

PROPERTY TAX CASE STUDY

THEIR WORLD IS STEEL

The Client's Challenge

Our client is no stranger to challenge. Since 1967 their 80,000 ft.² plant in Dartmouth, Nova Scotia has fabricated heavy and light structural steel bridges, plate work, transmission towers and “one of a kind” projects, and shipped them around the world. They were the main supplier of steel for the 13 kilometre long Confederation Bridge which, in May 1997, finally ended mainland Canada’s isolation from the civilised world. Our client is an expert in their field: registered to ISO 9002, they deliver high quality product on time and within budget. Their world is steel: ours is property tax; when they needed expert real estate advice, they turned to Turner Drake.

Turner Drake's Approach

Turner Drake started by meticulously piecing together the five legal descriptions that comprise the present site. As their metal fabrication operations had grown, the company had patiently acquired adjoining properties and integrated them into a single operating site. Service Nova Scotia, the provincial assessment authority, persisted in treating each parcel individually however, and accorded each its own assessment. Turner Drake therefore undertook a full property inspection, interrogating management personnel to get an understanding of materials flow within the complex from raw material delivery, through processing, and final shipping of the completed product. They noted the land to building ratio for each parcel and compared them with industry norms. Turner Drake documented each parcel’s inter-dependency, and the traffic patterns (both internal and external to the site). They compared the results of their investigation with the land value model utilised by Service Nova Scotia.

Winning Results

Armed with high definition satellite photography proving their conclusion that the five parcels were, in reality, a single operating unit and should be assessed as such, Turner Drake presented their case to the Regional Assessment Appeal Court. The latter concurred and reduced the land portion of the assessed value from \$1,143,000 to \$746,000, producing annual tax savings of \$15,000.

