



Council Policy

Policy Title: Property Tax
Policy Number: FIN-005
Date in Effect: December 15, 2015
Current as of: November 5, 2024

POLICY STATEMENT

- 1 It is the policy of the Town of Canmore to set and manage property taxes in compliance with local and provincial legislation, while thriving and remaining financially viable over the long term.

PURPOSE

- 2 To clearly state Council's guiding principles regarding their approach to decision making as it relates to setting property tax rates that are responsive to economic conditions, comparable to other communities, equitable within the tax base and accountable to the ratepayers.

GUIDING PRINCIPLES

Accountability and clarity in collection of property taxes

- 3 In setting annual property tax rates and collection amounts, focus will be placed only on the municipal component of the property tax. No consideration will be given to the provincial education tax component and impact. Work will continue to clarify and communicate to ratepayers the distinctions between the provincial education and municipal taxes, and direct inquiries to appropriate sources.
 - 3.1 The Town's Division of Class 1 Property By-law 2024-19 divides residential property into five subclasses: "Residential", "Tourist Home", "Primary Residential", "Residential Vacant Serviced Land" and "Residential Vacant Unserviced Land". The Town has initiated a Livability Tax Program to incentivize long-term full-time occupancy of residential units with the creation of the "Primary Residential" subclass. Properties occupied or rented out to someone who occupied a dwelling unit on the property as their primary residence and who declare this use annually will be placed in the "Primary Residential" subclass. The Livability Tax Program tax revenue will be collected from the "Residential" and "Residential Vacant Serviced Land" subclasses. The revenue under the Livability Tax Program will not be collected from the "Primary Residential", "Tourist Home", or "Residential Vacant Unserviced Land" subclasses.

253-2024

Accountability in engaging stakeholders in tax policy decisions

- 4 A tax policy education session will be incorporated into the council orientation package. Municipal property tax policies will be reviewed once every term of council and the review will include citizen engagement activities, the results of which will help to inform any tax policy revisions.

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Stability in managing tax changes

5 When establishing an annual tax rate, consideration will be given to the previous years' tax burden to ensure a consistent and equitable distribution between assessment classes.

Equity and competitiveness in the distribution of the residential and non- residential tax share

6 Indicators of tax rate ratios and residential taxes per capita in neighboring and comparator municipalities will be monitored on an ongoing basis, with an intention to target a residential/non-residential tax share split in line with the average of these findings. Competitor municipalities are those in the same (or a similar) market as Canmore from an economic perspective.

6.1 Tax revenue under the Livability Tax Program will not be collected from non-residential properties. 253-2024

Equity for vacant residential properties

7 The same tax rate will be applied to the Residential Vacant Serviced Land subclass, the Residential Vacant Unserviced land subclass and the Primary Residential subclass. 253-2024

7.1 Tax revenue under the Livability Tax Program will not be collected from Residential Vacant Unserviced Land subclass properties. 253-2024

Equity for tourist homes and visitor accommodation units

8 Class 1 property is divided into subclasses for property assessment purposes while visitor accommodation units are classified as non-residential properties. One class 1 subclass is "Tourist Home". 253-2024

9 A tourist home property will be taxed at a rate equivalent to that of non-residential properties for municipal and vital homes taxes in recognition of the fact that it can be used as a non-residential visitor accommodation unit and can be rented out for short-term and long-term accommodation purposes. 263-2022

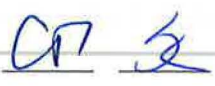
10 Tax revenue under the Livability Tax Program will not be collected from "Tourist Home" properties. 253-2024

Equity from a user pay perspective

11 Where possible, cost recovery from user fees and charges will be pursued to replace property tax revenue.

Social and economic considerations

12 A broad range of indicators will be considered in making tax decisions to ensure responsiveness to local social and economic conditions.

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RESPONSIBILITIES

13 Administration will provide Council with comparator data at the time property tax rates are being set each fiscal year. These guiding principles will be considered when setting the annual property tax rates.

POLICY REVIEW

14 This policy will be reviewed by Council on or before November 30, 2030.

263-2022
253-2024

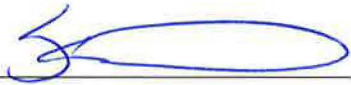
RELATED DOCUMENTS

Part 10, Division 1 of the Municipal Government Act (MGA) sets out the regulatory requirements regarding taxation.

The Town of Canmore’s Bylaw 2024-19 a bylaw to provide for the division of class 1 property into subclasses for property assessment purposes.

A Property Tax Policy Framework for the Town of Canmore: Analysis and Recommendations – Report prepared for the Town by Ben Brunnen Policy and Research

AUTHORIZATION:



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Mayor



Cheryl Hyde
Manager, Municipal Clerk’s Office

REVISION HISTORY

| Action | Date | Council Motion | Notes |
|----------|------------|----------------|--|
| Approved | 2015-12-15 | 364-2015 | |
| Amended | 2022-11-01 | 263-2022 | Tourist homes taxed at non-residential rate; numbering format updated. |
| Amended | 2024-11-05 | 253-2024 | Remove Tourist Home – Personal Use & add the Livability Tax Program. |

Policy approved by: 