

## **2024 Property Tax Levy and BID Levy**

### **ISSUE**

City Council approval for the 2024 Property Tax Bylaws and Business Improvement Districts (BIDs) Levy Bylaw is required to issue Property Tax Notices in May 2024.

### **RECOMMENDATION**

1. That Bylaw No. 9989, The Saskatoon Property Tax Bylaw, 2024 be considered;
2. That Bylaw No. 9988, The School Division Property Tax Bylaw, 2024 be considered; and
3. That Bylaw No. 9987, The Business Improvement District Levy Bylaw, 2024 be considered.

### **BACKGROUND**

Each year in accordance with The Cities Act, City Council approves the property tax bylaws which authorize the Administration to issue the annual tax notices to all taxable properties. Bylaws are prepared to include the tax rates sufficient to raise the amount of funds as approved in the budget and include the decisions of City Council regarding the City of Saskatoon's (City) municipal tax policy and appeal loss contingencies.

### **DISCUSSION/ANALYSIS**

#### The Saskatoon Property Tax Bylaw

The 2024 municipal and library tax rates in Bylaw No. 9989, The Saskatoon Property Tax Bylaw, 2024 (Appendix 1) include previous City Council decisions regarding budget requirements and tax policy. Based on these decisions, the uniform mill rate sufficient to raise the required tax revenue for the City is 9.0532 mills and the library mill rate required is 0.9289 mills. These prior City Council decisions are as follows:

- A municipal budget increase of 6.04% and a library budget increase of 3.84%, approved at City Council's Business Plan and Budget Review meeting on November 30, 2023.
- For this reassessment cycle (2021-2024), City Council approved the recommendation to maintain the existing 1.59 tax ratio on March 22, 2021.
- The recommendation that a \$3,000,000 appeal loss contingency for the commercial and industrial property class be added to the property tax levy for 2024 was preliminarily approved by the Standing Policy Committee on Finance on April 3, 2024 and recommended for approval to City Council. These contingency amounts are included in the uniform mill rate but are redistributed through the mill rate factors which ensures the contingency levy is applied to the appropriate property subclasses.

School Division Property Tax Bylaw

The City is responsible to bill and collect education property tax on behalf of the school boards. The City does not keep the education property tax portion for the provision of civic services. The education mill rates are set by the Province of Saskatchewan (Province) which are included in Bylaw No. 9989, The School Division Property Tax Bylaw, 2024 (Appendix 2). On March 20, 2024, the Province announced there would be no change to the education mill rates for the residential, commercial, industrial, resource and agricultural property classes. The Saskatoon Separate School Division sets its own mill rates and has adopted the provincial rates.

Business Improvement Districts (BIDs) Levy Bylaw

The BIDs' budget requirements determine the levy amount to be charged to commercial properties within the respective BID areas. At its meeting on March 6, 2024, City Council approved the 2024 budget submissions for all five BIDs. The rates sufficient to raise the budget requirements are included in Bylaw No. 9987, The Business Improvement Districts Levy Bylaw, 2024 (Appendix 3).

2023 Typical Single-Family Home Property Tax Increase

A typical single-family home with an assessed value of \$344,000 will see an increase in total property tax (municipal, library and education) of \$138.12 or 3.89% from 2023 to 2024, as shown in the following table.

	2023 Tax	2024 Budget	2024 Shift to 1.59	2024 Tax
City	\$ 2080.84	\$125.75	\$3.57	\$2,210.16
Library	\$ 217.96	\$ 8.43	\$ .37	\$ 226.76
Education	\$1,249.41	\$ 0	\$ 0	\$1,249.41
<b>Total Taxes</b>	<b>\$3,548.21</b>	<b>\$134.18</b>	<b>\$3.94</b>	<b>\$3,686.33</b>
<i>% increase 2024 final tax compares to 2023 final tax</i>				3.89%

**FINANCIAL IMPLICATIONS**

The financial implications are outlined within this report.

**OTHER IMPLICATIONS**

There are no privacy, legal, social, or environmental implications identified.

**COMMUNICATION PLAN**

A strategic communication plan has been developed to support the 2024 Property Tax mail-out to residents. Communication activities will include the following:

- Property Tax Notices will be mailed in an envelope marked "This is your Property Tax Notice." A direct link to the 2024 Property Tax information webpage and phone number is also printed on the envelope.
- An informative property tax guide will accompany the Property Tax Notice mailing and will also be available online at [saskatoon.ca/propertytax](https://saskatoon.ca/propertytax).

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- The online Property Assessment and Tax Tool will be updated with the 2024 tax information in May 2024. This tax tool allows the viewer to review their property's current and historical assessment and property tax details for their specific address including how their portion of municipal property tax is distributed to key civic services in 2024.
- Social media support will continue throughout May and June and will highlight: the mail-out of tax notices to residents, our TIPPS program where residents can pay their property tax bill in 12 monthly instalments, the Seniors Property Tax Deferral Program for low-income property owners and the June 30, 2024 payment deadline.
- Public Service Announcements will be sent before Property Tax Notices are mailed and again prior to the property tax payment deadline of June 30, 2024.
- The City's website will be updated with the 2024 Tax Rates and 2024 Mill Rate Bylaws, the 2024 Property Tax timeline, Property Tax FAQs, and updated information on the late payment penalty fees for 2024.

### **NEXT STEPS**

Approval of the attached bylaws will facilitate production of the 2024 Property Tax Notices, the mailing of which will commence the second week of May 2024.

### **APPENDICES**

1. Bylaw No. 9988, The Saskatoon Property Tax Bylaw, 2024
2. Bylaw No. 9989, The School Division Property Tax Bylaw, 2024
3. Bylaw No. 9987, The Business Improvement Districts Levy Bylaw, 2024

### **REPORT APPROVAL**

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