Property Taxes

When you purchase a condominium apartment, you are purchasing a piece of property. The word "condominium" does not refer to the property itself, contrary to popular belief. Condominium is a legal term used to describe a type of ownership. When you purchase a piece of property, you are required to pay property taxes. Property taxes for each individual unit are the responsibility of the property owner and, therefore, are NOT covered in the common area fees, which are otherwise known as condominium fees. Generally speaking, condo fees only cover common expenses, not individual unit expenses.

The amount of property taxes you are required to pay is determined by the provincial assessment of the property you purchase.

Assessments for units purchased at The Northumberland are coming in at approximately 80% of selling price, less the value of the appliances.

Owners are required to pay $1.67 for every $100 of the assessed value of their unit. The municipal levy is $1.33 per $100 of assessment and the provincial levy is $0.34 per $100 of assessment.

Units purchased at The Northumberland qualify for the municipal property tax rebate being offered by The City of Charlottetown. After paying a full-year of taxes, the municipality will rebate 100% of the municipal portion of your property taxes. After the second year, 80% will be rebated. After the third year, 60% will be rebated. After the fourth year, 40% will be rebated. And finally, after the fifth year, 20% will be rebated. This amounts to a considerable tax savings for residents of The Northumberland.

Property Tax Example:

Selling price = $300,000
80 % of selling price = $240,000
Appliance value = $5000
Assessment (80% of selling price less appliance value) = $235,000
Assessment/$100 = 2350
2350 x $1.67 = $3924.50 total annual tax bill
2350 x $1.33 municipal tax levy = $3125.50 total annual municipal tax bill
2350 x $0.34 provincial tax levy = $799.00 total annual provincial tax bill

Property Tax Rebate Example:

After paying a full year of taxes, the following rebates will be payable to the property owner:

Year 1 =	$3,924.50
Year 2 =	$3,139.60
Year 3 =	$2,354.70
Year 4 =	$1,569.80
Year 5 =	$ 784.90
	$11,773.50 = Total rebate to property owner over five year period