

## Analysis and Illustrative Examples

### Municipal Tax

On 2024 November 22 (C2024-1097), Council approved a municipal property tax budget of \$2,435.2 million which results in an overall tax increase of 3.6 per cent (5.5 per cent residential/farmland and 1.3 per cent non-residential) for existing properties.

Per Council's direction on report C2023-1148, the distribution of tax revenues between assessment classes accounts for the differential in physical growth which resulted in more growth allocated to the residential base than for the non-residential base. As growth was higher than anticipated during the November report, it further reduced the overall tax increase for existing taxpayers to 3.4 per cent (5.3 per cent residential/farmland and 1.3 per cent non-residential).

Council also approved a 1 per cent tax share shift from non-residential to residential for 2024-2026 resulting to a revenue split of 54.5 per cent residential/farmland or \$1,327.9 million and 45.5 per cent non-residential or \$1,107.3 million. Including the 2025 bylaw adjustment of \$7.5 million, the total 2025 municipal property tax revenue to be raised from the Property Tax Bylaw is \$2,442.7 million.

Municipal tax rates are calculated directly from the Council-approved property tax revenue budget, bylaw adjustments and final 2025 assessments. The tax rates, tax ratio, tax levy and tax share are summarized in Table 1 below:

<b>Table 1: 2025 Municipal Tax Rates, Tax Levy and Tax Ratio Changes</b>			
	<b>2024</b>	<b>2025</b>	<b>Year-over-Year Change</b>
Residential Tax Rate	0.0042036	0.0038706	-7.92%
Non-Residential Tax Rate	0.0183629	0.0179731	-2.12%
Tax Ratio (Non-res/Res)	4.37	4.64	
Tax Revenue raised through the bylaw (\$M) <sup>1</sup>	\$2,319.0	\$2,442.7	5.33%
Residential Tax Share	\$1,221.8	\$1,324.1	8.37%
Non-Residential Tax Share	\$1,095.8	\$1,117.3	1.96%
Farmland Tax Share	\$1.43	\$1.31	-8.43%

Note 1: Breakdown of Property Tax Revenue Budget per SPB and per Bylaw

<b>Property Tax Revenue Budget (\$M)</b>	<b>2024</b>	<b>% Change</b>	<b>2025</b>	<b>% Change</b>
Base	\$ 2,146.8		\$ 2,306.2	
Physical Growth (Development & Redevelopment)	\$ 46.2	2.2%	\$ 49.6	2.1%
Tax Increase/(Decrease)	\$ 113.2	5.3%	\$ 79.4	3.4%
<b>Property Tax Revenue per 2023-2026 SPB</b>	<b>\$ 2,306.2</b>	<b>7.4%</b>	<b>\$ 2,435.2</b>	<b>5.6%</b>
Bylaw Adjustments	\$ 12.8	0.6%	\$ 7.5	-41.5%
<b>Property Tax Revenue raised through the bylaw</b>	<b>\$ 2,319.0</b>	<b>8.0%</b>	<b>\$ 2,442.7</b>	<b>5.3%</b>

A summary of the required municipal tax levy is shown in Attachment 5.

### **Provincial Property Tax Requisition**

On 2025 February 27, the province released Budget 2025. The provincial education property tax requisition is budgeted at \$3.1 billion province-wide in 2025-26, an increase from \$2.7 billion in 2024-25. After being frozen in 2024-25, education property tax rates per \$1,000 of equalized assessment will increase in 2025-26 from \$2.56 to \$2.72 for residential/farmland property and from \$3.76 to \$4.00 for non-residential. These higher rates, combined with rising property values and increased development, increased The City's requisition by 17.5 per cent due to growth in assessment of 11.4 per cent and rate increase of 6.3%. As a result, The City's share of the 2025 provincial property tax requisition increased by \$154.3 million to \$1,035.9 million. Net impacts of prior year adjustments and amounts that are not required to be raised by the 2025 Property Tax Bylaw bring the total adjusted amount for bylaw calculation up to \$1,025.1 million.

Provincial tax rates are calculated directly from the Provincial requisition for Calgary, bylaw adjustments and final 2025 assessments. The tax rates, tax levy and tax share are summarized in Table 2 below:

<b>Table 2: 2025 Provincial Tax Rates &amp; Tax Levy</b>			
	<b>2024</b>	<b>2025</b>	<b>Year-over-Year Change</b>
Residential Tax Rate	0.0022825	0.0023097	1.2%
Non-Residential Tax Rate	0.0036293	0.0038555	6.2%
Tax Revenue raised through the bylaw (\$M)	\$875.7	\$1,025.1	17.1%
Residential Tax Share	\$662.8	\$789.2	19.1%
Non-Residential Tax Share	\$212.8	\$235.8	10.8%
Farmland Tax Share	\$0.1	\$0.1	0.0%

A summary of the requisitions and the resulting provincial tax levy to be raised from the 2025 Property Tax Bylaw is provided in Attachment 6.

### **Total Provincial & Municipal Combined Changes for Typical Properties**

Individual tax bill changes from year to year due to factors such as changes in assessed value, changes in the municipal tax rates and changes in provincial tax rates. The following summarizes changes for all factors:

The 2025 overall municipal increase and provincial increase is 5.3 per cent and 15.6 per cent respectively.

For the typical single residential homeowner with a 2025 median assessment of \$697,000 with a change less than the typical residential assessment increase of 15 per cent, the combination of the municipal and provincial changes results in a combined increase of \$351.14 per year (\$29.26 per month).

For the typical single residential condominium owner with a 2025 median assessment of \$359,000 with a change greater than the typical residential assessment change of 22 per cent, the combination of the municipal and provincial changes results in a combined increase of \$305.33 per year (\$25.44 per month).

The non-residential property owner of a hypothetical \$5.45 million property experiencing the typical non-residential assessment increase of 3 per cent will see a combined increase of \$3,132.46 per year (\$261.04 per month).

<b>Table 3: Total Estimated Municipal &amp; Provincial Combined Changes from 2024 to 2025</b>			
<b>Estimated Year-over-Year Change</b>	<b>Single Residential Home</b>	<b>Single Residential Condominium</b>	<b>Non-residential \$5.45M property</b>
Assessment Change (A) <sup>1</sup>	-\$1.05	\$80.13	\$7.36
Budget Change (B) <sup>2</sup>	\$134.66	\$69.36	\$1,227.47
<b>Municipal Change (C = A+B) <sup>3</sup></b>	<b>\$133.61</b>	<b>\$149.49</b>	<b>\$1,234.83</b>
<b>Provincial Change (D) <sup>4</sup></b>	<b>\$217.53</b>	<b>\$155.84</b>	<b>\$1,897.63</b>
<b>Total Annual Change (C+D) <sup>5</sup></b>	<b>\$351.14</b>	<b>\$305.33</b>	<b>\$3,132.46</b>
<b>Total Monthly Change</b>	<b>\$29.26</b>	<b>\$25.44</b>	<b>\$261.04</b>
1. Relative assessment impact 2. Council approved budget changes and property tax related direction such as 1% tax shift, physical growth, etc 3. Estimated Municipal Taxes based on the summary table below 4. Based on the Provincial numbers in the summary table below 5. Totals may not add due to rounding			

Additional examples of property types are provided in the summary tables below. The illustrative examples also include the monthly Tax Instalment Payment Plan (TIPP) payments for the first six months and last six months of the year for the typical single residential homeowner.

Typical Single Residential Home	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$610,000	\$697,000	14.26%	\$697,000	14.26%
Municipal Tax Rate*	0.0042036	0.0036774	-12.52%	0.0038706	-7.92%
Estimated Municipal Taxes	\$2,564	\$2,563	-0.04%	\$2,698	5.21%
Provincial Tax Rate**	0.0022825	0.0019984	-12.45%	0.0023097	1.19%
Estimated Provincial Taxes	\$1,392	\$1,393	0.04%	\$1,610	15.62%
Monthly TIPP Payments Feb to Jun	\$328			\$350	
Monthly TIPP Payments Jul to Dec	\$332			\$371	
<b>Total Taxes</b>	<b>\$3,957</b>	<b>\$3,956</b>	<b>-0.01%</b>	<b>\$4,308</b>	<b>8.87%</b>

Typical Single Residential Condo	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$295,000	\$359,000	21.69%	\$359,000	21.69%
Municipal Tax Rate*	0.0042036	0.0036774	-12.52%	0.0038706	-7.92%
Estimated Municipal Taxes	\$1,240	\$1,320	6.46%	\$1,390	12.06%
Provincial Tax Rate**	0.0022825	0.0019984	-12.45%	0.0023097	1.19%
Estimated Provincial Taxes	\$673	\$717	6.55%	\$829	23.14%
<b>Total Taxes</b>	<b>\$1,913</b>	<b>\$2,038</b>	<b>6.49%</b>	<b>\$2,219</b>	<b>15.96%</b>

Multi-Residential - Low-Rise Apartment	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$3,530,000	\$3,910,000	10.76%	\$3,910,000	10.76%
Municipal Tax Rate*	0.0042036	0.0036774	-12.52%	0.0038706	-7.92%
Estimated Municipal Taxes	\$14,839	\$14,379	-3.10%	\$15,134	1.99%
Provincial Tax Rate**	0.0022825	0.0019984	-12.45%	0.0023097	1.19%
Estimated Provincial Taxes	\$8,057	\$7,814	-3.02%	\$9,031	12.08%
<b>Total Taxes</b>	<b>\$22,896</b>	<b>\$22,192</b>	<b>-3.07%</b>	<b>\$24,165</b>	<b>5.54%</b>

Multi-Residential - High-Rise Apartment	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$34,710,000	\$37,200,000	7.17%	\$37,200,000	7.17%
Municipal Tax Rate*	0.0042036	0.0036774	-12.52%	0.0038706	-7.92%
Estimated Municipal Taxes	\$145,907	\$136,799	-6.24%	\$143,986	-1.32%
Provincial Tax Rate**	0.0022825	0.0019984	-12.45%	0.0023097	1.19%
Estimated Provincial Taxes	\$79,226	\$74,340	-6.17%	\$85,921	8.45%
<b>Total Taxes</b>	<b>\$225,133</b>	<b>\$211,140</b>	<b>-6.22%</b>	<b>\$229,907</b>	<b>2.12%</b>

Typical Non-Residential Property	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$5,270,000	\$5,453,000	3.47%	\$5,453,000	3.47%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$96,772	\$96,780	0.01%	\$98,007	1.28%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$19,126	\$18,953	-0.91%	\$21,024	9.92%
<b>Total Taxes</b>	<b>\$115,899</b>	<b>\$115,733</b>	<b>-0.14%</b>	<b>\$119,031</b>	<b>2.70%</b>

Retail - Strip Mall	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$6,130,000	\$6,380,000	4.08%	\$6,380,000	4.08%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$112,565	\$113,232	0.59%	\$114,668	1.87%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$22,248	\$22,175	-0.33%	\$24,598	10.57%
<b>Total Taxes</b>	<b>\$134,812</b>	<b>\$135,407</b>	<b>0.44%</b>	<b>\$139,266</b>	<b>3.30%</b>

Retail - 17th Avenue SW	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$2,230,000	\$2,300,000	3.14%	\$2,300,000	3.14%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$40,949	\$40,820	-0.31%	\$41,338	0.95%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$8,093	\$7,994	-1.23%	\$8,868	9.57%
<b>Total Taxes</b>	<b>\$49,043</b>	<b>\$48,815</b>	<b>-0.47%</b>	<b>\$50,206</b>	<b>2.37%</b>

Retail - Neighbourhood Shopping Centre	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$26,280,000	\$26,950,000	2.55%	\$26,950,000	2.55%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$482,577	\$478,309	-0.88%	\$484,375	0.37%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$95,378	\$93,670	-1.79%	\$103,906	8.94%
<b>Total Taxes</b>	<b>\$577,955</b>	<b>\$571,979</b>	<b>-1.03%</b>	<b>\$588,281</b>	<b>1.79%</b>

Industrial - Typical Warehouse	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$7,200,000	\$7,660,000	6.39%	\$7,660,000	6.39%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$132,213	\$135,950	2.83%	\$137,674	4.13%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$26,131	\$26,624	1.89%	\$29,533	13.02%
<b>Total Taxes</b>	<b>\$158,344</b>	<b>\$162,574</b>	<b>2.67%</b>	<b>\$167,207</b>	<b>5.60%</b>

Industrial - Large Format Warehouse	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$40,420,000	\$44,070,000	9.03%	\$44,070,000	9.03%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$742,228	\$782,154	5.38%	\$792,075	6.72%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$146,696	\$153,174	4.42%	\$169,912	15.83%
<b>Total Taxes</b>	<b>\$888,925</b>	<b>\$935,328</b>	<b>5.22%</b>	<b>\$961,986</b>	<b>8.22%</b>

Office - Suburban Office	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$5,550,000	\$5,990,000	7.93%	\$5,990,000	7.93%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$101,914	\$106,311	4.31%	\$107,659	5.64%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$20,143	\$20,819	3.36%	\$23,094	14.65%
<b>Total Taxes</b>	<b>\$122,057</b>	<b>\$127,130</b>	<b>4.16%</b>	<b>\$130,753</b>	<b>7.13%</b>

Office - Downtown AA Class	2024	Revenue Neutral	Year-over-Year Change	2025 Including Recommended 2023 - 2026 Budget Adj.	Year-over-Year Change
Assessment	\$261,040,000	\$263,790,000	1.05%	\$263,790,000	1.05%
Municipal Tax Rate*	0.0183629	0.017748	-3.35%	0.0179731	-2.12%
Estimated Municipal Taxes	\$4,793,451	\$4,681,745	-2.33%	\$4,741,124	-1.09%
Provincial Tax Rate**	0.0036293	0.0034757	-4.23%	0.0038555	6.23%
Estimated Provincial Taxes	\$947,392	\$916,855	-3.22%	\$1,017,042	7.35%
<b>Total Taxes</b>	<b>\$5,740,844</b>	<b>\$5,598,600</b>	<b>-2.48%</b>	<b>\$5,758,166</b>	<b>0.30%</b>