

# 2024 Property Tax Related Bylaws C2024-0264

Regular Council Meeting

2024 March 19



## Previous Council Direction

- **2023 November 7:** Council approved to account for differential in physical growth between residential and non-residential and shift the tax share from non-residential to residential by 1 per cent for the next 3 years. Also, council approved the recommended adjustments to the 2023-2026 Service Plans and Budgets (C2023-1148)
- **2023 November 1:** Council approved the 2024 Preliminary Assessment Roll and Related Estimates report (C2023-1047)
- **2022 November 8:** Council approved the 2023-2026 Service Plans and Budgets (C2022-1051)

Administration recommends that Council:

1. Give three readings to:

- a) The proposed 2024 Property Tax Bylaw 14M2024 (Attachment 2).
- b) The proposed 2024 Machinery and Equipment Exemption Bylaw 15M2024 (Attachment 3);  
and
- c) The proposed 2024 Rivers District Community Revitalization Levy Rate Bylaw 16M2024 (Attachment 4).



- Council's approval of the 2024 property tax related bylaws is required so The City of Calgary can meet its 2024 municipal financial obligations
- Tax payer's tax bill consist of Municipal and Provincial portion:
  - **Council** approved the municipal portion as the 2024 Adjustments to the 2023-2026 Service Plans and Budgets on 2023 November 7 with an increase of **7.2 per cent residential and 3.0 per cent non-residential**, and overall of 5.2 per cent
  - The **Provincial** Property Tax decisions were made by the Province and communicated to The City on 2024 February 29 with an increase of **11.5 per cent residential and 3.8 per cent non-residential**, and overall of 3.1 per cent
- Current challenges in other revenues emphasize the importance of the property tax revenue
- Property Tax bills are expected to be mailed on the week of May 20, 2024



# Municipal Tax Rates, Ratio & Share


	2023	2024
Residential Tax Rate	0.0043319	0.0042036
Non-Residential Tax Rate	0.0184334	0.0183629
<b>Municipal Tax Ratio (Non-res/Res)</b>	<b>4.26</b>	<b>4.37</b>
<b>Tax Revenue raised through the bylaw (\$M)*</b>	<b>\$2,170.6</b>	<b>\$2,319.0</b>
Residential Tax Share	\$1,120.7	\$1,221.8
Non-Residential Tax Share	\$1,048.5	\$1,095.8
<b>Municipal Tax Share Ratio (Res:Non-res)</b>	<b>52:48</b>	<b>53.2:46.8</b>

\* Excludes Farmland



- Due to higher growth than anticipated
  - Increase in residential tax rates is reduced from 7.8 to 7.2 per cent
  - Increase in non-residential tax rates is reduced from 3.6 to 3.0 per cent

Residential	Before Additional Growth	After Additional Growth
Residential Growth (\$M)	\$21.5	\$28.4
<b>Residential Tax Rate Increase *</b>	<b>7.8%</b> 	<b>7.2%</b>

Non-Residential	Before Additional Growth	After Additional Growth
Non-Residential Growth (\$M)	\$12.7	\$17.9
<b>Non-Residential Tax Rate Increase *</b>	<b>3.6%</b> 	<b>3.0%</b>

\* Municipal tax rate % increase from the 2024 revenue neutral tax rates



# Total Estimated Property Tax Bill Changes from 2023 to 2024

Estimated Year-over-Year Change	Single Residential Home	Single Residential Condominium	Non-residential \$5M property
Assessment Change (A) <sup>1</sup>	(\$11)	\$53	(\$49)
Budget Change (B) <sup>2</sup>	\$171	\$83	\$2,811
<b>Municipal Change (C=A+B)</b>	<b>\$160</b>	<b>\$135</b>	<b>\$2,762</b>
<b>Provincial Change (D)</b>	<b>\$149</b>	<b>\$102</b>	<b>\$555</b>
<b>Total Annual Change (C+D)<sup>3</sup></b>	<b>\$309</b>	<b>\$238</b>	<b>\$3,317</b>
<b>Total Monthly Change</b>	<b>\$26</b>	<b>\$20</b>	<b>\$276</b>

1. Relative assessment impact
2. Council approved budget changes
3. Totals may not add due to rounding



Impacts on residential assessment class:



	Single Residential		
	2023	2024	Year-over-Year Change
Assessment	\$555,000	\$610,000	9.91%
Municipal Taxes	\$2,404	\$2,564	6.66%
Provincial Taxes	\$1,243	\$1,392	12.00%
<b>Total Taxes</b>	<b>\$3,647</b>	<b>\$3,957</b>	<b>8.48%</b>



Condo	High-Rise Apartment
Year-over-Year Change	
15.69%	9.39%
12.26%	6.15%
17.89%	11.47%
<b>14.18%</b>	<b>7.96%</b>





# Combined Non-Residential Impacts

Impact on various property types within the non-residential assessment class:



	Retail – Strip Mall	Retail - Neighbourhood Shopping Centre
	Year-over-Year Change	
Assessment	8.39%	10.03%
Municipal Taxes	7.98%	9.61%
Provincial Taxes	8.03%	9.66%
<b>Total Taxes</b>	<b>7.99%</b>	<b>9.62%</b>



Suburban Office	Office - Downtown AA Class
Year-over-Year Change	
5.16%	-5.16%
4.76%	-5.52%
4.81%	-5.47%
<b>4.77%</b>	<b>-5.51%</b>



Hotel/ Accommodation
Year-over-Year Change
9.52%
9.10%
9.16%
<b>9.11%</b>



Large Format Industrial - Warehouse	Typical Industrial - Warehouse
Year-over-Year Change	
18.94%	11.50%
18.49%	11.08%
18.55%	11.13%
<b>18.50%</b>	<b>11.09%</b>

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