 <p>Town of CANMORE</p>	<p>Council Policy</p>
<p>Policy Title:</p>	<p>Property Tax</p>
<p>Policy Number:</p>	<p>FIN-005</p>
<p>Date in Effect:</p>	<p>December 15, 2015</p>
<p>Current as of:</p>	<p>November 1, 2022</p>

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.

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.

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.

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Equity for vacant residential properties

- 7. The same tax rate will be applied to the vacant land residential subclass and the residential class.

Equity for tourist homes, visitor accommodation units, and residential properties

- 8. Class 1 property is divided into subclasses for property assessment purposes while visitor accommodation units are classified as non-residential properties. Two class 1 subclasses are “Tourist Home” and “Tourist Home - Personal Use”.

- 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.

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- 10. A tourist home property shall be placed in the tourist home – personal use subclass for any given taxation year if all owners registered on title, on or before January 31 of each fiscal year, sign a statutory declaration, in a form approved by the Chief Administrative Officer, declaring that the property will be used only for personal purposes and will not be advertised or operated for short-term or long-term rental during the current taxation year. The tax rate for the tourist home- personal use subclass shall be the same as the municipal tax rate for the residential subclass.

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.

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, 2026.

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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 2013-01 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

Policy approved by: AT SK

AUTHORIZATION:



Sean Krausert
Mayor



Cheryl Hyde
Municipal Clerk

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.

Policy approved by:  