

Date: 2024-02-07

Subject: **By-Law to Establish Tax Ratios for 2024**

Contact: Nash Damer, Treasurer, Finance Division

Report Number: Corporate Support Services-2024-133

Recommendations:

1. That the report from Yvonne Kwiecien, Manager, Taxation and Assessment, Finance Division to the Committee of Council Meeting of March 20, 2024. Re: **By-Law to Establish Tax Ratios for 2024**, be received;
2. That a By-law to authorize the following tax ratios for the purpose of establishing tax rates be enacted:
 - 1.0000 for the residential property class
 - 1.7050 for the multi-residential property class
 - 1.0000 for the new multi-residential property class
 - 1.2971 for the commercial property class
 - 1.4700 for the industrial property class
 - 0.9239 for the pipeline property class
 - 0.25 for the farm class, and
 - 0.25 for the managed forest class.

Overview:

- **Annual requirement to establish tax ratios, which are used to calculate the tax rates for the 2024 Final Tax Billing.**

Background:

Within the Region of Peel, the authority to establish tax ratios has been delegated from the upper tier (Regional) level to the lower tier (local municipal) level. On January 11, 2024, the Council of the Region of Peel enacted By-law 1-2024 to enable this delegated authority. Each of the local area municipalities passed resolutions to accept their delegated authority, as required by legislation. Ontario Regulation 103/09 designates the Region of Peel for the purposes of section 310 of the *Municipal Act, 2001*. Amendments made in 2010 to the Act and Regulation now allow the designation to continue to apply for future years. Each year, the Region must submit a copy of its By-law and the resolutions of its municipalities to the Minister of Municipal Affairs by March 15 of that year.

The purpose of the accompanying By-law is to confirm the tax ratios used in calculating 2024 property tax rates. Tax ratios are used as a weighting mechanism to apportion taxes among the different property classes. As a delegated municipality, the lower tier municipalities must pass a By-law to establish the tax ratios.

Current Situation:

It is recommended that the 2024 tax ratios for the City of Brampton be approved at the same level as 2023. Therefore, the distribution of taxation amongst the property classes will remain unchanged from the previous years. The approval of these tax ratios will enable the finalization of 2024 tax rate calculations with the subsequent 2024 property tax levy By-laws being brought forward to Council for approval in May.

Corporate Implications:

Financial Implications:

Tax ratios must be established before the 2024 tax rate calculations can be finalized. The approval of this report and By-law is essential to support the budget requirements of the City, Region of Peel, and the Province for education.

Other Implications:

N/A

Strategic Focus Area:

- This report supports the strategic focus area of government and leadership, focusing on service excellence with equity, innovation, efficiency, effectiveness, accountability, and transparency.

Conclusion:

The approval of the 2024 tax ratios for the City of Brampton will result in the same distribution amongst property classes as used in 2023. The ratios are a necessary component in the calculation of 2024 final tax rates.

Authored by:

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Attachments:

- Attachment 1 – By-Law to Establish Tax Ratios for 2024