

# Background and Previous Council Direction

## Background

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The property tax bylaw must be prepared in accordance with the Municipal Government Act.

Municipal Government Act, Chapter M-26, RSA 2000, Section 353 - Property tax bylaw:

- (1) Each council must pass a property tax bylaw annually.
- (2) The property tax bylaw authorizes the council to impose a tax in respect of property in the municipality to raise revenue to be used toward the payment of
  - (a) the expenditures and transfers set out in the budget of the municipality, and
  - (b) the requisitions.

### Designated Industrial Property

Municipal Government Act sections 326(1)(a)(vi) and 359.3(1) requires that the designated industrial property requisition (set by the Minister), which is the recovery of costs incurred for the preparation of Designated Industrial Property assessments, be included as part of the provincial requisition.

### Community Revitalization Levy Rate Bylaw

The City of Calgary Rivers District Community Revitalization Levy Regulation (AR 232/2006) established a community revitalization levy area known as the Rivers District. The Municipal Government Act authorizes a council to pass a bylaw to impose a levy in respect of the incremental assessed value of property in a community revitalization levy area. The levy will raise revenue to be used toward the payment of infrastructure and other costs associated with the redevelopment of property in the community revitalization levy area.

### Provincial 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 have combined with rising property values and increased development to the increase in the requisition by \$154.4 million or 17.5% per cent for Calgary taxpayers.

## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2024/11/22	C2024-1097	<p><a href="#">Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets</a></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>1. Approve the plan and budget adjustments as articulated in the following: <ol style="list-style-type: none"> <li>a. REVISED Attachment 3 – Recommended Investment</li> </ol> </li> </ol> <p>Council approved within the previously approved tax increase of 3.6 per cent and limited tax increase in 2026. In addition, the increase in 2025 budgeted property tax revenue is funded by \$16M from higher than projected additional physical growth.</p>
2024/10/29	EC2024-0939	<p><a href="#">2025 Preliminary Assessment Roll and Related Estimates</a></p> <p>That Council receive this report for the Corporate Record to inform deliberations on Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets in November.</p>
2023/11/07	C2023-1148	<p><a href="#">2023 November Adjustment to the 2023-2026 Service Plans and Budgets</a></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>1. Approve the recommendation to account for differential in physical growth (new or redevelopment) between residential and non-residential and shift the tax share from non-residential to residential by 1 per cent for the next 3 years.</li> <li>2. Approve the recommended adjustments to the 2023-2026 Service Plans and Budgets.</li> </ol>
2023/02/14	C2023-0109	<p><a href="#">2023 Residential and Non-Residential Tax Share Options</a></p> <p>That Council:</p>

		<p>1. Direct Administration to pursue Option A as outlined in Attachment 2, maintaining status quo tax share of 52 residential: 48 non-residential.</p> <p>3. Direct Administration to consider accounting for differential physical growth (new or re-development) in preparing tax share scenarios for 2024-2026.</p>
2022/11/08	C2022-1051	<p><a href="#">2023-2026 Service Plans and Budgets</a></p> <p>Council approved 2023-2026 Service Plans and Budgets.</p>
2022/11/02	C2022-1120	<p><a href="#">TIPP Bylaw Amendments</a></p> <p>That Council give three readings to proposed Bylaw 50M2022 (Attachment 2) to amend the Tax Instalment Payment Plan (TIPP) Bylaw 9M2002.</p>
2022/10/04	EC2022-0649	<p><a href="#">Financial Task Force – Property Tax Policy Framework</a></p> <p>That Council:</p> <p>6. In continuing to use the tax share approach to make tax distribution decisions, abandon the 2012 direction to continue applying a zero per cent increase to consolidated business tax revenue, effectively drawing business tax consolidation to a close.</p>
2007/04/16	27M2007	<p>On 2007 April 16, Council passed Bylaw 27M2007 to authorize the creation of a community revitalization levy area in the Rivers District. The Bylaw was approved by the Lieutenant Governor in Council of Alberta on 2007 July 17. Legislation requires Council to pass a community revitalization levy rate bylaw annually. On 2019 Feb 15, the Lieutenant Governor in Council of Alberta approved the City's amended Rivers District Community Revitalization Levy (CRL) Bylaw 2M2019 confirming that the Rivers District CRL could be in place until 2047.</p>