

## **PROPOSED 2021 MUNICIPAL NON-RESIDENTIAL PHASED TAX PROGRAM CRITERIA**

### Summary

The purpose of the Phased Tax Program is to phase-in 2021 non-residential property tax increases (municipal portion only) by limiting the increase in property taxes in 2021 to 10 per cent. This means that eligible non-residential property owners will experience a maximum increase in the municipal non-residential property tax of 10 per cent (not including effects of prior year's rebate and prior year's Phased Tax Programs) resulting from the preparation of the 2021 market value assessment.

The Phased Tax Program is a one-year program only.

### Eligibility

#### 1) Market Value Changes Only

This program is designed to phase-in only the non-residential property tax effects resulting from the preparation of the 2021 annual market value assessment. Thus, the focus is on market value changes only.

#### 2) Non-Market Value Changes

Properties which had physical changes that affected the 2021 assessment relative to the 2020 assessment or had changes due to other external non-market impacts (e.g. a zoning change, servicing, remediation, a change in taxable status, factual corrections, a change in assessment class) would be excluded from the Phased Tax Program.

#### 3) Regulated Rate Properties

Any non-residential property not valued on the market value standard is excluded; such as farmland and linear properties.

#### 4) Other Criteria

To be included in the Phased Tax Program, non-residential properties:

- Must have existed in 2020.
- Must have a tax status of "taxable".
- For properties assessed with more than one assessment class, only those properties where the non-residential component is 50% or higher will be included.
- Must have 2021 municipal non-residential property taxes greater than \$50.
- The amount to be phased-in exceeds \$25.

5) Provincial Non-Residential Property Tax

The Phased Tax Program does not include any non-residential property tax effects from the provincial government. At this point, The City of Calgary has not been informed of the provincial requirements for property tax to be collected from the non-residential property group.

6) Impact of Filing an Assessment Complaint

In accordance with the *Municipal Government Act* property owners who disagree with their assessment have the right to file a complaint with the Assessment Review Board (ARB). The Phased Tax Program requires known and final assessment values to determine if the tax change is above or below the phase-in threshold (10 per cent). Any non-residential property that has filed a 2021 complaint will not be included in the Phased Tax Program until the decision of the ARB has been rendered and any further appeals or reviews have been concluded. Any non-residential property that has an outstanding prior years' appeal or review will not be included in the Phased Tax Program until the appeal or review is concluded. Once a final determination of the assessed value has been received, any resulting tax effect will be taken into consideration in accordance with the Phased Tax Program.

7) Processing the Phase-in

There will be no application process required, and the tax effect of the Phased Tax Program will be applied on the annual non-residential property tax bill. Property tax accounts using the Tax Instalment Payment Plan will have the payment amounts accordingly adjusted.