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## NEWS RELEASE

**For Immediate Release  
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### **New policy for agricultural land responds to farmers' needs**

The way farm land is valued has been changed as a result of farmers' requests to the Saskatchewan Assessment Management Agency (SAMA).

SAMA's new policy, approved on May 21<sup>st</sup> to take effect in the next revaluation in 2005, will emphasize the productivity of agricultural land when determining its value. Less emphasis will be placed on land sales.

The previous system was established in 1997 and used a Local Market Index (LMI) to give heavier weight to local land sales. However, the LMI had been criticized by the agricultural community for creating inequities in the assessment of farm land.

The Saskatchewan Association of Rural Municipalities had strongly supported the elimination of the LMI.

"The new formula to be used in 2005 will now be closer to the pre-1997 method," said SAMA Chairman Bill Reader. "The LMI will be eliminated, and with it a major concern for farm land owners."

Reader cautioned that eliminating the LMI in 2005 will cause adjustments to land values, both up and down, for many farm land owners as the system is returned to a productivity-based model.

"This is one major change among a number of new directions SAMA is taking to renew the property assessment system in our province," he said.

"We're also developing ways to use new technology such as the Geographic Information System. We're working with the Agricultural Economics Department at the University of Saskatchewan to improve the farm land productivity model."

"These and other changes will help make property assessment more responsive to the needs of property owners."

- 30 -

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