



# Staff Report to Council - for Information

**Title:** 2025 Property Tax Policy Review

**From:** Sam Dinsmore, Director of Corporate Services

**Date:** March 20, 2025

**Report Number:** CS-2025-008

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## Staff Recommendation:

This report is for information.

## Report Summary:

This report provides information in the setting of the 2025 tax rates for the County, including the attached draft Tax Ratio and Tax Rate By-law 2025-017.

## Background/Analysis:

### 2025 Tax Ratios

Before setting the County's tax rates the tax ratios need to be set, the tax ratios are the relationship between all non-residential property classes to the residential class. As an example, the tax ratio for residential is 1.00 whereas the tax ratio for farmland is 0.25 therefore farmland pays 25% of what residential properties pay.

The majority of tax ratios are set by Council however some are set by the province, such as the new Aggregate Extraction class, and all classes have constraints against how they are set as compared to the residential class. With this information staff are not recommending any changes to the tax ratios for 2025. Chart 1 below lists the tax ratios that will be used by the County and lower-tiers when calculating the 2025 tax rates.

**Chart 1: 2025 Tax Ratios**

Property Tax Class	Tax Ratio
Residential and Farm	1.000000
Multi-Residential	1.000000
Commercial	1.233100
Industrial	1.747700
Aggregate Extraction	1.422115
Pipelines	1.016400
Farmlands	0.250000
Managed Forest	0.250000
Landfill	1.223945

## 2025 Tax Rates

With the 2025 tax levy now set through the passing of the 2025 Operating and Capital budgets for \$71.8 million, the County can now proceed with calculating the new tax rates. The County's residential tax rate increased from 0.00501304 to 0.00525735 which represents an increase of \$24 for every \$100,000 in residential assessment.

In 2025 the province introduced a new property tax class for Aggregate Extraction properties. This new class is capturing more gravel pits and quarries throughout the County and moving the assessment out of the Industrial tax class into this newly create class.

Chart 2 below outlines the 2025 tax rates for all property tax classes through the County, including the new Aggregate Extraction class.

**Chart 2: 2025 Tax Rates**

Property Tax Class	Tax Rate	Modifier
Residential and Farm	0.00525735	
Farmland Awaiting Development	0.00394301	75% of residential
Multi-Residential	0.00525735	
Commercial - occupied	0.00648284	
Commercial - vacant building, excess land	0.00648284	100% of commercial occupied
Commercial - vacant land	0.00648284	100% of commercial occupied
Commercial - on farm business	0.00648284	
Industrial - occupied	0.00918827	
Industrial - vacant building, excess land	0.00918827	100% of industrial occupied
Industrial - vacant land	0.00918827	100% of industrial occupied
Industrial - on farm business	0.00918827	
Aggregate Extraction	0.00747656	
Landfill	0.00643471	
Pipelines	0.00534357	
Farmlands	0.00131434	
Managed Forests	0.00131434	

## 2025 Assessment

Chart 3 below shows the revenue generating property assessment base for the County. The assessments are split between the taxable portion and Payment-in-Lieu (PIL) portions. There is an additional \$694 million in assessment for properties that are exempt from taxation that is not included in Chart 3.

The taxable assessment base increased by 1.9% for the County in 2024 with the majority (81%) of that increase coming in the residential tax class. The County did see positive growth in both the multi-residential and commercial tax classes resulting in an additional \$40 million in assessment base over 2024.

The major change in 2025 is the introduction of the new mandatory tax class for Aggregate Extraction properties. The \$28 million of assessment in this new class is a tax shift rather than additional assessment as these properties were re-classified from the Industrial tax class to their own class.

**Chart 3: 2025 Assessment Growth/Loss - Current Value Assessment (CVA)**

<b>Realty Tax Class (in millions)</b>	<b>2024 CVA</b>	<b>% of Total</b>	<b>2025 CVA</b>	<b>% of Total</b>	<b>Change in \$</b>	<b>Change in %</b>
<b>Residential</b>	\$11,045	68.9%	\$11,252	69.1%	\$207	1.9%
<b>Farm</b>	\$3,648	22.8%	\$3,655	22.5%	\$7	0.2%
<b>Managed Forest</b>	\$41	0.3%	\$43	0.3%	\$1	3.0%
<b>Multi-Residential</b>	\$182	1.1%	\$203	1.2%	\$21	11.6%
<b>Commercial</b>	\$739	4.6%	\$757	4.6%	\$18	2.4%
<b>Industrial</b>	\$177	1.1%	\$149	0.9%	(\$27)	(15.5%)
<b>Aggregate</b>	\$0	0.0%	\$28	0.2%	\$28	100.0%
<b>Pipeline</b>	\$45	0.3%	\$47	0.3%	\$1	2.5%
<b>Sub-Total Tax</b>	<b>\$15,878</b>	<b>99.1%</b>	<b>\$16,134</b>	<b>99.1%</b>	<b>\$256</b>	<b>1.9%</b>
<b>PILs</b>						
<b>Residential</b>	\$30	0.2%	\$30	0.2%	\$0	0.0%
<b>Commercial</b>	\$115	0.7%	\$115	0.7%	\$0	0.0%
<b>Industrial</b>	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Landfill</b>	\$2	0.0%	\$2	0.0%	\$0	0.0%
<b>Total PILs</b>	\$147	0.9%	\$147	0.9%	\$0	0.0%
<b>Total</b>	<b>\$16,025</b>	<b>100.0%</b>	<b>16,281</b>	<b>100%</b>	<b>\$256</b>	<b>1.9%</b>

In total the County has \$256 million in additional assessment from building activity in 2024. This additional assessment helps to offset the required increase to the tax rate, as there is now a greater assessment base to spread the levy over.

### **Education Property Taxes**

The Education Property taxes as set by the province will remain the same for 2025 as they were in 2024. The residential rate will stay at 0.153% while the business tax rate will stay at 0.88%; these rates have been in place since 2020 and 2021 respectively.

**Financial/Staffing/Legal/IT Considerations:**

There are no financial, staffing, legal, or IT considerations associated with this report.

**Interdepartmental Consultation:**

The local municipal treasurers were consulted for the 2025 tax rate policy and recommendations.

**Link to Strategic Goals and Objectives:**

Growth and Innovation - Promote responsible growth

**Link to Departmental Plan Goals and Objectives, if any:**

2025 Corporate Operating and Capital Budget

**Departmental Approval:**

Sam Dinsmore, Director of Corporate Services

**Approved for Submission:**

Sean Morphy, Deputy Chief Administrative Officer

**Attachments:**

Attachment 1 - 2025 Draft Tax Ratios and Tax Rate By-law