

**Janzen, Heather**

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**Subject:** FW: Email - Communication - Jason Aebig - Distributing the Non-Residential to Residential Municipal Property Tax Burden - CK 1915-1  
**Attachments:** Letter\_Tax Policy\_Mar25.pdf

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**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>  
**Sent:** Monday, March 24, 2025 1:52 PM  
**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>  
**Subject:** Email - Communication - Jason Aebig - Distributing the Non-Residential to Residential Municipal Property Tax Burden - CK 1915-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Monday, March 24, 2025 - 13:51

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, March 24, 2025

**To:** Her Worship the Mayor and Members of City Council

**First Name:** Jason

**Last Name:** Aebig

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**I live outside of Saskatoon:** No

**Saskatoon Address and Ward:**

**Address:** [REDACTED] 2nd Ave N

**Ward:** Ward 1

**Name of the organization or agency you are representing (if applicable):** Greater Saskatoon Chamber of Commerce

**What do you wish to do ?:** Submit Comments

**What meeting do you wish to speak/submit comments ? (if known)::** March 26 City Council Meeting

**What agenda item do you wish to comment on ?:** 9.4.2

**Comments:**

Good afternoon. Please find the attached letter to be included in the March 26th City Council meeting sent on behalf of Greater Saskatoon Chamber of Commerce CEO, Jason Aebig.

**Attachments:**

- [Letter Tax Policy Mar25.pdf](#)392.99 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

March 24, 2025

Saskatoon City Council  
City Hall  
222 3rd Ave North  
Saskatoon, SK S7K 0J5

## **Tax Ratio & Proposed Tax Policy**

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Dear Mayor Block and Councillors,

When City Council set its sights on a benchmark property ratio in 2013, it was anything but arbitrary. It was smart and strategic based on principles of tax fairness and sound economics to position Saskatoon as a destination for job creators and ultimately grow our city's tax base.

The logic was simple: use the target tax ratio as a way to strengthen Saskatoon's standing as a preferred city to open, scale and expand a business, thereby increasing both the number of tax-paying residents and businesses who call Saskatoon home. With the business paying tax, its owner paying tax and each of its employees paying property tax too, it would broaden the tax base and reduce the burden on those of us already living and working here.

And because businesses pay \$1.63 in property tax for every \$1 paid by residents – but do not draw on as many city services and programs – the tax surcharge paid by new and growing businesses would support programs and services valued by residents.

Although successive City Councils made progress toward lowering the ratio, it appears the results of the 2025 property tax reassessment will erode that progress and require City Council to increase the ratio to offset the large increase in property tax assessments for residents this cycle.

As a leading indicator, the ratio was intended to send a message that Saskatoon was business-friendly and focused on growth. Today, it is simply a tool to address the massive swings in property tax assessment values that shock businesses or residents every four years.

Councillor Randy Donauer's recent motion at Finance Committee to set guidelines and goals for tax policy was forward-thinking and on point. Debating a property tax ratio in isolation – independent of other growth incentives and tax measures – is short-sighted and counterproductive.

**The Chamber recommends that City Council adopt a comprehensive, growth-focused Tax Policy as a touchstone for decision-making, grounded in principles of (1) tax fairness (2) business attraction (3) tax predictability, and (4) tax affordability that underpinned tax ratio discussions a decade ago.**

By enshrining these principles in policy, City Council would provide clear policy direction to Administration, define Saskatoon's competitive advantage, and foster a climate that enables business to do what they do best: grow our economy and attract new residents with good-paying jobs.

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The Chamber believes that the development of such a policy should include:

### **1. Cap on Taxes**

By implementing a tax cap, the city could ensure predictable property tax increases and protect businesses from sudden spikes in their tax burdens. For example, Toronto limits annual commercial tax hikes to 10 per cent to prevent unmanageable increases. Adopting a similar approach in Saskatoon would provide stability for businesses while maintaining a competitive economic environment.

### **2. Phased-In Shifts**

Saskatoon should adopt a formal policy to phase in tax shifts over 5 per cent resulting from regular budgeting and reassessments, ensuring businesses have the stability to plan and adapt. The city's Administration already pursues this strategy "as needed" but it should be enshrined as a standard practice to provide long-term predictability for businesses.

### **3. Small Business Sub-Class**

Saskatoon should introduce a small business tax subclass to provide targeted relief for small businesses, following successful models in other Canadian cities such as Toronto, Halifax and Ottawa. Currently, the city's property tax structure does not differentiate between large industrial facilities and small local businesses. This policy would be especially beneficial to businesses in high-cost areas, such as main streets and commercial districts, where property assessments may not reflect business realities.

### **4. Transparent Levies**

Currently, the commercial appeal contingency, alongside the residential and multi-residential contingencies, are designated separately, potentially placing an undue financial burden on certain sectors. To ensure fairness and transparency, these contingencies should be spread across the entire levy. By incorporating the commercial, residential, and multi-residential contingencies into the broader levy, the city can create a more balanced approach that does not disproportionately impact any one sector. This shift will also contribute to clearer and more transparent tax reporting, as it will prevent one ratio from being publicly available while subject to an additional, hidden levy.

### **5. Ratio 'Range of Fairness'**

The property tax ratio should be enshrined as a core guiding principle of Saskatoon's tax policy, rather than being treated as a by-product of reassessment. In the late 1990s, Ontario implemented a comprehensive reform of its property tax system, which included the establishment of a detailed tax ratio structure and a fair allocation of property taxes between various classes of property. Ontario set ratio parameters, termed "Ranges of Fairness," in relation to the Residential class, ensuring tax equity across different property types.

Saskatoon could establish a similar 'range of fairness' for property tax ratios, mirroring the policy framework seen in Ontario. This would allow the city to absorb fluctuations due to reassessments while preventing arbitrary or politically motivated adjustments. The implementation of such a structured and transparent tax ratio will provide businesses with a fair, predictable tax environment that promotes long-term economic growth and stability.

If you deem helpful, the Saskatoon Chamber would be pleased to participate in the development of a Tax Policy and convening business stakeholders. We share your desire to position Saskatoon among the most attractive cities in western Canada to live, work and build a business.

As always, we are grateful for your leadership, commitment to our members, and service to our community.

Sincerely,



Jason Aebig, CEO  
Greater Saskatoon Chamber of Commerce