues.

Why is the First Nations Gazette the best option to meet the new By-law publication requirements?

- **Convenience** - Submitting by-laws on the FNG is quick and easy.
- **Speed** - By-laws are published immediately after a posting submission is accepted and approved for publication.
- **Cost-effectiveness** - There is no charge to use any of the FNG's services, including account registration, postings and search functions.
- **Permanent Archive** - Documents posted on the FNG will be stored and accessible in a permanent archive.
- **Security** - The FNG uses an encrypted database and Tier 1 level security to ensure data is protected and will not be lost.
- **Reliability** - The FNG uses its own virtual private server, replicated in multiple locations in Canada, to create a stable platform with little risk of downtime.

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BC Carbon Tax Reduction Measures and Impact on First Nation Property Tax

Taxpayers living on First Nations land may express their support for the First Nations Tax Commission and Tk'emlúps te Secwépemc working with the provincial government in continuing to seek a fair resolution to the BC Carbon Tax/Rural and Northern Home Owners Grant.

In the Commission's view, the measures treat British Columbia on reserve carbon tax-payers differently, and result in unnecessary artificial barriers to trade and investment on First Nation lands. The Commission is committed to seeking a fair resolution to this matter, and will continue to raise the carbon tax issue with BC provincial officials.

For more information, please contact FNTC at:

First Nations Tax Commission
321 – 345 Chief Alex Thomas Way
Kamloops, BC
V2H 1H1
Telephone: (250) 828-9857

The contact information for the Minister of Finance, Honourable Michael De Jong and the Minister of Health, Honourable Terry Lake can be found in the left margin.

PROPERTY TAX PAYMENT OPTIONS

PLASTIQ

You can now make your tax payments to the Tk'emlúps te Secwépemc (formerly Kamloops Indian Band) using your credit card of choice through PlastiQ online

Earn the rewards of your credit card to spend on flights, hotel stays, and more

Ready to pay your bill?

Visit:

www.plastiQ.com/13439

or

<http://tkemlups.ca/property-tax/>

And follow the simple steps

PlastiQ assesses a 1.99% service fee per transaction



Online Banking

- Available at most major banks and credit unions (includes telephone banking)
- Just log in to your online banking and under "Add Payees", search for "Kamloops Indian Band". Then select your option
- Check your invoice or statement for your customer/account number or contact Accounts Receivable

Pre-Authorized Monthly Payments (P.A.P.)

- Monthly Payment Plans ("sign it and forget it")
- Can be modified or cancelled (as per terms of agreement)

Please contact the Finance Dept., Accounts Receivable regarding payment options (250)-828-9861

Planning & Engineering Update

LAWS AND BY-LAWS

Sanitary Sewer By-law

This by-law will have 3rd reading shortly and will determine the Connection Fees and User fees for the sanitary sewer use.

Primary Connection Fees per lot

One time charge \$25,000

Annual charge for 10 years \$ 4,000

Base/User charges

Base charge \$131.37

User charge \$127.01

Notices for connections to the new sanitary sewer system in the Mt Paul Industrial Park have been sent out. Application for a Tk'emlúps te Secwépemc (TteS) plumbing permit through the Planning & Engineering – Permits section, contact Darlean Paul, 250-828-9708.

Water By-law

The water by-law is being updated again this year and new rates will apply. Again, it should be noted that it is the leaseholder's responsibility to install and maintain the water meter in good order. The by-law contains a rate of \$3,780 as an annual rate if failure to comply with water meter installation and maintenance. Please contact Arnold John 250-828-9716 to arrange to have the meter installed or replaced.

Development Cost Charge (DCC) Law

TteS Development Cost Charge Law (DCC) for development on IR#1 was adopted by Chief and Council for implementation as of January 31, 2014. DCC's are used to apportion costs to all development for the infrastructure upgrades required to accommodate increased development within the TteS community.

OTHER UPDATES

Sanitary Sewer

Phase 1&2 of the Waste Water Collection Project are complete.

The ability to connect to this new sanitary sewer system will have direct benefits to leaseholders. The existing septic field area is now available to be developed and the septic system does not need to be maintained in the future. See Sanitary Sewer By-law notes for details on connection/fees.

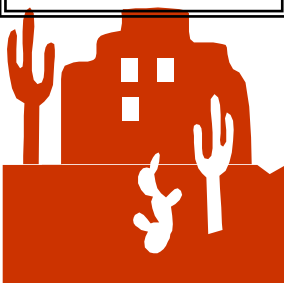
Chief Louis Center (CLC) Development

The utility upgrade for the CLC development has been completed for the first phase and a design for the roundabout at Sun Rivers entrance has been completed. Phase 2 including the road realignment and roundabout is ready for construction.

HOURS OF OPERATION:

8:00 am
to
4:00 pm

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Consumer Price Index and First Nation Rate-Setting

Many local governments keep property tax increases at or near the one year change in the Consumer Price Index (CPI). The FNTC adopted the CPI rate setting method as a reasonable criteria to approve Annual Rates Laws and By-laws. The CPI for the 2015 First Nation tax year is 1.9%. This represents an increase over last year's 1.24%.

The FNTC Standards for Rate Setting indicate that a First Nation must establish tax rates that meet specific criteria. One of the criteria is that the average tax bill does NOT increase more than the annual rate of national inflation (the CPI) from the previous year. Many First Nations have chosen to use CPI-based rate setting.

The CPI is a statistical measure of prices. It is used to measure the change in prices of consumer goods and services purchased by households.

Data collectors base this on a "basket" of goods and services that a typical Canadian household would buy. They compare the costs of these goods and services from the same stores each month. Increases in prices are called "inflation" and decreases are called "deflation."

Prices can rise for a number of reasons such as an increase in the cost of labour, shortages of material, or increases in the price of raw materials such as gasoline. Canada's national rate of inflation is calculated by finding the percentage change in CPI over a 12-month period.

For more information about CPI and its history, please visit <http://www.statcan.gc.ca/pub/62-604-x/62-604-x2015001-eng.htm>

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