

Assessment Bulletin

Phone: 780-422-1377
Fax: 780-422-3110
lgsmail@gov.ab.ca
www.municipalaffairs.gov.ab.ca
15th Floor Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4L4

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Property Sale Date For Assessment Reporting

This is to clarify the use of the Certificate of Title (C of T) registration date as a property's sale date. Due to large volume of property transactions occurring in parts of the province, there are instances of substantial differences between actual date of sale and the C of T registration date. This delay can make it difficult for an assessor to capture the market value of properties as of the July 1st valuation date.

The Equalized Assessment Panel (EAP) Technical Committee recently discussed this issue in light of the upcoming 2007 ASSET submissions and came to the following conclusions:

- A standard for sale date is necessary,
- A consistent application of sale date throughout the province is desirable,
- Multiple Listing Service (MLS) data should not be used as a universal proxy to determine a property's sale date since:
 - it is not available in all areas of the province,
 - it does not encompass all property transactions in areas where it is available, and
 - there appears to be a high degree of variance in the amount of time between the MLS sale date and the C of T registration date,
- Spikes in market value are often short term and localized,
- Alternate sale date sources cannot be obtained efficiently or affordably, and
- It is not reasonable or practical for changes to be implemented at this time.

Accordingly, the EAP Technical Committee made the following recommendations:

- The C of T registration date should continue to be the starting point for establishing a property's sale date since it is the most reliable and readily available date for all property transactions in the Alberta,
- The process and requirements for reporting sale dates for upcoming 2007 ASSET submissions should remain the same,

- Assessors should not use MLS dates to implement blanket sale date adjustments, and
- The committee should review this matter further to determine if long term changes to the existing process are required.

Alberta Municipal Affairs agrees with the committee's recommendations and asks that assessors use sound assessment practices when verifying sales and determining time adjustments. Assessors are also reminded to review section 3.1 (Sales Data) of the Recording and Reporting Information for Assessment Audit and Equalized Assessment Manual when submitting information into the ASSET system for 2007.

Please contact your auditor if you have any questions regarding sales verification, time adjustments, or submitting information into ASSET.