

Finalized Tax Rate FAQ

Each year, municipalities decide how much they want to raise from property taxes to pay for services and determine the tax rate based on that amount. St. Catharines property tax rates are set by City Council each year and are determined by balancing the needs for programs and infrastructure with the financial requirements of the City and revenue streams.

On May 6, 2020, St. Catharines City Council finalized the combined property-tax rate for 2020. The finalization of a combined rate, blending City, Regional and Provincial education rates, is a part of the normal budget process that takes place annually. This finalized rate is used to generate tax bills for the current year.

Why is the 2020 tax rate just being finalized now?

The City is responsible for collecting property taxes on behalf of the City of St. Catharines, Niagara Region and Province of Ontario (education) although it is not responsible for setting the rates for the Region or Province. The 2020 Tax Rate report passed by Council on May 6 is a part of the normal budgetary process, combining the rate set by the City during its budget process in December 2019, with the rates set by the Region and Province.

City tax rates are determined by the revenue required to fund the City's operating budget. Through the Budget Standing Committee, the City of St. Catharines generates its portion of property tax rates. The City finalized its rate with the passing of its 2020 Operating Budget at City Council on Dec. 16, 2019. A finalized combined (or blended rate) could not be generated until the Niagara Region and Province of Ontario finalized their rates for 2020. The Province finalized the education portion of property tax rates on Jan. 22, 2020 and the Region finalized its portion on April 23, 2020.

With Regional and education rates finalized, alongside its own, the City was required to ratify a combined rate for 2020 property taxes.

Who is responsible for tax rates?

The City and Region both set their own tax rates while the Province of Ontario sets the rate for the education portion of property taxes. All three rates are combined to form the finalized rate passed by council on May 6, 2020.

The City of St. Catharines has no authority over the rates set by the Niagara Region and Province of Ontario.

Does anything else influence the finalized rate?

Beyond City, Regional and education tax rates there are several special items included in the finalized tax rate, specifically, the Infrastructure Levy, Hospital Levy and Region Waste Management rates are also included as small portions of blended tax rate.

The Infrastructure and Hospital Levies are set by the City of St. Catharines. The Infrastructure Levy is a tool used to address the infrastructure deficit, directing extra funds to upgrades roads, parks, playground equipment and traffic lights not funded in the base budget. The Hospital Levy is directed to the City's commitments of funding capital costs of the new St. Catharines Hospital Site.

Are taxes going up in 2020?

Yes, they are. City Council approved a 3.92 per cent increase (a \$61 increase for the average home owner) to the City portion of the property tax bill. When combined with the recently approved increase from the Region, and a slight decrease in the education tax portion, the combined tax rate increased by 4.05 per cent in 2020.

How much will this cost me?

The finalized 4.05 per cent increase will see the average residential home owner — with a home assessed at \$254,000 in value — pay a total of \$3,637.71 in 2020, representing a \$141.61 increase from 2019. Of that \$141.61 increase, a total of \$61 is directed to the City.

How are property taxes calculated?

Property taxes are based on the tax rate as it applies to the assessed value of a home or property. Municipal Property Assessment Corporation (MPAC) generates a Current Value Assessment (CVA) for all properties, this assessment is used to generate property tax amounts. The total amount of taxes collected depends on the municipality's revenue needs and not on the value of the properties assessed within a municipality.

The City and Region independently determine the tax rate for each property tax class.

The Ontario Provincial Government sets the education tax rates for all properties within the province.

The combined tax rate (municipal, regional and education) is then multiplied with CVA to determine the property tax value.

For example, the calculation for the average residential home in St. Catharines, valued at \$254,000 with the finalized 2020 property tax rate of 1.43 per cent, would be:

$$\$254,000 \times 1.432167\% = \$3,637.71$$

For more information on your property assessment visit www.aboutmyproperty.ca or contact the MPAC Customer Contact Centre at 1-866-296-MPAC (6722).

Residents can also use our online [Property Tax Calculator](#) for an estimate of the cost per service for the City of St. Catharines portion of the property taxes.

How can the City have already issued interim property tax bills for 2020 when the rate has just been finalized?

The interim tax bill produced annually at the end of January, is for the first half of the year's taxes. The amount levied is based on 50 per cent of property's taxes for the previous tax year allowing the City to send out interim tax bills while it awaits rates from the Region and Province to generate a finalized tax rate.

Your final tax bill will be based on your 2020 phased-in assessment value and will reflect any changes in municipal taxes and the education portion of your taxes. Final tax instalments may be larger than interim property tax bills issued in the first half of the year.

The City collects property taxes across four instalments every year from residents, with the exception of those who opt for a monthly pre-authorized payment schedule. This means the City must often issue bills before the Region and Province have approved their portions of rates

Where does my tax money go?

Property tax revenues are used to fund a variety of government programs, operations and services.

Revenues from the City portion are used to fund Fire Services; parks; transit; recreation programs; snow removal; libraries; pools; senior centres; street lighting; contributions to capital projects such as road and storm sewer repair; and more.

The Regional portion funds similar operations at the Regional level including police, public housing, the Niagara Peninsula Conservation Authority, capital projects, waste management, Regional transit, and more.

The Provincial education portion is used to fund school boards in Niagara.

Isn't 2020 an assessment year, will the Municipal Property Assessment Corporation be reassessing my property value?

The Ontario government has announced that the 2020 Assessment Update has been postponed. They have indicated that property assessments for the 2021 property tax year will continue to be based on the assessment values from 2016. This means your

property assessment for the 2021 property tax year will be the same as the 2020 tax year, unless there have been changes to your property.

Where can I view my property tax bill?

Tax bills are mailed to property owners. Residents can however view their tax bills online by signing up for the City's e-billing portal. The City of St. Catharines e-billing service helps residents keep information about their tax and water accounts, and bills, organized in one convenient location. Customers can access the self-service portal anywhere, anytime from a desktop or tablet device.

Visit www.stcatharines.ca/eBill for more information.