PROPERTY TAX CASE STUDY
KILLING TAXES

The Client's Challenge

This large meat processing plant in Nova Scotia faced changing market conditions and an uncertain future. There was speculation in the press in 2007 that it would be closed in two years. This had not been confirmed by the owners. However the local hog industry was in trouble and farmers were closing down due to low prices. Local supply was a problem for the plant: they turned to Turner Drake for help in alleviating their property taxes.

Turner Drake's Approach

This is a modern plant, built in 1990 and added to during the intervening years. The 153,500 $ft.^2$ facility is located on 27 acres, situated in the heart of the Annapolis Valley. We had successfully negotiated reductions in the assessment in prior years. However during the past two years, production and employment at the plant had declined. Our challenge was to get this fall in throughput reflected in an assessment which, by law, had to be based on the property's market value, *two years prior to the 2008 taxation year* … before the decline in production. Our Property Tax Division opened negotiations in December 2007 with PVSC, the provincial assessment authority, arguing that the 1st January 2006 base date was not relevant in view of the fall in production levels which had occurred since then.

Winning Results

Turner Drake was able to negotiate a reduction in the assessment from $11.0 million to $8.5 million with resultant tax savings of $101,000/annum.

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