

# 2024 PROPERTY TAX POLICY UPDATE

## 2024 REGIONAL MESSAGE

The Regional Municipality of York's [2024 budget](#) reflects commitments to taxpayers made in the [2023-2026 multi-year budget](#). The approved budget funds the capital plan, invests in social priorities and service excellence and addresses budgetary pressures while meeting requirements for day-to-day operations. York Region continues to focus on its priorities of fostering economic prosperity, supporting community well-being, driving environmental stewardship and effectively delivering essential services to a diverse and growing community of over 1.25 million residents.

## INTRODUCTION

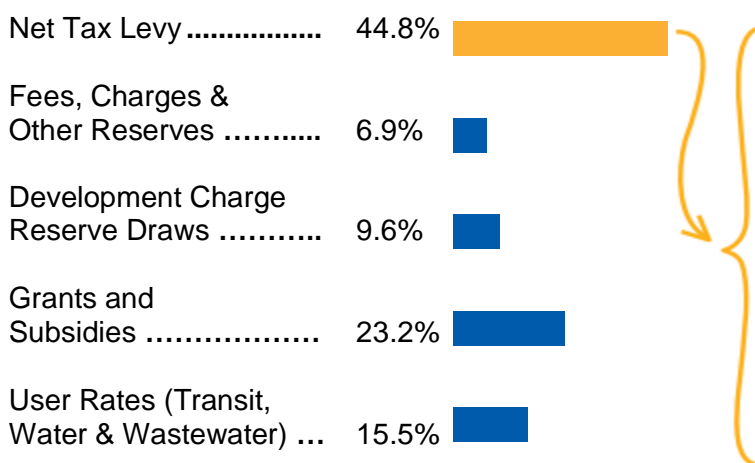
The Regional Municipality of York establishes tax ratios and tax rates to determine the amount of tax levy revenue approved by Council through the annual budget process. The 2024 budget resulted in a tax levy increase of 2.75% and a special 1% levy to fund transit and other priority infrastructure projects, including the Region's share of the Yonge North Subway Extension.

## 2024 BUDGET HIGHLIGHTS

**\$4.2 billion** { **\$3.2 billion Operating costs** + **\$1.0 billion Capital costs**

### 2024 OPERATING FUNDING SOURCE

\$3.2 billion



### WHERE DOES THE MONEY GO?

Net Tax Levy \$1.414 billion



\* Good Government includes Corporate Management and Financial Initiatives

\*\* Other includes York Region Rapid Transit Corporation, YorkNet and Courts and Tribunal Services

## CURRENT VALUE ASSESSMENT

Properties in Ontario are typically reassessed every four years. A reassessment was expected in 2021, however due to the COVID-19 pandemic, the reassessment was postponed. As a result, property values have been frozen at 2020 levels. The province has extended the assessment freeze through the 2024 taxation year and announced that the reassessment would continue to be deferred until a review of the property assessment and taxation system is completed.

# Regional Property Tax Ratios and Rates

## TAX RATIOS

York Regional Council establishes the relative tax share of each property class by setting tax ratios for the Region and its local cities and towns. Property tax ratios determine how the tax burden of properties within a particular class compares with that of the residential class, which has a tax ratio of 1.0.

From 2017 to 2020, York Regional Council approved **revenue-neutral tax ratios**. Revenue-neutral tax ratios are calculated such that the same share of tax revenue is collected from each property class as in the prior year. In 2021, 2022 and 2023, as property reassessment was postponed, Council directed that 2020 taxation year ratios be maintained.

As a result of the continued assessment freeze, York Region maintained the 2020 taxation year ratios for the 2024 taxation year as well, to keep the share of the tax burden borne by each property class consistent.

## TAX RATES

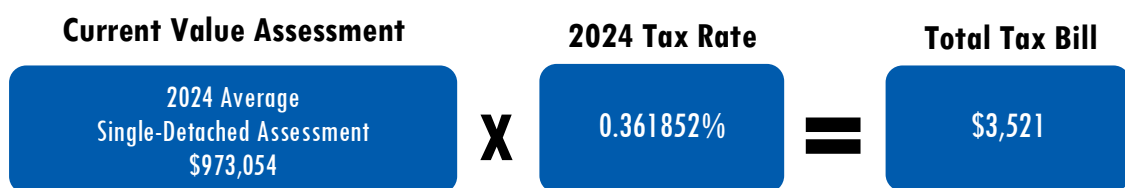
2024 tax rates are determined by the approved budget, assessment values and tax ratios. The Regional property tax rates are calculated based on the following formula:

$$\text{Property Tax Rates} = \frac{\text{Total Property Tax Funding Requirement for 2024}}{\text{Weighted and Discounted Assessment for All Classes}} \times \text{Tax Ratio for the Class}$$

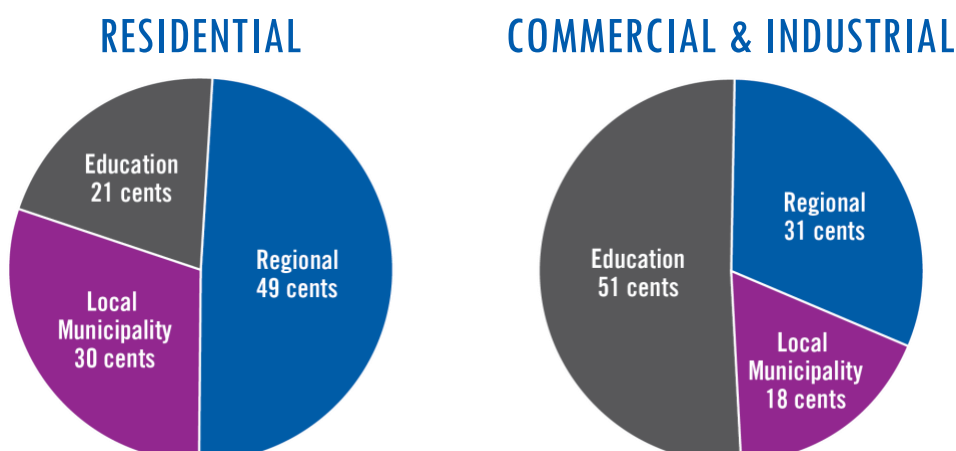
Tax rates are adjusted each year to determine the amount needed to fund the Region's approved operating budget. Changes in the taxation rates from 2023 only reflect the requirement to raise the necessary funds to meet the approved 2024 budget.

Broad Property Class	2024 Tax Ratios	2024 Tax Rates %	2023 Tax Rates %
Residential	1.0000	0.361852	0.348892
Multi-Residential	1.0000	0.361852	0.348892
New Multi-Residential	1.0000	0.361852	0.348892
New Multi-Residential Subclass*	1.0000	0.361852	N / A
Commercial	1.3321	0.482023	0.464759
Industrial	1.6432	0.594595	0.573299
Pipelines	0.9190	0.332542	0.320632
Farmland	0.2500	0.090463	0.087223
Managed Forests	0.2500	0.090463	0.087223

## HOW IS PROPERTY TAX CALCULATED?



## Average Distribution of \$1 Property Tax in 2024



# Regional Property Tax Policies

The Regional Municipality of York offers property tax discounts, rebates and deferral programs, including:

Property Type / Property Owner	Eligibility / Criteria	Relief
<b>New Multi-Residential (Municipal Reduction) Subclass*</b>	All New Multi-Residential properties (as classified by Municipal Property Assessment Corporation) whose permits are issued on or after May 23, 2024	0% discount
<b>Excess Land</b>	Classified by Municipal Property Assessment Corporation	30% discount for commercial property 35% discount for industrial property
<b>Vacant Land</b>	Classified by Municipal Property Assessment Corporation	30% discount for commercial property 35% discount for industrial property
<b>Farmland Awaiting Development</b>	Phase I – Registered plan of subdivision on the property	75% of the residential tax rate
<b>Registered Charities</b>	Registered charity as defined by subsection 248 (1) of the <i>Income Tax Act</i>	40% rebate of the taxes payable subject to annual application
<b>Veterans Associations, Royal Canadian Legions, and Ontario Provincial Command</b>	Defined by Section 6.1 of the <i>Assessment Act</i>	100% rebate of the taxes payable subject to annual application for Veterans Associations and Ontario Provincial Command  Royal Canadian Legions are exempt from property taxes
	Aged 65 or over	100% deferral of the tax increase subject to annual application
<b>Seniors, Low-Income Pre-Seniors, and Low-Income Persons with Disabilities</b>	Ages 55 through 64 (inclusive) who meet the following income criteria:  Single person: <b>\$23,000</b> or less  Family of two or more persons: <b>\$40,000</b> or less	Deferral of the tax increase in excess of \$100 subject to annual application
	Low-income persons with disabilities eligible to claim a disability amount as defined in the <i>Income Tax Act</i>	100% deferral of the tax increase subject to annual application

\*The new subclass is introduced in 2024 per York Region Bylaw 2024-20. Pending a detailed review through 2024, updates including potential changes to the discount rate will be provided in 2025.

## Other Property Tax Incentives

York Region property owners may be eligible for property tax relief measures offered by the Province of Ontario or their local city or town, including:

Program	Eligibility / Criteria	Relief
<b>Exemptions for Seniors and Persons with a Disability</b>	<p>The Province of Ontario provides incentives for residential units built or altered to accommodate senior(s) or person(s) with a disability</p> <p>For more details on these programs, please contact the <a href="#">Municipal Property Assessment Corporation</a> or visit the <a href="#">Ontario.ca webpage for tax credits and benefits</a></p>	Tax reduction / exemption subject to application
<b>Ontario Senior Homeowners' Property Tax Grant</b>	<p>Aged 64 or over on Dec. 31, 2023, who meet the following income criteria:</p> <p>Single, divorced or widowed and income less than <b>\$50,000</b></p> <p>Married or living common-law, and combined income of less than <b>\$60,000</b></p> <p>The application is part of the income tax return</p> <p>For more details, please visit <a href="#">Ontario.ca</a> and/or the annual Ontario income tax package on the <a href="#">Canada Revenue Agency website</a></p>	Up to \$500, subject to annual application to the Canada Revenue Agency
<b>Property Tax Assistance for Seniors</b>	<p>The City of Richmond Hill, the City of Vaughan and the Town of Newmarket offer property tax relief for eligible seniors</p> <p>For more details on these programs, please contact your <a href="#">local city or town</a></p>	Tax grant / rebate
<b>Extraordinary Circumstances Tax Relief</b>	<p>The Township of King offers tax relief in extraordinary, unforeseen circumstances</p> <p>Please contact the Township of King for more information</p>	Tax deferral
<b>Relief for Brownfields</b>	<p>Brownfields are vacant, abandoned or idle industrial or commercial properties hindered by environmental contamination, requiring assessment and cleanup before redevelopment for residential or commercial projects.</p> <p>Owners and developers who undertake brownfield redevelopment may receive tax incentives through their local city or town to offset cleanup costs and encourage revitalization and community improvement.</p> <p>For more details, please contact your <a href="#">local city or town</a></p>	Tax incentives
<b>Incentives and Relief for Heritage Properties</b>	<p>The tax reduction for the Heritage Property Program, pursuant to section 365.2 of the <i>Municipal Act, 2001</i> provides local municipalities with a tool to provide tax reductions or refunds with respect to an eligible heritage property</p> <p>For more details on these programs, please contact your <a href="#">local city or town</a></p>	Tax reductions or refunds

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