



# First Nations Tax Administrators Association

c/o Westbank First Nation 101-515 Highway 97 South, Kelowna BC, V1Z 3J2



JANUARY 2009

NEWSLETTER

VOL. 2 NO. 1

## *Remembering Janice*

*We are saddened to learn of the sudden and tragic passing of Janice Hughes. Janice passed away in a fire at her home on Christmas Eve.*



*Janice was closely connected to the field of First Nations Property Taxation since the early days when she contributed to the development of property taxation software. She helped many tax administrators use the software for many years.*

*Many of us will remember making a panicked call to Janice when tax notices were due and we needed help to make it happen. Janice would always help. You could hear her smile over the phone. She was patient, resourceful and kind. She was a great and caring friend to many.*

*She was fondly given the nickname Swoop... and many of us recall her swooping in to save the day when we struggled with the complexity of the technology.*

*Janice will be remembered with fondness. We honour her contribution to the field of First Nations Property Taxation. We send our prayers to her family during this very difficult time.*

## **PRESIDENT'S MESSAGE**

I would like to welcome you all to 2009, the Year of the Oxen, with an eye on the Chinese New Year. We must also keep an eye on the fluctuating economy and a possible coalition government. There are many things to ponder and try to figure out what all this means to First Nation Tax Administration. As the economy shrinks our tax assessment totals may also be shrinking, which in turn means our property tax budgets may also be shrinking. This could mean increases in our tax rates to raise the taxes necessary to balance our tax budgets. What does the term "Assessment Freeze" mean now that each of you in BC have had a chance to deal with this issue over the past month, explaining to tax payers that we are not the same as provincial taxing jurisdictions? And how will you meet the challenges of new software and perhaps a shift to the FSMA? Exciting? I think that you are right; this is an exciting and ever changing profession that will keep you on the edge of your seat always. Just when you think you have it all figured out, things change and you need to update your skill set. Which reminds me, looking forward to the next Tulo class? I know I am. Way Lim Limp'

**Ernest Jack**

## **2008 FNTAA Members**

Thank you for your support

|                   |                            |
|-------------------|----------------------------|
| Dana Henderson    | Campbell River Indian Band |
| Edi Brett         | Chemainus First Nation     |
| Elaine Kenny      | Kwantlen First Nation      |
| Nance Henne       | Lower Nicola Indian Band   |
| Jim Prodger       | Millbrook First Nation     |
| Lloyd Johnson     | Millbrook First Nation     |
| Glenda Paul       | Penticton Indian Band      |
| Wanda Burns       | Penticton Indian Band      |
| Christina Clarke  | Songhees First Nation      |
| Renee Albany      | Songhees First Nation      |
| Lynn Gottfriedson | Tk'emlúps Indian Band      |
| Calvin C George   | Tsleil-Waututh Nation      |
| Ernest M Jack     | Westbank First Nation      |
| Sylvia Baker      | Westbank First Nation      |

## FIRST NATIONS FINANCE AUTHORITY

POOLED  
INVESTMENT

LONG TERM  
FINANCING



FINANCE  
ADVICE

NATION  
BUILDING

### FINANCING SOLUTIONS FOR ECONOMIC INFRASTRUCTURE

FOR MORE INFORMATION CONTACT AARON BARNER @ (250) 768-5253



The First Nations Financial Management Board (FMB) looks forward to meeting you at the AFOA Canada National Conference in Calgary on Feb. 24-26, 2009. Together with our sister institutions, FNTC, FNFA and FNSI, the FMB will present a **WORKSHOP** called "*The First Nations Fiscal and Statistical Management Act (FSMA) and the Fiscal Institutions – Building Blocks for First Nation Economic Development*".

Plan to attend this informative workshop . . . you will come away with a better understanding of how the FSMA initiative can help your First Nation achieve its economic development and wealth creation goals.

In a separate event, the FMB will conduct a **FOCUS GROUP** on the FSMA course curriculum currently being developed in collaboration with AFOA Canada. If you are interested in participating, please contact us to pre-register.

For more information, please phone us at 1-877-925-6665, send an email to [mail@fnfmb.com](mailto:mail@fnfmb.com), or visit our website at [www.fnfmb.com](http://www.fnfmb.com).

## Tax Administrative Software Update

By Terry Nicholas

Software developers contracted by the First Nations Tax Commission (FNTC) have been working diligently on the production of new Tax Administrative Software (TAS) The software is being developed in response to requests from Tax Administrators to enhance existing software and to address the new administrative rules and requirements from new policies under s. 83, the FSMA, FSMA regulations and FNTC law review standards.

A working group of Tax Administrators has been supporting the software developers and the FNTC registrar to ensure that software meets operational requirements. The workflow and structure of the software have been completed and the technical details are currently being worked on.

The software functions will follow the annual tasks of the tax administration cycle in a user friendly environment. The goal for the programming of TAS is to make it available for testing/distribution by the end of March. Sarah Jules at Tulo will be organizing training sessions for tax administrators which will be offered once the web based software is ready for release.



## Tulo Centre of Indigenous Economics

*Building Capacity so markets work on  
Indigenous lands*

The Tulo Centre is a not-for-profit organization dedicated to delivering education programs to maximize benefits from the *First Nations Fiscal and Statistical Management Act*.

The Tulo Centre has partnered with the First Nations Tax Commission and Thompson Rivers University to develop education programs. These partnerships are dedicated to helping First Nations build the legal and administrative systems that support competitive markets on First Nation lands.

The Tulo Centre will be offering classes in the Spring and Fall of 2009. For updates on courses and schedules, please visit [www.tulo.ca](http://www.tulo.ca) or our new Facebook Page.

[info@tulo.ca](mailto:info@tulo.ca)

[www.tulo.ca](http://www.tulo.ca)



## AFOA Canada Annual General Meeting

February 24 to 26, 2009 Calgary, Alberta

The First Nations Tax Administrators Association will have a booth in the Exhibitors Area.

We hope to see you at the conference. Please drop by our booth for a chance to win an awesome draw prize!

# FIRST NATIONS TAX ADMINISTRATORS ASSOCIATION

## 16th Annual National Forum

September 23-25, 2009 Spirit Ridge, Osoyoos BC



Back by popular demand!

### Community Profile: Whitecap Dakota First Nation

The Whitecap Dakota First Nation located in Saskatoon, Saskatchewan began to exercise its property tax jurisdiction in 2002. They currently have one residential and seven business folios.

The Tax Department is managed by Director of Financial Services, Dennis Kammerer, CGA and Senior Accountant Hugo Gallegos. Dennis' strong skill base in financial management with Hugo's support has facilitated financial stability for Whitecap Dakota First Nation during rapid growth.



Property Taxation has contributed to community development through infrastructure improvements, job opportunities and business enhancement which in turn has made it possible for Whitecap Dakota First Nation to have its own fire department, water utility and sewer treatment plant. Property Taxation enhances these services for the benefit of businesses and community members.

By working together with the City of Saskatoon and surrounding communities, Whitecap Dakota First Nation has created a positive investment climate.



As a result, businesses are attracted and engaging Whitecap Dakota First Nation in the regional economy.



#### 08/09 FNTAA Board of Directors:

President Ernest Jack, Vice President Freda Jules, Treasurer Jim Prodger, Secretary Christina Clarke, Terry Nicholas, Calvin George, Dana Henderson

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# The Appeal Management Conference: A Cost Effective Approach

By Jeanie Lanine

Whether a First Nation is taxing under the new *Fiscal and Statistical Management Act* or the *Indian Act*, it must adhere to similar legal requirements when faced with one or more property tax appeals. Under both statutes, the First Nation must appoint a three-member Assessment Review Board (ARB) to hear appeals. One of the members must be a lawyer, one must be an individual with experience with assessment appeals in the Province, and the third may be a member of the First Nation (but cannot be a member of Council).

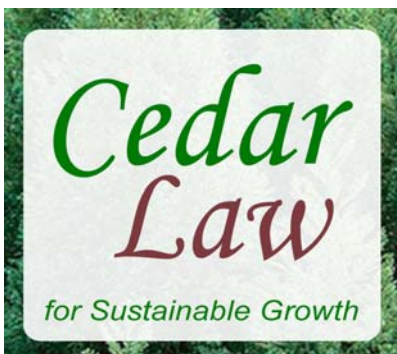
As a lawyer with experience in First Nations' property tax matters, last year I was asked to sit as chair of an ARB for a coastal First Nation. Twenty-two appeals had been received by the Nation and each appeal had been allocated a one-day hearing before the ARB based on previous precedent. In calculating the costs associated with holding these hearings, it was apparent that travel expenses and per diem payments for all three members of the ARB would be well in excess of \$30,000.

A review of the appeals revealed that many were based on a misunderstanding as to how on-Reserve properties are assessed. In particular, appellants did not understand that the laws of the Nation require that interests in on-Reserve lands must be assessed at market value as if held in fee simple off the Reserve. Other appellants did not understand that mill rates were not subject to appeal before the ARB. Given that many of the appellants would likely not be successful in their appeals, the cost benefit ratio of holding full-day appeals appeared to be an unfair burden on the First Nation.

In researching options to reduce costs while maintaining both administrative fairness and legal compliance, I contacted BC Assessment and discovered that they have instituted appeal management conferences prior to ARB hearings. The main purpose of appeal management is to discuss the issues, likely evidence and whether the appeal can be resolved without a hearing. Even if appeal management does not result in the resolution of the appeal, it helps the parties understand and sometimes narrows the issues. This step had been very effective in reducing the number of in-person hearings for BC Assessment appeals, but had not been implemented by any First Nation to date.

With the helpful assistance of experienced BC Assessment staff and contractors we were able to quickly set up an appeal management teleconference. We sent appellants notice of the date, time, process and call-in information. It was agreed that appellants who wished to proceed to the ARB at the end of each teleconference would be scheduled for 1.5 hours rather than a full day each based on new BC Assessment precedents. The appeal management teleconference calls were held over several mornings. The end result of this process was that all the appellants withdrew their appeals and we did not need to hold the ARB.

I estimate that the First Nation saved close to \$30,000 in fees and travel expenses by holding appeal management teleconferences. I would highly recommend this process to any taxing First Nation in British Columbia as part of its strategy for managing appeals.



## For More Information Contact Jeanie Lanine at Cedar Law

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