

**To: Warden and Members of County Council**

**From: Director of Corporate Services**

## 2022 Tax Policy By-law

### RECOMMENDATION

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1. That By-law No. 6426-2022, being a by-law to establish tax ratios and levy tax rates for upper-tier purposes for the year 2022, be presented to Council for enactment.

### REPORT HIGHLIGHTS

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- To enact the necessary by-law to set the County's tax policy for the 2022 taxation year
- Average residential property tax bill will increase by \$23; typical farm related property tax bill will increase by \$40 in 2022 – for County purposes only

### Implementation Points

Upon passing the by-law introduced under this report, County and Area Municipal Finance staff will proceed with the annual assessment review and tax calculation process necessary for final billings.

### Financial Impact







The approval of the recommendations contained in this report will have no financial impact beyond what has been approved in the current year's budget.

### Communications

The 2022 Tax Ratios and Rates By-law will be circulated to the Area Municipal Treasurers for billing purposes and remitting final 2022 levy instalment payments to the County – set for September 30 and December 15, 2022.

The County's webpage [Property Taxes – Your 2022 County tax dollars explained](#) will be updated accordingly.

**Strategic Plan (2020-2022)**

					
<b>WORKS WELL TOGETHER</b>	<b>WELL CONNECTED</b>	<b>SHAPES THE FUTURE</b>	<b>INFORMS &amp; ENGAGES</b>	<b>PERFORMS &amp; DELIVERS</b>	<b>POSITIVE IMPACT</b>
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**DISCUSSION**

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**Background**

Tax policy recommendations, contained in Report No. CS 2022-10 entitled “2022 Tax Policy”, were presented at County Council’s March 9, 2022 meeting. The recommendations were formed based on collaborative perspectives of the Area Municipal Treasurers and/or Tax Collectors having regard for local impacts. There were no tax policy changes recommended from those adopted in 2020 and 2021.

There was no direction given by Council in response to the aforementioned report.

**Comments**

The 2022 tax policy provisions are summarized in Table 1, and have been incorporated in the by-law before Council for consideration in accordance with the recommendations presented in Report No. CS 2022-10. They have been prepared in keeping with the Province’s initiative to maintain stability in the property tax system by deferring implementation of revised assessment values for purposes of tax distribution in 2021 to 2023. In light of the foregoing, the County’s 2021 and 2022 tax ratios and rates by-laws have been prepared on the basis of the same tax policy provisions employed in 2020.

In response to the pandemic’s economic impact on many property owners in 2020 and 2021, Council allowed area municipalities to defer portions of the area municipal instalment payments to address cashflow needs that result from tax deferral programs designed to provide financial relief to eligible taxpayers. The by-laws were amended to effectively waive the *Municipal Act* provision that requires the lower-tier municipality to pay interest on the amount of any payment or portion of payment that is not paid by the instalment due dates set out in the by-law.

Considering the pandemic restrictions that caused the initial financial strain on the economy have largely been lifted, and since the area municipalities are not experiencing cashflow challenges related to deferred tax programs, the interest provision in the 2022 Tax Policy and Rates By-law has been reinstated.

Table 1 – 2022 Tax Policy

	Tax Policy	Highlights																				
1.	Tax Ratios	<table style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 80%;">Residential</td><td style="text-align: right;">1.0</td></tr> <tr><td>Multi-Residential</td><td style="text-align: right;">2.0</td></tr> <tr><td>New Multi-Residential</td><td style="text-align: right;">1.0</td></tr> <tr><td>Farm</td><td style="text-align: right;">0.2177</td></tr> <tr><td>Managed Forest</td><td style="text-align: right;">0.25</td></tr> <tr><td>Commercial</td><td style="text-align: right;">1.9018</td></tr> <tr><td>Landfill</td><td style="text-align: right;">1.9018</td></tr> <tr><td>Industrial</td><td style="text-align: right;">2.63</td></tr> <tr><td>Large Industrial</td><td style="text-align: right;">2.63</td></tr> <tr><td>Pipeline</td><td style="text-align: right;">1.2593</td></tr> </table>	Residential	1.0	Multi-Residential	2.0	New Multi-Residential	1.0	Farm	0.2177	Managed Forest	0.25	Commercial	1.9018	Landfill	1.9018	Industrial	2.63	Large Industrial	2.63	Pipeline	1.2593
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2.	Tax Rate Reductions for Prescribed Property Subclasses	Tax rate discounts – for vacant lands and farmland awaiting development Farm 55% Commercial 30% Industrial 35%																				
3.	Tax Rates for Upper Tier Purposes	Tax rates are calculated using the ratios and tax reductions set out above and the levy amount required to be raised for the following purposes: <ul style="list-style-type: none"> <li>▪ General - \$66,552,568</li> <li>▪ Library - \$4,061,003</li> <li>▪ Woodstock Police Services Court Security and Prisoner Transportation - \$51,541</li> </ul>																				

Tables 2 and 3 present the impact of 2022 tax policy on the average residential household and typical farm related properties, indicating that the average residential household will see an increase of approximately \$23 in their 2022 property tax bill related to County services, including area rated services, while the typical farm related properties will experience an approximate \$40 increase.

Impact on Typical Properties

Table 2 – Tax Impact on Average Single Family Residential Property – Total County Levy

<b>Single Family Detached Residential</b>	<b>2021 Tax</b>	<b>2022 Tax</b>	<b>\$ Change</b>	<b>% Change</b>
Phased CVA	\$275,022	\$275,022	\$0	0.00%
Composite tax rate	0.00404134	0.00412477	0.00008343	2.06%
Total tax	\$1,111	\$1,134	\$23	2.06%
<b>Single Family Detached Residential</b>	<b>2021 Tax</b>	<b>2022 Tax</b>	<b>\$ Change</b>	<b>% Change</b>
Phased CVA	\$250,000	\$250,000	\$0	0.00%
Composite tax rate	0.00404134	0.00412477	0.00008343	2.06%
Total tax	\$1,010	\$1,031	\$21	2.06%

Table 3 – Tax Impact on Farm Related Properties – Total County Levy

<b>Farm Related Properties</b>	<b>2021 Tax</b>	<b>2022 Tax</b>	<b>\$ Change</b>	<b>% Change</b>
Farm House CVA	\$185,700	\$185,700	\$0	0.00%
Composite tax rate	0.00404134	0.00412477	0.00008343	2.06%
Total tax	\$750	\$766	\$15	2.06%
<b>Farm Related Properties</b>	<b>2021 Tax</b>	<b>2022 Tax</b>	<b>\$ Change</b>	<b>% Change</b>
Farm Land CVA	\$1,342,900	\$1,342,900	\$0	0.00%
Composite tax rate	0.00087980	0.00089796	0.00001816	2.06%
Total tax	\$1,181	\$1,206	\$24	2.06%
<b>Total Property Tax</b>	<b>\$1,932</b>	<b>\$1,972</b>	<b>\$40</b>	<b>2.06%</b>

**Conclusions**

The by-law being introduced to Council under this report has been prepared on the basis of distributing the County’s tax levy among the various property classes, which for 2021 and 2022, is presented as the same in 2020, in keeping with the Province’s initiative to maintain stability in the property tax system by deferring implementation of revised assessment values for purposes of tax distribution in 2021 to 2023.

## SIGNATURES

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### Departmental Approval:

Original signed by

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Lynn S. Buchner, CPA, CGA  
Director of Corporate Services

### Approved for submission:

Original signed by

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Michael Duben, B.A., LL.B.  
Chief Administrative Officer