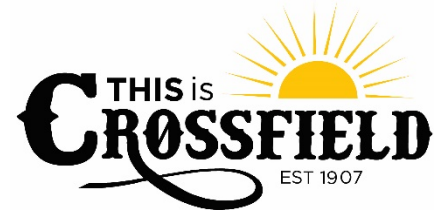


Report to Council



Meeting Date: Click or tap to enter a date
Meeting Type: Council Meeting
Prepared By: Amber Ouellette, CFO
Presented By: Amber Ouellette, CFO
Subject: 2026-04 Taxation Bylaw
Department: Finance

REPORT PURPOSE:

Bylaw 2026-04 Taxation Bylaw is presented for Council's consideration. This bylaw sets the 2026 property tax rates and is built upon the 2026 Operating Budget.

Administration is asking Council to consider all three readings of Bylaw 2026-04 Taxation Bylaw.

RECOMMENDATION:

That Bylaw 2026-04 Taxation Bylaw be given first reading.

That Bylaw 2026-04 Taxation Bylaw be given second reading.

That Bylaw 2026-04 Taxation Bylaw be brought forward for third and final reading with unanimous consent.

That Bylaw 2026-04 Taxation Bylaw be given third and final reading.

PREVIOUS COUNCIL DIRECTIONS:

Council approved the 2026 Operating Budget on April 7, 2026, establishing the total revenue to be raised through property taxation.

BACKGROUND:

Municipal Tax Rate

The Municipal Government Act authorizes a municipality to pass an annual property tax rate bylaw imposing a property tax sufficient to raise the necessary revenue to pay requisitions, expenditures, and transfers as set out in the approved budget.

The 2026 tax rates reflect a general tax increase of 6.69%, equivalent to \$352,196, and an adjustment to the non-residential rate split from 1.40 to 1.66. This change is in accordance with Annual Budget Policy 2023-06, approved in 2023, and brings the Town's non-residential tax rate in line with the average of comparable municipalities.

The annual property tax bylaw sets out the assessed property values by class and calculates the tax rates required to raise budgeted tax revenue in accordance with property tax policies. The 2026 municipal tax requirement is established in the 2026 Operating Budget.

The annual municipal tax requirement for a residential property assessed at \$492,300 will see an annual increase of \$140 or \$11.65 per month.

Provincial Education Requisition

The 2026 provincial education requisition has increased \$379,362 over 2025 (\$2,910,677 from \$2,531,315); an increase of 14.99%; (2025 requisition increased 20.17% over 2024). The 2026 provincial education property tax rates have increased compared to 2025. Additionally, strong growth in property assessments and increased development have contributed to a higher overall education property tax requisition. As a result, the **total** provincial requisition is expected to rise from \$3.1 billion in 2025 to \$3.6 billion in 2026, representing an increase of 16.1% province wide.

The annual education tax requisition for a residential property assessed at \$492,300 will see an annual increase of \$154, or \$12.83 per month.

For clarity, this requisition is a flow through tax that is collected on behalf of the Province of Alberta by the municipality.

Rocky View Foundation Requisition

The 2026 Rocky View Foundation (RVF) operating requisition of \$55,130 is \$6,304 less than the 2025 requisition (\$55,130-\$61,434); representing a 10.26% decrease (2025 requisition decreased 5.65% over 2024). It should be noted that the 2024 Rocky View Foundation requisition was \$65,112 representing an 85% increase over the prior year requisition.

The annual seniors housing requisition for a residential property assessed at \$492,300 will see an annual decrease of \$3.96.

For clarity, this requisition is a flow through tax that is collected on behalf of RVF by the municipality.

Market Value Assessment Changes (Inflation/Deflation)

As per the Annual Budget Policy 2023-06, the Town does not tax overall market value appreciation or depreciation; however individual market value changes will be different for each property with different

impacts to their tax levies. On average, for the twelve months ending June 30, 2025, residential properties experienced an increase in market value of 9.2% while non-residential properties experienced an increase of 7.2%.

Taxable Assessment Growth

Taxable assessment growth represents new assessment added to the tax base from development that did not exist in the prior year. This growth allows the municipality to generate additional tax revenue without increasing tax rates, as the overall tax burden is shared across a larger assessment base. Taxable assessment on new development is \$38,120,830 comprised of \$37,485,280 in residential growth and \$635,550 in non-residential assessment growth.

Basis of Property Assessment

As established by provincial legislation, the annual property assessments have been prepared based on property sales between July 1, 2024, and June 30, 2025. Combined property taxation and assessment notices will be mailed by May 7, 2026. Assessors and administration staff will be available by phone or in person to discuss current assessments, comparable assessments, and related concerns.

ANALYSIS:

Strategic Alignment

- Reliable Infrastructure Readiness
- Calculated Financial Path
- Responsible Community Growth
- Safe and Connected Community

Economic Impact

The taxation bylaw ensures the Town can fund operations and infrastructure, supporting local businesses, property values, and economic stability.

Social Impact

The taxation bylaw ensures the Town can fund essential services that directly affect residents' quality of life, including public safety, recreation, community programs, and infrastructure maintenance. It also ensures fairness in distributing the tax burden across property owners and allows the municipality to continue planning for long-term growth and community development.

Relevant Statutes / Master Plans / Town Documents

Annual Budget Policy 2023-06

Risks

Failure to pass the taxation bylaw would prevent the Town from collecting property taxes, threatening cash flow, service delivery, and compliance with provincial legislation.

COMMUNICATIONS AND ENGAGEMENT:

The Town advertises the combined property taxation and assessment notice mailing through the Rocky View Weekly, Town website, social media and on town-owned billboards. Combined property taxation and assessment notices will be mailed no later than May 13th and are due by 4:30 p.m. (local time) on June 30th (excluding those on pre-authorized payment plans).

New for 2026: Property Tax and Assessment Q&A Session(s) that invite rate payers to stop by and ask any questions they have about this year's property taxation and assessment notices. More information about the session(s) will be communicated through social media and on the Town's website.

FINANCIAL IMPLICATIONS:

The 2026 municipal tax requirement is \$5,893,268. This revenue will be generated through \$3,970,550 (67%) in residential taxation, resulting in a municipal tax rate of 4.9530, and \$1,922,718 (33%) in non-residential taxation, resulting in a non-residential tax rate of 8.2220.

The 2026 residential tax rate represents a decrease of approximately 3% compared to 2025. The non-residential tax rate has increased in accordance with Annual Budget Policy 2023-06 and is now aligned with the average of comparable municipalities.

It is important to note that the property tax rate is only one component of the property tax formula; the other is property assessment. Increases in assessed values contribute to higher taxes, but each property's market value changes at a different rate. As a result, individual property tax amounts will vary depending on changes in each property's assessed value. This ensures that the overall tax burden is distributed equitably across the tax base while reflecting the unique characteristics and improvements of each property.

ALTERNATIVES/IMPLICATIONS:

Council could direct changes to be made to the proposed Bylaw before considering it.

ATTACHMENTS:

2026-04 Taxation Bylaw