

2025

EDITION



sama

SASKATCHEWAN ASSESSMENT
MANAGEMENT AGENCY



HOW PROPERTY
ASSESSMENT
WORKS IN
SASKATCHEWAN

WHO IS SAMA? WHAT DOES SAMA DO?

The Saskatchewan Assessment Management Agency (SAMA) is responsible for the governance of Saskatchewan's property assessment system. As part of this function, SAMA coordinates a full revaluation of all properties in the province every four years. The previous revaluation in the province was completed in 2021, using January 1, 2019, as the valuation base date. The 2025 Revaluation uses January 1, 2023, as the valuation base date. The base date is the date to which the assessed values are related.

SAMA is responsible for assessment governance of the \$271 Billion property assessment base, and a \$2.33 Billion property tax base. In 2024, the Agency provided assessment valuation services to 762 urban, northern, and rural municipalities. It is directly responsible for the assessed values of approximately 876,000 properties in the province, including the City of Moose Jaw.

SAMA's role in the assessment system in the province can be broken down into two functions: Assessment Services and Governance.

Governance

From a provincial governance perspective, SAMA develops assessment related legislation and policy, which includes revaluation publications such as the regulated Manual, non-regulated Cost Guide and non-regulated Market Valuation Handbook.

The Agency maintains a comprehensive property assessment database, and distributes assessment information to government, stakeholders and the public.

SAMA's independent Quality Assurance Division is responsible for the assessment roll confirmation process, undertaking assessment audits (annual confirmation and primary audits on all municipalities) to ensure that municipalities' assessments are prepared and administered in accordance with the requirements set out in applicable legislation.

Assessment Services

SAMA's Assessment Services Division provides valuation services to all of SAMA's municipal clients. Core processes include inspection of properties through annual maintenance and general reinspections, revaluations (every four years), and support of value.



HOW IS MY PROPERTY VALUE DETERMINED?

Three Property Valuation Approaches

Saskatchewan uses three generally accepted appraisal techniques to value property in a Market Valuation Assessment (MVA) system: the cost approach, the sales comparison approach and the property income (rental) approach.

The **cost approach** estimates the replacement cost of a building, less depreciation, adding land values primarily based on sales. The approach is most useful when there are few comparable sales, or a lack of rental and expense information needed to administer the sales comparison or property income (rental) approach.

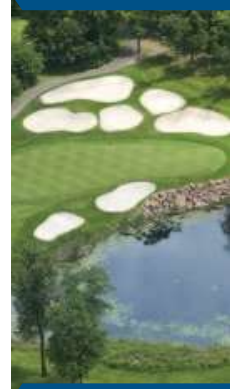
The **sales comparison approach** is appropriate for determining property assessments for areas and property types with active sales markets, such as residential property in medium to large cities.

The **property income (rental) approach** is based on the premise that the value of a property is directly related to the rental income it will generate. The appraiser analyses both the property's expenses and ability to produce future income, and then estimates the property's value.

WHAT IS THE "AD VALOREM" SYSTEM?

Saskatchewan's assessment system is based on an "ad valorem" mass appraisal system, the valuing of properties using standard methods and allowing for statistical testing. Ad valorem means "according to value." The ad valorem principle is based on the concept that the amount of tax paid by a property owner should be determined in proportion to the value of their property. For property assessment, the accepted standard in North America is market value. Mass appraisal valuation models represent market supply and demand patterns for groups of properties rather than a single property.

To ensure final assessed values are as accurate as possible, professional assessment appraisers collect and analyse available cost, market and property rental income information and use the valuation approach that estimates the best value for various property types, based on available information.



THE COMPETITIVE ASSESSMENT ENVIRONMENT

Since 1995, a provision in The Assessment Management Agency Act has been made available that allows municipalities to use alternative assessment services.

SAMA and the Minister of Government Relations' consent are needed for a municipality to opt into or out of SAMA's valuation services. Any municipality that carries out its own valuations and revaluations is not required to make requisition payments to the Agency. Jurisdictions that employ their own appraisal personnel still must follow the regulated Saskatchewan Assessment Manual and provincial assessment legislation.

The *Assessment Management Agency Act* contains separate legislation recognizing that the major cities of Moose Jaw, Prince Albert, Regina, and Saskatoon will provide for their own assessment services. The cities of Saskatoon, Regina, Prince Albert, and Swift Current do not use SAMA's valuation services. In 2006, the city of Moose Jaw entered a long-term assessment services contract with SAMA.



WHAT IS NEW FOR THE 2025 REVALUATION?

For the 2025 Revaluation, all property types will have their values updated in relation to the **January 1, 2023**, valuation base date, regardless of being subject to a market valuation standard or a regulated property valuation standard.

Based on provincial averages for properties in SAMA's jurisdictions, the assessed values for arable and non-arable agricultural properties will, on average, be increasing approximately 1.4 times over their assessed values from the 2021 Revaluation. This reflects the change in agricultural land selling prices between January 1, 2019 (the base date for the 2021 revaluation) and January 1, 2023 (the base date for the 2025 revaluation).

For 2025, the provincial average for assessments of residential properties is set to increase approximately 4%. Commercial properties are set to increase approximately 7%. Rental apartment property assessments are remaining relatively constant and not increasing or decreasing over their 2023 values.

The 2025 Revaluation is showing relative assessment stability with total provincial assessments only increasing by 1.23 times.

It is important to note that this is the anticipated increase to the provincial average for properties in SAMA's jurisdictions. Specific local increases in property values between 2021 and 2025 may vary from these figures depending on the overall trend in market values between 2019 and 2023 (the valuation base date years).

WHAT IS THE SAME FOR THE 2025 REVALUATION?

The 2025 Revaluation will continue to use the market valuation standard for the assessment of residential and commercial properties. The regulated property assessment valuation standard will continue to be used for the assessment of agricultural land, heavy industrial property, railway roadway, pipelines and resource production equipment (mines and oil and gas wells).

The 2025 Revaluation will maintain the stability of Saskatchewan's assessment system from a governance perspective by not introducing any major changes to assessment policy.



HOW DOES THE VALUE OF MY PROPERTY AFFECT MY TAXES?

PROPERTY ASSESSMENT DOES NOT EQUAL PROPERTY TAX

SAMA has no authority regarding property taxation. SAMA's role in determining property value is the first part of a process established by provincial legislation. Once SAMA has determined the value of a property, it is then multiplied by a percentage of value established by the provincial government. The result is the property's taxable assessed value.

On December 4, 2024, the Government of Saskatchewan announced the percentages of value for the 2025 Revaluation. All percentages of value are staying the same relative to the 2021 Revaluation.

Classes of property and their 2025 percentages of value established by the provincial government are:

- Non-Arable (Range) Land and Improvements (45%);
- Other Agricultural Land and Improvements (55%);
- Residential (80%);
- Multi-Unit Residential (80%);
- Seasonal Residential (80%);
- Commercial and Industrial (85%);
- Grain Elevators (85%); and
- Railway Right of Way and Pipeline (85%).

ASSESSMENT \times PROVINCIAL "PERCENTAGE OF VALUE" = TAXABLE ASSESSMENT



DOES SAMA SET TAX RATES?

SAMA does not set tax rates. To determine a property tax, a property's taxable assessment is multiplied by the mill rate set each year by local municipal councils, and the province, who sets the education tax mill rates each year. The municipal mill rate is determined based on the municipality's annual budget needs after considering all other sources of revenue.

Municipalities may also apply mill rate factors or other available tax tools to alter the total property taxes that would otherwise be paid by a class of properties. The final taxable assessment for a property in any year may be further affected if a municipal council adopts local tax tools such as a minimum tax or base tax.

TAXABLE ASSESSMENT X LOCAL MILL RATE (ADJUSTED FOR LOCAL TAX TOOLS) = PROPERTY TAXES

Property taxation is the main source of revenue for most municipalities. Their ability to deliver services depends on a stable assessment base. Property assessment is also a factor in calculating and distributing provincial transfer payments to local governments.

HOW CAN I LEARN MORE?

For more information, please see the Revaluation 2025 section on our website at www.sama.sk.ca.

If you have further questions, comments or suggestions please contact SAMA directly:



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