
TO: GENERAL COMMITTEE

SUBJECT: 2023 TAX RATES

WARD: ALL

PREPARED BY AND KEY CONTACT: K. JYLHA, MANAGER, TAXATION AND REVENUE, EXT.5146

SUBMITTED BY: C. SMITH, SENIOR MANAGER, ACCOUNTING AND REVENUE

GENERAL MANAGER APPROVAL: C. MILLAR, CHIEF FINANCIAL OFFICER AND TREASURER

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the tax rates for the 2023 taxation year be established as identified in Appendix "A" to Staff Report FIN003-23.
2. That the City Clerk be authorized to prepare all necessary by-laws to establish the 2023 tax rates as described within Staff Report FIN003-23.

PURPOSE & BACKGROUND

Report Overview

3. The purpose of this report is to establish the 2023 tax rates based on the budgetary requirements approved in the 2023 Business Plan.
4. Council approved the City's portion of the 2023 Business Plan and Budget on February 15, 2023, under motion 23-G-023 (as amended), and the service partner portion on March 8, 2023, under motion 23-G-052. Both motions established the 2023 Business Plan and Budget total property tax levy requirement at \$279,802,524.
5. On April 19, 2023, Council approved motion 23-G-077 concerning the 2023 Tax Ratios (Staff Report FIN002-23). The 2023 tax rates are based on the approved recommendations from that Report.

ANALYSIS

6. The 2023 tax rates are presented in Appendix "A" to this Report. The tax rates are calculated by determining the amount each taxable property class needs to contribute based on established tax ratios in order to generate the property tax levy requirement of \$279,802,524.
7. It is anticipated that the final 2023 property tax bills will be issued in early June. The instalment due dates proposed for the balance of 2023 are June 30, and September 29. Proposed instalment dates for taxpayers participating in the City of Barrie's (City) pre-authorized monthly payment plan are June 30, July 31, August 31, September 29, and October 31. As in previous years, the final tax rate by-law will establish penalties and interest rates at 1.25% per month in accordance with the *Municipal Act, 2001*.

8. In addition to collecting Municipal taxes, the City is also required to collect education taxes on behalf of the Province. The Province establishes the education rates each year under Ontario Regulation 400/98, as amended. Multi-residential, farm, and managed forest classes are included as part of the residential classification.
9. Rates for utility transmission corridors and railway rights-of-way are also established by Provincial Regulation.
10. Payment in lieu (PIL) of taxes are billed and collected in accordance with Provincial Regulation O. Reg. 382/98, as amended, based on assessed values from the Municipal Property Assessment Corporation (MPAC), and the tax rates that would be used if the properties were taxable. Properties that are subject to PIL of taxes are typically government owned properties, hospitals, and colleges/universities. For hospitals, the PIL is calculated based on the number of beds, and for colleges/universities, the calculation is based on "heads" or number of students as reported to the City.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

11. There are no environmental or climate change impact matters related to the recommendation.

ALTERNATIVES

12. There are no alternatives for Council to consider in terms of the tax rates, as they are a prescribed calculation based on the tax levy, tax ratios, and tax policies approved by Council for 2023.
13. The following alternative is available for consideration by General Committee:

Alternative #1 General Committee could choose to change the instalment or monthly pre-authorized due dates.

This alternative is not recommended as it could pose a strain on the City's cash flow requirements.

FINANCIAL

14. There are no direct financial implications to the City associated with the recommendations regarding the tax rates. However, postponing a decision about the 2023 tax rates would create a delay in issuing the 2023 final property tax bills, which could create a financial constraint on the City's cash flows.

LINKAGE TO 2022-2026 STRATEGIC PLAN

15. This is an operational matter that is not specifically related to the goals identified in the 2022-2026 Strategic Plan.



APPENDIX "A"
2023 Proposed Tax Rates

Property Class	Tax Class Qualifier	Municipal Tax Rate	Education Rate	Total Rate	Total Municipal Levy (\$)	Total Education Levy (\$)	Total Levy (\$)
R - Residential Full	RT	1.138176%	0.153000%	1.291176%	201,528,806	27,090,623	228,619,429
C - Commercial Full	CT	1.631150%	0.880000%	2.511150%	37,747,447	20,364,627	58,112,074
C - Commercial Excess Land	CU	1.631150%	0.880000%	2.511150%	916,998	494,718	1,411,716
C - Commercial Vacant Land	CX	1.631150%	0.880000%	2.511150%	1,024,573	552,754	1,577,327
D - Office Building Full	DT	1.631150%	0.880000%	2.511150%	1,477,289	796,993	2,274,282
D - Office Building Excess/Vacant Land	DU, DX	1.631150%	0.880000%	2.511150%	0	0	0
X/Y - Commercial/Office Building New Full	XT, YT	1.631150%	0.880000%	2.511150%	0	0	0
X/Y - Commercial/Office Building New Excess Land	XU, YU	1.631150%	0.880000%	2.511150%	0	0	0
F - Farm Full	FT	0.284544%	0.038250%	0.322794%	69,816	9,385	79,201
I - Industrial Full	IT	1.725848%	0.880000%	2.605848%	5,167,011	2,634,629	7,801,639
I - Industrial Vacant Land	IX	1.725848%	0.880000%	2.605848%	1,980,519	1,009,855	2,990,375
I - Industrial Excess Land	IU	1.725848%	0.880000%	2.605848%	159,480	81,318	240,799
J - Industrial New Construction Full	JT	1.725848%	0.880000%	2.605848%	0	0	0
J - Industrial New Construction Vacant Land	JX	1.725848%	0.880000%	2.605848%	0	0	0
J - Industrial New Construction Excess Land	JU	1.725848%	0.880000%	2.605848%	0	0	0
L - Large Industrial Full	LT	1.725848%	0.880000%	2.605848%	512,439	261,290	773,728
L - Large Industrial Excess Land	LU	1.725848%	0.880000%	2.605848%	43,597	22,230	65,826
M - Multi-Residential Full	MT	1.138176%	0.153000%	1.291176%	10,103,674	1,358,192	11,461,866
N - New Multi-Residential Full	NT	1.138176%	0.153000%	1.291176%	1,894,883	254,721	2,149,604
P - Pipelines Full	PT	1.256477%	0.880000%	2.136477%	516,500	361,742	878,242
S - Shopping Centre Full	ST	1.631150%	0.880000%	2.511150%	16,135,146	8,704,860	24,840,005
S - Shopping Centre Excess Land	SU	1.631150%	0.880000%	2.511150%	54,927	29,633	84,561
Z - Shopping Centre New Construction Full	ZT	1.631150%	0.880000%	2.511150%	0	0	0
Z - Shopping Centre New Construction Excess Land	ZU	1.631150%	0.880000%	2.511150%	0	0	0
T - Managed Forest Full	TT	0.284544%	0.038250%	0.322794%	2,220	298.43	2,518
R - Residential Education Only	RD	0.000000%	0.153000%	0.153000%	0	946	946
Industrial Payment in Lieu Properties- Hydro	IH, IJ, IK	1.725637%	1.062384%	2.788021%	156,386	96,267	252,653
Commercial Payment in Lieu Properties- Hydro	CH, CJ	1.579050%	0.980000%	2.559050%	310,812	186,737	497,549
TOTAL					\$279,802,524	\$64,311,817	\$344,114,340