

BYLAW 6483

A BYLAW OF THE CITY OF LETHBRIDGE TO

**AUTHORIZE THE LEVY OF TAX UPON ALL TAXABLE PROPERTY SHOWN ON THE
PROPERTY ASSESSMENT AND TAX ROLLS AND THE SUPPLEMENTARY PROPERTY
ASSESSMENT AND TAX ROLLS FOR THE YEAR 2025**

WHEREAS pursuant to section 353 of the Municipal Government Act, R.S.A. 2000, c. M-26, Council must pass a Property tax bylaw annually authorizing the Council to impose a tax in respect of Property in the municipality to raise revenue to be used toward the payment of the expenditures and transfers set out in the budget of the municipality, and the Requisitions;

AND WHEREAS, section 369 of the Municipal Government Act, R.S.A. 2000, c. M-26, provides that Council must pass a supplementary Property tax bylaw annually to authorize the levying of a supplementary Property tax in respect for which supplementary assessments have been made;

AND WHEREAS, pursuant to section 243 of the Municipal Government Act, R.S.A. 2000, c. M-26, a Property tax levy of \$194,145,259 including budgeted and additional growth is required for the general revenue of the City for municipal purposes during the year 2025;

AND WHEREAS, pursuant to sections 162 and 167 of the Education Act, S.A. 2012, c. E-0.3 the City of Lethbridge is required to levy a tax to pay the Requisition from the Province for the Alberta School Foundation Fund and the Holy Spirit Roman Catholic Separate Regional Division No. 4, which will be \$49,912,149.

AND WHEREAS, pursuant to section 7 of the Alberta Housing Act, R.S.A. 2000, c. A-25, the City of Lethbridge is required to levy a tax to pay the Requisition of \$2,490,946 from the Green Acres Foundation.

AND WHEREAS, section 297 of the Act provides that the assessor must assign one or more of the following assessment classes to the Property, including: Residential, Non-Residential, Farm Land and Machinery and Equipment;

AND WHEREAS, pursuant to section 359.3 of the Municipal Government Act, R.S.A. 2000, c. M-26, the City of Lethbridge is required to levy a tax of \$24,008 to recover the costs incurred for matters relating to the assessment of Designated Industrial Property and any other matters related to the provincial assessor's operations;

AND WHEREAS, section 359.3 of the Act provides that the tax rate for the purposes of the Requisition defined in section 326(1)(a)(vi) of the Act must be set by the Minister;

AND WHEREAS, the assessed value of all Property for the purpose of this Bylaw in the City of Lethbridge as shown on the 2025 assessment roll is:

	Total Assessment	Non-Taxable Assessment	Taxable Assessment
<u>MUNICIPAL</u>			
Residential	13,985,781,180	55,972,300	13,929,808,880
Multi-Family Residential	944,293,480	239,661,500	704,631,980
Farm Land	2,351,870	0	2,351,870
Non-Residential	6,298,776,360	2,791,380,910	3,507,395,450
Machinery & Equipment	382,903,530	0	382,903,530
	21,614,106,420	3,087,014,710	18,527,091,710
<u>EDUCATION</u>			
Residential	13,985,781,180	56,468,300	13,929,312,880
Multi-Family Residential	944,293,480	291,638,600	652,654,880
Farm Land	2,351,870	0	2,351,870
Non-Residential	6,298,776,360	2,845,838,940	3,452,937,420
Machinery & Equipment	382,903,530	0	382,903,530
	21,614,106,420	3,193,945,840	18,420,160,580
<u>GREEN ACRES</u>			
Residential	13,985,781,180	56,468,300	13,929,312,880
Multi-Family Residential	944,293,480	291,638,600	652,654,880
Farm Land	2,351,870	0	2,351,870
Non-Residential	6,298,776,360	2,845,838,940	3,452,937,420
Machinery & Equipment	382,903,530	0	382,903,530
	21,614,106,420	3,193,945,840	18,420,160,580

NOW THEREFORE, THE COUNCIL OF THE CITY OF LETHBRIDGE ENACTS AS FOLLOWS:

PART I – TITLE, PURPOSE AND DEFINITIONS

1 (1) This Bylaw may be cited as the 2025 Property Tax & Supplementary Property Tax Rate Bylaw.

Purpose

2 (1) The purpose of this Bylaw is to establish:

- (a) municipal Property tax rates for the 2025 annual Property taxes;
- (b) municipal Property tax rates for the 2025 supplementary taxes;
- (c) authority to collect the Green Acres Foundation Requisition;
- (d) authority to collect the Education Requisition; and
- (e) authority to collect the Designated Industrial Property Requisition.

Definitions

3 (1) In this Bylaw, unless the context otherwise requires:

- (a) "Act" means the *Municipal Government Act*, R.S.A. 2000 c. M-26;
- (b) "Designated Industrial Property" shall be defined as in 284(1)(f.01) of the Act;
- (c) "Farm Land" means land used for farming operations as defined in the regulations passed under the Act;
- (d) "Machinery and Equipment" has the same meaning as in section 284(1)(l) and 297(4)(a.1) of the Act;
- (e) "Minister" has the same meaning as set out in section 1(1)(o) of the Act;
- (f) "Multi-family Residential" shall have the meaning given to the term "Multi-family Residential" in Bylaw 6386;
- (g) "Non-Residential" has the same meaning as in section 297(4)(b) of the Act;
- (h) "Property" has the same meaning as in section 284(1)(r) of the Act;
- (i) "Requisition" has the same meaning as in section 326(1)(a) of the Act; and
- (j) "Residential" has the same meaning as in section 297(4)(c) of the Act.

PART II – LEVY

- 4 (1) The City Treasurer of The City is hereby authorized to impose the following rates of taxation on the assessed value of all taxable Property as shown on the 2025 assessment roll of The City:

	Tax Amount	Taxable Assessment	Tax Rate
<u>MUNICIPAL</u>			
Residential	\$110,799,093	13,929,808,880	0.0079541
Multi-Family Residential	\$8,799,515	704,631,980	0.0124881
Farm Land	\$18,707	2,351,870	0.0079541
Non-Residential	\$74,527,944	3,507,395,450	0.0212488
Machinery & Equipment	\$0	382,903,530	0
Subtotal Municipal Portion	\$194,145,259	18,527,091,710	
<u>EDUCATION</u>			
Alberta School Foundation Fund and Holy Spirit Roman Catholic Separate Regional Division 4:			
Residential	\$34,849,748	13,929,312,880	0.0025019
Multi-Family Residential	\$1,632,877	652,654,880	0.0025019
Farm Land	\$5,884	2,351,870	0.0025019
Non-Residential	\$13,423,640	3,452,937,420	0.0038876
Machinery & Equipment	\$0	382,903,530	0
Subtotal Education Portion	\$49,912,149	18,420,160,580	
<u>GREEN ACRES</u>			
Residential	\$1,923,638	13,929,312,880	0.0001381
Multi-Family Residential	\$90,132	652,654,880	0.0001381
Farm Land	\$325	2,351,870	0.0001381
Non-Residential	\$476,851	3,452,937,420	0.0001381
Machinery & Equipment	\$0	382,903,530	0
Subtotal Green Acres Portion	\$2,490,946	18,420,160,580	
<u>Designated Industrial</u>			
Designated Industrial Property	\$24,008	342,484,040	0.0000701
TOTAL TAX AMOUNT	<u>\$246,572,362</u>		

- 4 (2) For the purposes of collecting the portion of the Requisition defined in section 326(1)(a)(vi) of the Act, the City Treasurer is hereby authorized to impose the tax rate of 0.0000701 on the assessed value of all taxable Designated Industrial Property shown on the 2025 assessment roll of the City, as set by the Minister in Ministerial Order No. MAG:004/25.

5 (1) This Bylaw shall come into force and effect on the date of final passing thereof.

READ A FIRST TIME this 15 day of April, A.D. 2025



MAYOR



CITY CLERK

READ A SECOND TIME this 29 day of April, A.D. 2025



MAYOR

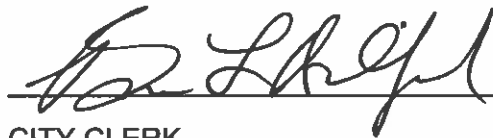


CITY CLERK

READ A THIRD TIME this 29 day of April, A.D. 2025



MAYOR



CITY CLERK

April 15, 2025

For Submission to
April 29, 2025
Council Meeting

His Worship the Mayor and
Members of City Council

Re: 2025 Taxation Requirements

2025 Assessment and Taxation Highlights

Submitted for City Council's consideration is Bylaw No. 6483 to establish the 2025 tax rates for taxation purposes. Some of the 2025 assessment and taxation highlights include:

1. **2025 property assessments** - consistent with the Municipal Government Act, the 2025 property assessments reflect the market value of property as of July 1, 2024. The assessments were prepared using mass appraisal practices, which utilizes information from property sales, rental income surveys and cost estimates to determine market value. All market conditions that may affect the property's value such as location, size, shape, replacement cost, age and the condition of the buildings have been taken into account. Property sales from the preceding three years establish a range of sale prices. Assessed values reflect the sales in the middle of this range of prices. This is the reason why assessments may be slightly higher or lower than the selling price. The purpose of an assessment roll is not to reflect one sale price or an opinion of value, but to assess all similar properties at similar values so that taxation is fairly and uniformly shared.
2. **Taxation bylaw** - on November 29, 2022, City Council approved the four-year operating budget (for the years 2023 - 2026). Although the approved budget includes a 5.10% increase in revenue requirements in each of the four years, City Council must approve its taxation bylaw on an annual basis.
3. **2025 Provincial education tax levy** – pursuant to the Municipal Government Act, the City is required to levy a tax to pay the education requisition. The 2025 combined education requisition increased over the 2024 requisition by a net amount of approximately \$6,050,340 or 13.79%. The portion of the combined tax levy related to the residential class increased by about \$4,293,300 or 13.34% and the tax levy related to the combined non-residential (commercial / industrial) class increased by about \$1,757,000 or 15.06%.
4. **2025 Green Acres tax levy** - increased by a net amount of about \$94,000 or 3.92%. The increase is required to adequately fund affordable housing for senior citizens, and is responsive to the needs of seniors, their families and the community.
5. **Market value** - the non-residential, single family and multi-family taxation property categories all experienced market value increases in the past year. Administration estimates that there were increases in residential category by about 8.0%, non-residential increased by 3.4% and multi-family by 2.6%.
6. **Impact of changes in market value** - as noted in 2 above, budget requirements were established by City Council when they approved the 2023-2026 Operating Budget. Changes in market values do not have any impact on the budget requirements. For example, it is sometimes assumed that when overall assessments (property values) increase as they have in the past year, there is a corresponding increase in property taxes. That is not the case. Once the budget is approved, only sufficient taxes are levied to satisfy the budget requirements.

7. **Supplementary assessment** - it should be noted that this bylaw also authorizes the tax levy on the supplementary assessment and tax roll for the year 2025.

Single-Family Residential Property Illustration

For example purposes only, the following illustration is a tax analysis based on the average of the single family residential category with the rounded assessments of \$359,000 (2024: \$332,300).

	2025	2024	Increase (Decrease)	
	\$	\$	\$	%
Municipal levy	2,855.52	2,716.98	138.54	5.10%
Education requisition	898.18	799.91	98.27	12.29%
Green Acres requisition	49.58	47.78	1.80	3.77%
Combined property tax levy	3,803.28	3,564.67	238.61	6.69%

Comparative Analysis of 2025 Taxation Requirements (Exhibit 1 attached)

In addition to collecting taxes for its own municipal purposes, the City of Lethbridge also collects tax levies on behalf of the Green Acres Foundation and for Provincial educational purposes. The total tax dollars to be collected in 2025 on behalf of all taxing authorities is estimated to be \$246,572,362. The allocation of these tax dollars between the City of Lethbridge and other requisitioning authorities is illustrated on Exhibit 1 (attached).

Analysis of 2025 Tax Rates (Exhibit 2 attached)

Exhibit 2 provides a breakdown by requisitioning authority of the 2025 tax rates for single family residential, multi-family residential and non-residential (commercial/industrial) property classifications. The 2025 municipal and combined tax rates have increased for all tax classifications.

As discussed in point 5 above, the market values for the single-family residential, multi-family, commercial categories all had an increase. It should be noted that when computing the impact on homeowners and businesses, the respective tax rates are applied against any changes in the properties’ market values in arriving at the 2025 tax levies.

The basis for establishing the 2025 municipal tax rates is to apply the budgeted increase in taxation requirement (5.1% for 2025).

As noted in point 5 on the prior page, market values for all classes, single family, multi-family and non-residential have all increased. As a result, ratios between classes have only changed slightly. The non-residential to single family residential ratio increased to 2.67 to 1 (2024: 2.56 to 1) and the multi-family residential to single family ratio increased to 1.57 to 1 in 2025 (2024: 1.49 to 1).

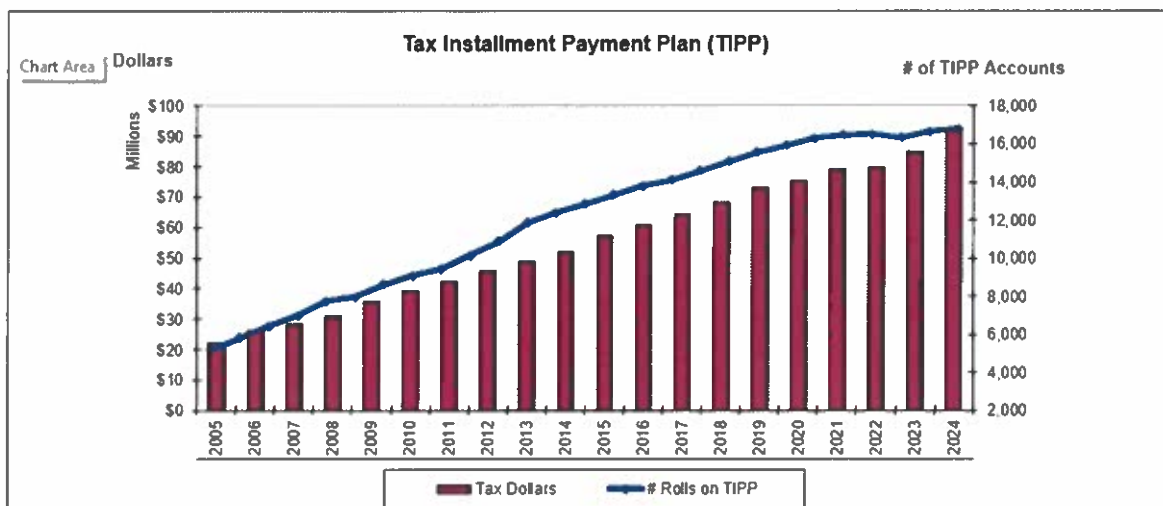
Assessment / Taxation Notices

In 2025, Property Assessment Notices for all property types (single family residential, multi-family residential and non-residential) were mailed on January 2, 2025. Property owners not satisfied with the Assessment Department’s justification of the estimate of market value had 68 days after the mailing date (i.e. to March 11, 2025) to formally appeal their assessment.

Tax notices for all properties will be mailed on May 13, 2025. The 2025 property taxes are due no later than the last business day in June (i.e. June 30, 2025). Penalties will apply to late payments.

Tax Installment Payment Plan

The Tax Installment Pre-Payment Plan (TIPP) Bylaw 6482 establishes a discount rate of 1.00% for taxpayers wishing to electronically pay their taxes by installments. The third reading of this bylaw will be submitted for an approval at the City Council meeting of April 29, 2025. A chart showing the history of the TIPP plan is shown below.



Property owners wanting to take advantage of the plan can pick up an application form at City Hall, visit the City’s website <http://www.lethbridge.ca> or request one by phoning the Taxation Department at (403) 320-3950. Taxpayers already enrolled in the 2025 TIPP plan will automatically be carried forward to the 2026 plan. Any 2025 TIPP credits will be carried forward to reduce 2026 monthly installment amounts.

Policies and Programs

Under the City’s **Tax Deferral Program**, property owners facing a tax increase of greater than 10% when compared to their “annualized” 2024 property taxes can defer the excess (i.e. the portion exceeding the 10% threshold). A form is attached to the Incentives for Prepayments, Penalty and Tax Deferral Bylaw 6470 that explains the two options for deferral. Application for this program must be made by June 30, 2025.

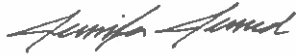
The Alberta Government’s **Seniors Property Tax Deferral** program allows eligible senior homeowners to defer all or part of their property taxes through a low-interest home equity loan. Program details and application forms can be found on the Province of Alberta Seniors website at <http://www.seniors.alberta.ca/seniors/property-tax-deferral.html>, or call the Alberta Supports Contact line at 1-877-644- 9992.

For further information regarding 2025 assessment and taxation, property owners are encouraged to review the “Property Taxes Information Brochure” sent with their notices, or visit the city’s website under Property Taxes <https://www.lethbridge.ca/property-taxes/> (under Property Tax Brochure)” or for specific information about your property click “Property Assessments” and “Online Assessment”.

Recommendation

Administration is recommending that the proposed Property Tax Bylaw 6483 to establish the 2025 tax rates for taxation purposes be given second and third reading on April 29, 2025, so that property tax notices can be mailed by May 13, 2025.

Respectfully submitted,



Jennifer Jerred, CPA, CA
Controller



Darrell Mathews, CPA, CMA, CIA
City Treasurer



Lloyd Brierley
City Manager

**CITY OF LETHBRIDGE
COMPARATIVE ANALYSIS OF 2025
TAXATION REQUIREMENTS**

	Municipal Purposes	Green Acres Foundation	Designated Industrial	ASFF		Separate		Total
				Residential	Non-Residential	Residential	Non-Residential	
Gross 2025 taxation requirements	\$ 194,145,259	\$ 2,495,583	\$ 24,008	32,023,692	\$ 12,561,771	\$ 4,504,512	\$ 816,058	\$ 246,570,883
Plus (minus) prior year's collection adjustment	N/A	(4,637)	0	141,623	26,711	(181,318)	19,100	1,479
Adjusted 2025 taxation requirements Per By-Law 6483	194,145,259	2,490,946	24,008	32,165,315	12,588,482	4,323,194	835,158	246,572,362
Less 2024 taxation requirements	182,730,043	2,396,987	25,010	28,224,558	10,896,690	3,970,658	769,904	229,013,850
Net dollar increase in taxation requirements	\$ 11,415,216	\$ 93,960	\$ (1,002)	3,940,757	\$ 1,691,792	\$ 352,536	\$ 65,254	\$ 17,558,512
Percentage increase	6.25%	3.92%	-4.01%	13.96%	15.53%	8.88%	8.48%	7.67%
Municipal increase due to:								
2025 revenue requirement increase (as amended)	5.10%							
Growth in assessment	1.15%							
Total increase	6.25%							

CITY OF LETHBRIDGE ANALYSIS OF 2025 MILL RATES

	2025 Taxable Assessments	2025 Net Requirements	2025 MILL RATE				Designated Industrial
			Single family Residential	Multi-family Residential	Non- Residential		
<u>General Taxation</u>							
Single family residential	13,932,160,750	\$ 110,817,800	7.9541				
Multi-family residential	704,631,980	8,799,515		12.4881			
Commercial / Industrial	3,507,395,450	74,527,944			21.2488		
	<u>18,144,188,180</u>	<u>194,145,259</u>					
Green Acres Foundation	18,037,257,050	2,490,946	0.1381	0.1381	0.1381		
Designated Industrial Non residential	342,484,040	24,008					0.0701
School Tax - residential	14,584,319,630	36,488,509	2.5019	2.5019			
School Tax - non residential	3,452,937,420	13,423,640			3.8876		
	<u>18,037,257,050</u>	<u>49,912,149</u>					
		\$ <u>246,572,362</u>					
<u>2025 Combined mill rate</u>			<u>10.5941</u>	<u>15.1281</u>	<u>25.2745</u>		<u>0.0701</u>
2024 Combined mill rate			<u>10.7273</u>	<u>14.7455</u>	<u>24.5853</u>		<u>0.0765</u>