

## 2014 Property Tax Rate Bylaw Questions and Answers

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### **What do we mean by “Tax Revenue Neutral”?**

Property taxes’ remaining tax revenue neutral simply means that the Municipality will collect the same tax revenue for the 2014 tax year as it did in the 2013 tax year on properties which existed in 2013. In reference to the recommended 2014 Tax Rate Bylaw, Residential, Other Residential and Non-Residential properties are recommended to remain tax revenue neutral. Assessed values in the Residential property tax class, as an example, experienced differing value changes due to market influences. Although the Municipality is collecting the same tax revenue in 2014 from all classes of properties “which existed in 2013”, there will be both tax increases and decreases within the property classes. The overall total tax revenue collected for all property classes will increase as a result of new properties (new construction) being taxed for the first time in the 2014 taxation year.

### **How do property taxes in Fort McMurray (Urban Service Area) compare to municipal Residential taxes in other urban centers with a population of 50,000 or greater?**

As of 2013 the Municipality has the 3<sup>rd</sup> highest residential property taxes in comparison to 9 Alberta urban centers with a population of 50,000 or greater when we were 3<sup>rd</sup> lowest in 2012. This is a direct result of the dramatic increase in Provincial School Taxes in 2013.

### **How do property taxes in Fort McMurray (Urban Service Area) compare to municipal Non-Residential taxes in other urban centers with a population of 50,000 or greater?**

As of 2013 the Municipality has the lowest Non-Residential property taxes in comparison to urban centers with a population of 50,000 or greater.

### **Has the Provincial Education Requisition levy (school taxes) changed?**

The 2014 Provincial Education property requisition and resulting school taxes for both Non-Residential and Residential properties has increased. For the typical single family home, the 2014 school tax increase is 27% which translates into a \$340 increase. In the past two years Provincial Education Taxes have increased by \$750 or 87% for the typical home.

### **Is the current property tax revenue enough to address future capital requirements?**

The municipality currently has a strong financial position. Additional funding may be required in the medium term for capital projects. Administration is currently evaluating optimal financing and will make recommendations to Council in due course.