

Corporate Planning and Financial Services Briefing to

Executive Committee

2025 March 11

ISC: UNRESTRICTED

EC2025-0193

Annual Property Tax Exemptions and Tax Relief Expenditures - 2024

PURPOSE OF BRIEFING

In accordance with Council direction arising from [EC2022-0649](#), Administration has prepared an annual briefing for Council on the context of property tax exemptions and tax relief expenditures in Calgary. This information supports accountability and transparency in Calgary's property tax system.

SUPPORTING INFORMATION

Property tax exemptions are applied pursuant to the *Municipal Government Act* (MGA) and *Community Organization Property Tax Exemption Regulation* (COPTER) based on use or the entity that owns or holds the property. Generally, taxable status is determined by the province; however, the MGA provides Council with some limited discretionary tools related to subsidies, incentives or relief including the power to:

- Make some particular types of properties taxable by bylaw;
- Exempt some particular types of properties by bylaw; and
- Cancel, reduce, refund, or defer all or part of a tax, including penalties and arrears, when Council considers it equitable to do .

When properties are exempt from property tax, the tax responsibility is redistributed to the remainder of the tax base. As the taxable assessment base decreases, the tax rate increases to meet the municipal property tax revenue requirement set out in the annual budget. Tax cancellations, refunds, rebates, and deferrals are considered expenditures because property tax and penalty revenue is included in the annual budget.

Table 1 below details the assessment and estimated municipal property tax value for exemptions and other tax relief provided in 2024 using 2024 residential and non-residential municipal property tax rates. Given that exemptions redistribute property tax responsibility within the residential and non-residential classes, the actual value would likely be different if some or all of these properties had been reflected in the taxable assessment roll. This briefing provides information on the 2024 assessment roll because the 2025 assessment roll will not be finalized until 2025 December 31.

Tax agreements, including those pursuant to MGA sections 333.1 and s. 360, are also a potential tax subsidy but are excluded from the scope of this briefing due to their unique nature and complexity. Municipalities may enter into tax agreements in specific circumstances where instead of paying taxes, parties agree to pay an annual amount calculated under the agreement.

Additional background information on property tax exemptions and Council's discretionary tax relief powers was detailed in [PFC2019-0491](#).

Table 1: 2024 Roll Year Property Tax Exemptions and Expenditures

CATEGORY	2024 ASSESSED VALUE	ESTIMATED MUNICIPAL TAX VALUE
EXEMPTIONS		
Crown Property – Federal (MGA s. 362(1)(a) and Constitution Act s. 125) ¹	28,777,000	523,346
Crown Property – Provincial (MGA s. 362(1)(a) and Constitution Act s. 125) ²	2,563,619,520	29,204,161
Hospitals and Health Region (MGA s. 362(1)(e) and (g.1))	5,226,985,500	95,078,187
Nursing and Seniors Homes and Lodges (MGA s. 362(1)(h), (m) and (n)(iv))	894,070,000	7,883,224
Post-Secondary Education Purposes (MGA s. 362(1)(d))	3,428,987,250	62,349,461
Public and Charter School Purposes (MGA s. 362(1)(c)(i-i.2))	3,356,254,000	61,577,643
Private School Purposes (MGA s. 362(1)(c)(ii))	499,704,000	9,154,351
Environmental, Municipal, School, and Utility Reserve (MGA s. 361(c))	2,499,970,750	45,828,608
Municipal Property (MGA s. 362(1)(b))	8,647,774,590	147,457,340
Library Purposes (MGA s. 362(1)(j))	110,545,000	2,029,927
Cemeteries (MGA s. 362(1)(l))	64,703,320	1,188,141
Religious Activities (MGA s. 362(1)(k))	1,550,092,690	28,211,112
*Properties Exempt by Private Bill or Local Authorities Board (MGA s. 351(b)) ³	444,997,660	7,163,482
*Hostels (MGA s. 363(1)(b))	2,780,000	51,049
*Royal Canadian Legions and Veterans Associations (MGA s. 363(1)(c))	58,760,000	1,079,004
**Non-Profit/Charitable Uses (MGA s. 362(1)(n)(i-iii),(v) and COPTER s. 15)	3,335,857,500	44,223,840
*Other Residence Associations (Bylaw 5M2013 pursuant to MGA s. 364(1))	16,510,000	303,171
*Machinery and Equipment (Bylaw 15M2024 pursuant to MGA s. 364(1.1)) ⁴	405,068,100	7,438,225
SUBTOTAL	33,135,456,880	550,744,272
DISCRETIONARY RELIEF		
Calgary Housing Company (MGA s. 347 and EC2024-0749)	346,442,000	1,453,466
Silvera for Seniors (MGA s. 347 and EC2024-0746)	2,820,000	11,392
Non-Profit Tax Mitigation Policy (MGA s. 347, EC2024-0956)	N/A	28,980
2007 Annexation Tax Relief (MGA s. 347 and C2024-0380) ⁵	198,489,000	90,801
Compassionate Penalty Relief (Bylaw 1H2018)	N/A	9,475
Property Tax Assistance Program (Fair Entry)	N/A	1,426,283
SUBTOTAL	547,751,000	3,020,397
TOTAL 2024 VALUE	33,683,207,880	553,764,669

Author: Assessment & Tax

Acting Chief Financial Officer and General Manager Les Tochor concurs with the information in this Briefing.

¹ Indicates Council discretion to make taxable.² Council has discretion to make properties exempt under MGA s. 362(1)(n)(iii) and (v) taxable by bylaw. Additional analysis would be required to identify what subset of properties fall in these categories.³ Federal Crown agencies make [payments in lieu of taxes](#) for federal properties to pay its share of costs for municipal services despite the constitutional exemption from property taxes.⁴ The province has a discretionary grant program to provide a [grant in place of taxes](#) (GIPOT) for eligible Government of Alberta properties. GIPOT payments for most eligible properties are currently paid at 50% of the municipal property tax.⁵ Although Council has discretion to make properties historically exempt by Private Members Bill or Local Authorities Board decision taxable, many may now be exempt under other provisions of the MGA and COPTER.⁶ If Council did not exempt machinery and equipment there would be a separate tax rate for this category of property pursuant to MGA s. 297 and 354. This estimate of municipal property tax value uses the 2024 non-residential tax rate.⁷ Property tax cancellations may only be approved by Council in the year they apply. In 2022, Council directed that this be brought forward for consideration in 2023 and 2024.