

Sheralee Mitchell-MacEwan

Subject: FW: Correspondence to Council regarding current inequitable taxation of homeowners

From: Cynthia Isenor

Sent: April 16, 2026 6:17 PM

To: Sheralee Mitchell-MacEwan <smacewan@easthants.ca>

Cc: Craig Merriam <cmerriam@easthants.ca>

Subject: Correspondence to Council regarding current inequitable taxation of homeowners

I have previously raised my concerns regarding the inequitable taxation of homeowners with Craig Merriam and he suggested that this issue should be forwarded to council in correspondence for discussion.

There are two separate and distinct concerns: the property assessment and the taxation rate. I do understand that the property valuation is determined by the Property Valuation Services Corporation (PVSC) pursuant to the provincial legislation, the *Nova Scotia Assessment Act*, and essentially beyond the scope of council. However, the taxable assessed value determined by PVSC is the basis for the calculation of the taxes needed to fulfill the financial and budget needs of the municipality, and as such, the Municipality should be aware of the problems that have resulted from the property assessments prepared by PVSC.

We all appreciate the constraints imposed by growing communities and aging and inadequate infrastructure, and in today's housing market, with increasing market values, the resulting increasing assessed values enables the municipality to keep the taxation rates reasonable. Unfortunately, it has also created concerns regarding the inequitable taxation of home buyers in the municipality who are not subject to the CAP and who will carry a larger property tax burden than their neighbours.

The average sale price of a home in the municipality of East Hants increased from \$303,183 in 2021 to \$519,900 in 2026 (see *the East Hants Economic Profile 2023-2027, page 11*), however the average residential assessment based on CAP is only \$248,111 in 2026. According to the East Hants Operating Budget for 2026/2027, page 4, "Dwellings valued at less than \$250k make up 58% of the total dwelling units and 33% of the Assessment Base," but "Dwellings valued at more than \$250k make up 42% of total dwelling units and 67% of the Assessment Base." These statistics acknowledge the inequities in the tax burden carried by newer residents to the municipality.

It is my understanding that there are approximately 250 permits for new home homes issued each year and as many as 500 homes that have been resold or otherwise changed hands in East Hants each year. It is these new home owners and those who have purchased older homes, an estimate of at least 5000 property owners over the last five years, who are bearing an inequitable or unfair property tax burden, an assertion supported by the findings in the Operating Budget. These residential property owners, and the additional future new residents, are directly impacted by their ineligibility for the CAP in the year following their purchase, and what appears to be to be an arbitrary and illogical increase to the assessed value of their homes by PVSC. When specifically asked for the basis of the assessment, the PVSC is unwilling, or perhaps unable, to provide anything beyond "mass appraisal methods and quality

standards.” While requested, they have not provided any comparables, market analysis, or the specific “quality standards” that they are applying in assessing homes. As previously stated, while we understand that this increase in the taxable assessed value and the increase in households in East Hants enables the municipality to cover the additional costs of a growing population and aging infrastructure, in a society that values equality, these new residents are bearing an inequitable share in these increasing costs. Further, this significant and arbitrary increase is a pain and burden that keeps on growing as it becomes the basis for annual increases in the assessed value in subsequent years.

Unfortunately, the unfair taxation of new residents to the community does not end with the assessed value of their properties by PVSC. While the application of a consistent rate for all property owners seems like a reasonable and fair means of calculating the property taxes for all property owners, given the inequities in the valuation of their homes by PVSC, and their ineligibility for the CAP, the higher valuation of these properties results a significant disparity in the tax burden carried by new and established property owners. Newer homes or changed ownership in older homes does not cause the municipality to incur greater fixed costs for fire, policing or Sportplex than their neighbouring homes that have been appraised substantially lower. Further, when the average assessed value in the community is half of the value of the average sale price for the community, the PVSC assessed value, will likely be significantly higher than the neighbouring homes. As a result, new home owners will pay thousands more than their neighbours in property taxes annually. In fact, given the current PVSC assessed values of homes sold in 2025, these new homeowners will see their property tax bill increasing by as much or more than 50%.

In general, we are not opposed to paying higher taxes in rural areas, given that there are less residents to cover the necessary municipal services that we want. However, we do not believe that we should be paying more property taxes than our neighbours for services that we use equally. For example, the property tax bills of friends and family in Enfield, who are in HRM, are at least 30% less than here in Milford. What is more troubling is that the homes of our surroundings neighbours in our subdivision are appraised at less than half of ours. We feel like the municipality has targeted new property owners to cover the historic shortfalls in funding for infrastructure, costs that should be born by all property owners equally. As previously indicated, specific municipal services, such as fire, policing and Sportsplex, are fixed costs and they should be assessed and paid equally by all property owners. Whether those services are assessed as a flat rate or a rate up to the average assessed value, it would at least be fair and equal for all property owners.

In my discussions with Craig Merriam, it appears that this is not an issue that constituents have been raising. Beyond the generally accepted apathy with regard to municipal affairs and newcomers not wanting to rock the boat, the lack of engagement on the issue is understandable as the disparity in the property assessments is not an issue for long standing community residents who are benefiting, and will continue to benefit, from the CAP on the valuation of their properties. In the current calculation of their property taxes, the lower valuation keeps their homes more affordable, while they are benefiting from updated infrastructure and facilities, as a result of newcomers to their communities who are paying higher taxes. As indicated in the most recent operating budget, 42% of the homes make up 67% tax base.

Another factor that the municipality should be considering is that the current property assessments and tax calculation for the municipality of East Hants will have a chilling effect on potential new residents and property owners. Property taxes are always a consideration for home buyers and impacts on mortgages and affordability. Having purchased and sold more than 10 homes in four provinces over the

last 25 years, historically, property valuations are generally 20% or more below purchase price. Presently, the new homes purchased on my street in 2025 have been assessed at or above their purchase price by PVSC while older homes purchased in this same neighborhood in 2025 have been assessed by PVSC at 11.2% to 25.6% (average of 16.6%) below their respective purchase prices. Without question, the council can be assured that the current valuations and the obvious and significant increase in property taxes will be a deterrent to buyers and sellers, an untenable situation for a municipality that is a very reasonable commute with substantial services that has positioned itself for substantial growth in the coming years.

Given their proximity to Halifax and Dartmouth, a provincial hub for commerce, employment and healthcare, and the variety and abundance of services and facilities provided here, the communities of East Hants can provide a quieter and more affordable lifestyle for both families and retirees, but the municipality needs to find a more equitable way to share the tax burden among all of its residents.

Cynthia Isenor and Doug Penney

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