



# MUNICIPAL TAX RATIO POLICY

Council Policy  
C-223

Policy Number:	C-223
Policy Owner:	Financial Services
Adopted By:	Council
Adoption Date:	2023 November 14
Effective Date:	2023 November 14
Date Last Amended:	N/A
Date Last Reviewed:	2023 November 14

## Purpose

- 1     The intent of this policy is to provide strategic direction on the long-term financial viability of Rocky View County (the “County”) through the maintenance of a balanced tax ratio that distributes the tax burden between residential and non-residential assessment classes. This policy will guide tax rate setting on an annual basis.



## Policy Statement

- 2     The County strives to balance the municipal tax burden between residential and non-residential assessment classes. This will be achieved through setting tax rates where the non-residential assessment classes will contribute a minimum of 50% of the annual municipal tax.



## Policy

- 3     The County recognizes the need to diversify the overall assessment base through careful consideration of development applications.
- 4     The County sets tax rates annually based on budgetary needs.
- 5     The County recognizes a need to balance the municipal tax burden between assessment classes while maintaining competitive tax rates.
- 6     The County recognizes that the non-residential assessment class generally has tools to minimize the impacts of municipal property tax.



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Current legislation limits the tax ratio to a maximum of 5:1.
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On an annual basis, the County will implement a tax ratio that complies with legislation and allocates a minimum of 50% of the municipal tax to the non-residential assessment classes.



## References

### Legal Authorities

### Related Plans, Bylaws, Policies, etc.

### Related Procedures

### Other

- *Municipal Government Act*, RSA 2000, c M-26
- Rocky View County Policy C-197, *Assessment Base Diversification*
- N/A
- N/A



## Policy History

### Amendment Date(s) – Amendment Description

### Review Date(s) – Review Outcome Description

- N/A
- N/A



## Definitions

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In this policy:

(1)

“assessment base” means the total taxable property assessment in the County;

(2)

“non-residential assessment” means all taxable assessment types other than residential. This includes commercial, industrial, machinery and equipment, linear, and farmland property assessment;

(3)

“residential assessment” means residential, farm residential, and vacant residential property assessment;

(4)

“Rocky View County” or “the County” means Rocky View County as a municipal corporation and the geographical area within its jurisdictional boundaries, as the context requires; and



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- (5) “tax ratio” means the ratio of the highest non-residential tax rate set out in the municipality’s property tax bylaw for a year to the lowest residential tax rate set out in the municipality’s property tax bylaw for the same year.