



The Corporation of the Township of King Report to Council

From: Finance

Report Number: FIN-2025-09

Date: Monday, May 26, 2025

Title: **2025 Final Tax Levy**

Recommendation

1. That Council receive Report Number FIN-2025-09.
2. That Council enact Bylaw 2025-041, being a Bylaw to set property tax rates for 2025, as set out in Appendix A to this report.
3. That Council enact Bylaw 2025-042, being a Bylaw to authorize the collection of local charges on behalf of the Holland Marsh Drainage System.

1. Report Highlights

- The blended residential rate for the Township, York Region and School Boards is .8876% in 2025. The average home in King Township (valued at one million dollars) will be charged \$8,876 per year of which \$3,587 for the Township, \$3,759 for the Region and \$1,530 for the school boards.
- \$152,751.06 will be collected from property owners within a specific area of King on behalf of the Holland Marsh
- The Final Tax Notices will be mailed to property owners mid June with due dates of July 24, 2025, and September 25, 2025.

2. Purpose

The purpose of this report is to provide information and recommend that the 2025 property tax rates included as **Appendix A** for final tax billing.

3. Background

Section 312(2) of the Municipal Act, 2001 requires a municipality to annually pass a tax rate Bylaw that sets out the tax rates for each property class. This allows a municipality to raise the revenues needed to meet its budgetary requirements. Tax rates are influenced by ranges of fairness and tax ratios that are set by York Region that ultimately assign a relative amount of taxation burden by assessment class (i.e. Residential, Commercial, Industrial, etc.). In 2025, Region Council changed the tax ratios by removing the discount for non-residential vacant and excess land. This had a favourable impact on the residential tax rates.

In addition to collecting tax revenue for the Township's own budgetary requirements, the Township collects taxes on behalf of York Region and the four school boards. The Township must remit installments to the Region and each school board throughout the year regardless of whether tax payments are received by the Township. The Township of King is also required through the Drainage Act to collect local improvement fees on behalf of the Holland Marsh. Bylaw 2025-042 provides a summary of Holland Marsh maintenance fees to be collected in 2025.

The Township collects taxes in four installments per year. The first two interim installments were due February 19, 2025, and April 23, 2025. The installments for final billing will be July 24, 2025, and September 25, 2025. The amount levied for the 2025 tax levy (based on the 2024 Council approved budget) less the amount of the 2024 interim levy. In the event that the above installment due dates cannot be met due to circumstances beyond the control of Township staff (e.g. Canada Post Strike), the Director of Finance and Treasurer is authorized to amend the installment due dates accordingly.

On June 5, 2023, council adopted By-law 2023-056 to permit a special levy for stormwater management. The stormwater levy will be charged in 2025 (using the 2023 rates) and will generate \$1,028,553 in revenue that will be used to maintain stormwater assets.

4. Analysis

As part of York Region's tax policy report that was tabled on May 8, 2025, it recommended the removal of the tax rate discount from 30% to 0% for properties in the vacant or excess subclasses of commercial property class, and from 35% to 0% for properties in the vacant or excess subclasses of the industrial property class. This was proposed to be eliminated to support development objectives and improve tax equity. This is reflected in the 2025 tax rates accordingly under Appendix A of this report.

The Township's 2025 net levy requirement is \$40,600,372, (\$38,517,372 tax levy + \$2,083,000 Payments in Lieu (PIL's)). The tax levy is the primary funding source of the 2025 tax-supported budget and is generated from three broad property tax classes: residential, commercial, and industrial. Table A summarizes the composition of the Township's assessment base and shows that the residential tax class makes up 94.8% of the total assessment and generates 88.43% of the levy.

Table A:

Property Type	Assessment Value	Percentage of Assessment	Township Levy	Percentage of Levy
Residential/Farm/Forest	\$10,511,939,807	94.8%	\$35,900,937	88.43%
Non-residential (commercial, industrial)	\$ 571,517,359	5.2%	\$ 4,699,435	11.57%
	\$11,083,457,166	100%	\$40,600,372	100%

Appendix A of this report provides the 2025 tax rates for each assessment class. Education tax rates are established by provincial legislation and regional tax rates as well as all tax ratios are set by Regional Council. The blended residential tax rate for the Township, York Region, and School Boards increased 3.08% in 2025 which is less than the estimated amount of 3.39% noted during the 2025 Budget discussion. The variance in the projected rate increase is due to final assessment changes from the return of the roll from MPAC and the tax policy changes implemented by the Region.

The Holland Marsh local improvement charges are approved through the Holland Marsh Drainage System (HMDS) Joint Municipal Service Board and are charged to properties that benefit from the drainage system. The total amount to be collected in 2025 is \$152,751.06.

Table B:

Description	Amount
Drain 1	\$6,788.15
Drain 2	2,476.28
Drain 3	1,768.61
Drain 4	3,293.64
Drain 5	8,278.98
Drain 6	4,960.85
Drain 14	278.68
HMDS CIP	12,658.00
Bradford Pumping Stations	112,247.87
Total	\$152,751.06

The complete listing of the drainage charges by property can be found attached to Bylaw 2025-042 Holland Marsh Drainage Levy.

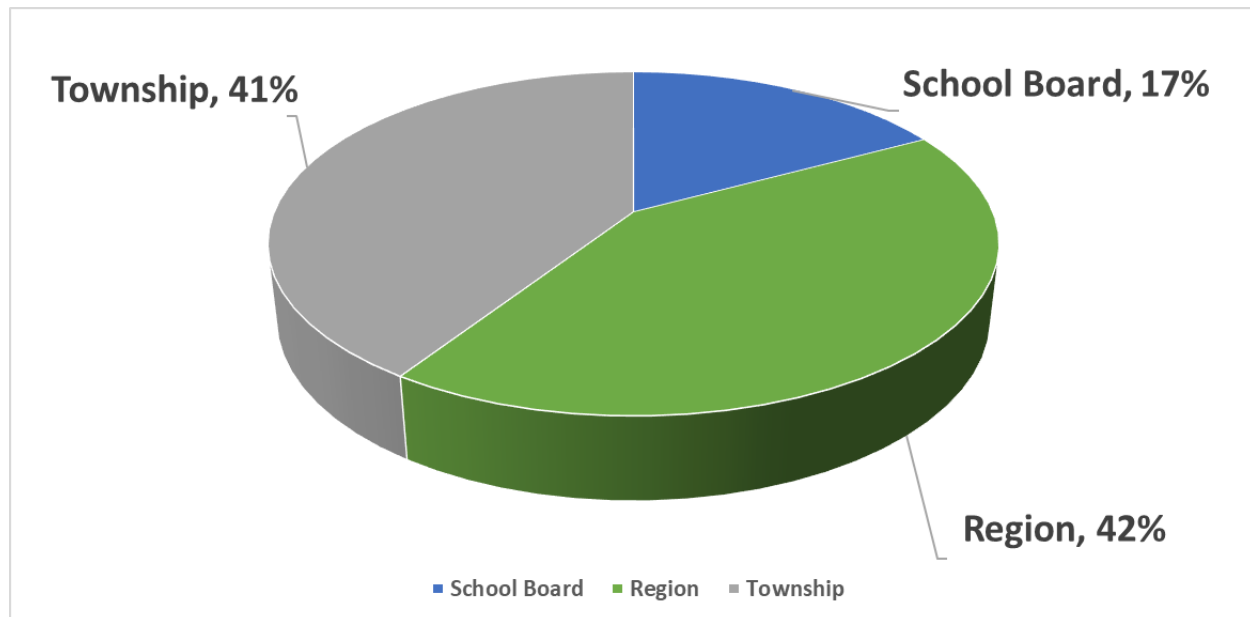
5. Financial Considerations

The recommended tax rates for 2025 will provide the necessary sources of property taxation revenue to support the Township's operational and long-term capital plans while ensuring the collection of property taxation revenues on behalf of York Region, the local boards of education, and the Holland Marsh Drainage Board.

Based on Residential Tax Example of \$1,000,000 Assessment, Table C shows the change from 2024 to 2025 and the split between the Township, Region, and School Boards.

Table C:

Residential Tax: Example							
Assessment	\$1,000,000	Tax Rate	Total Taxes	School Board	Region	Township	Increase %
Year - 2024		0.00861059	\$ 8,611	\$ 1,530	\$ 3,619	\$ 3,462	
Year - 2025		0.00887558	\$ 8,876	\$ 1,530	\$ 3,759	\$ 3,586	3.08%
				School Board	Region	Township	
% of Taxes				17%	42%	40%	



6. Alignment to Strategic Plan

The 2023-2026 Corporate Strategic Plan (CSP) was adopted by Council on June 12, 2023. The CSP reflects the priorities of upmost importance to the community and defines the obligations and commitments of the Township of King to its citizens and to the public. The CSP is aligned with the Townships long-term vision defined in the “Our King” Official Plan. The CSP also aims to ensure that staff initiatives focus on and work towards supporting King’s Vision, Mission and Values.

This report is in alignment with the CSP’s Priority Area(s), and/or associated Objective(s) and/or Key Results(s):

Priority Area: Service Excellence

Objective: Not Applicable.

Key Result: Not Applicable.

7. Conclusion

The 2025 property tax rates reflect the requirements of the Township's tax-supported budget. The Final Tax Notices will be mailed in June with due dates of July 24, 2025, and September 25, 2025.

8. Attachments

FIN-2025-09 Appendix A - 2025 Tax Rates

FIN-2025-09 Appendix B - 2025 Holland Marsh Drainage Charges

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