

# PROPERTY TAX CASE STUDY SECOND OPINION

## Our Client's Challenge

The property owner had appealed the property tax assessment of this car dealership located in Sydney, Nova Scotia, themselves. The first stage of the appeal process lay with the assessor: he/she determines whether their own opinion is correct. The process is fraught with a rather obvious conflict of interest but is not unique to Nova Scotia: many provinces employ the same system. In this instance the assessor determined that they were correct and confirmed the assessed value. The property owner turned to Turner Drake for help.

## Turner Drake's Approach

Every year we save the province's automotive sector millions of dollars in property taxes. In HRM alone, the automobile dealership community has committed 77% of their total property holdings to our care. We audit their assessments, negotiate reductions, file appeals and appear in court on their behalf where necessary. In the Province as a whole, we provide the same service to 60% of all automobile dealerships. It gives us a lot of negotiating power...and knowledge. Our Assessment Database has information on \$110 million worth of automobile dealerships in Nova Scotia; and Compuval™, our leading edge technology platform gives us instant access to assessment and transactional data, property photographs, mapping, satellite and aerial photographs, cost and financial data...all designed to give us the edge in our negotiations with PVSC, the assessment authority. Front and centre in this is our automotive specialist for Nova Scotia, Mark Turner. He completed a thorough inspection of the property and reviewed the assessor's calculations. The latter included a number of factual errors: the land area was incorrect as was the building cost model utilised by PVSC. In addition the building had been erected in stages at different times and PVSC had depreciated each based on their actual age. However since they formed a single structure, depreciation should have been applied uniformly. The adjacent parking lot had been assessed at the wrong rate.

## Winning Results

**PVSC agreed to correct their errors and reduced the assessed value by 12% yielding tax savings of \$10,000 per year.**

