



## CITY OF LANGLEY

### MOTION

#### **Varied Taxation Rate for Residential (Class 1) Properties – Mayor Pachal**

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WHEREAS the Province of British Columbia specifies that there is one assessment class for all types of residential properties even though the assessed value of attached and detached residential properties change values at different rates and other jurisdictions, such as Ontario, allow different tax rates for attached and detached residential properties;

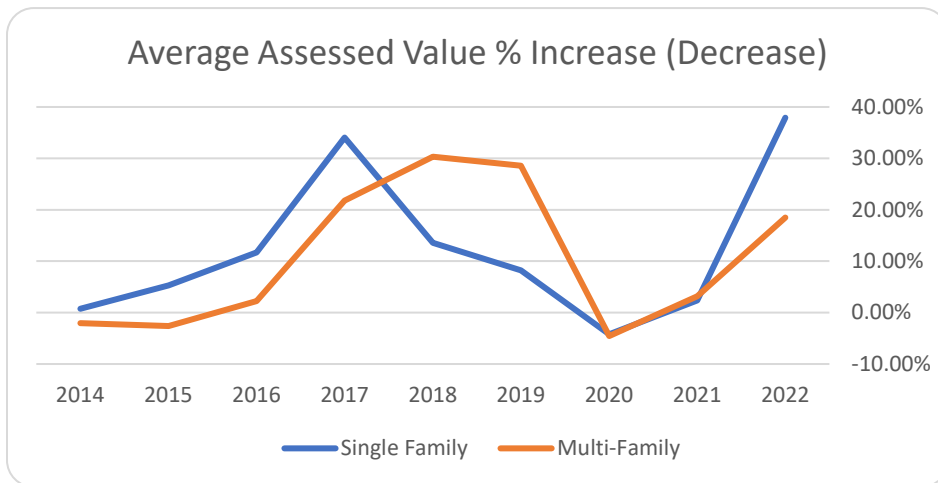
WHEREAS in Langley City, a 4.94% property tax increase in 2018 resulted in a 0.4% decrease for detached residential properties and a 14.31% increase for attached residential property, and in 2022, a 4.35% property tax increase resulted in a 12.49% increase for detached residential properties and 3.37% decrease for attached residential properties;

THEREFORE BE IT RESOLVED that the Province of British Columbia amend the BC Assessment Act and the Community Charter to allow the residential class to be split into two distinct residential classes so that a different rate may be applied to each type to account for the difference in the rate at which attached and detached residential properties change their value and to allow local government to more accurately charge for the cost of providing services to attached and detached residential properties.

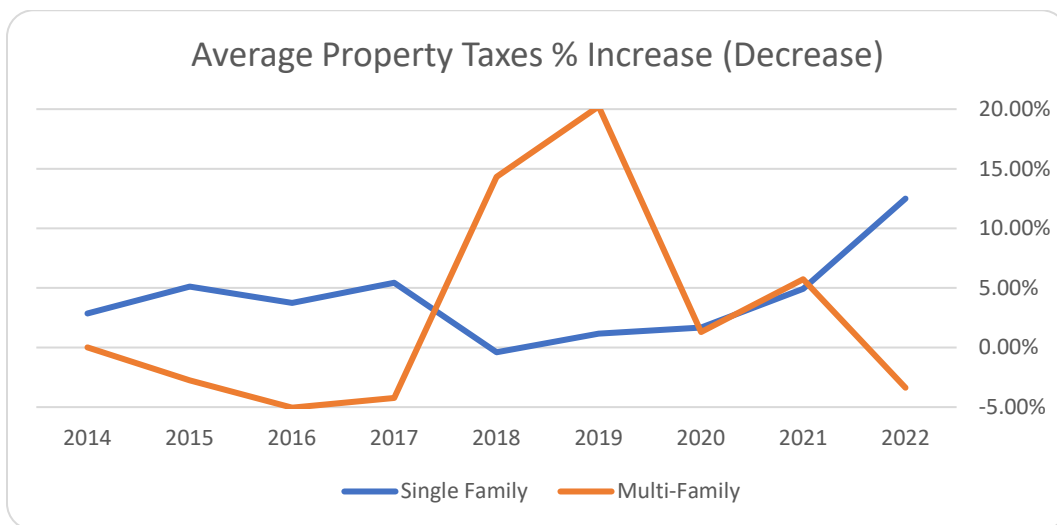
## Background:

The City of Langley's residential property class is comprised of 68% multi-family residential strata units compared to 32% single-family residential properties. In recent years, the assessed value of residential properties has fluctuated wildly with some years seeing a larger increase to single-family properties and other years seeing a larger increase to multi-family properties.

The Province of British Columbia specifies in both the BC Assessment Act and the Community Charter that there is only one residential class and that there is only one rate that municipalities can apply to the residential class. In 2022, this resulted in single-family residential properties seeing property tax values increasing on average \$277.42 (12.49%). However, for multi-family strata units, property tax values decreased on average \$35.12 (-3.37%). In the last two years, the average single-family residential properties have seen an increase in taxation of \$381.54 while the average multi-family residential properties have seen an increase of \$21.45 over the same period.



Using only one tax rate for both single-family and multi-family properties puts a larger burden on the type of property that has seen the larger increase in that year. The property taxes are based on the assessed value, and therefore the average property taxes also fluctuate between single-family and multi-family properties from year to year.



Using a varied rate provides the City with the ability to smooth these fluctuations and decrease the jarring impact on the tax payers from year to year.

Average Single Family Residential					
	Assessed Value			Property Taxes	
Year	Average	Increase (Decrease)	% Increase (Decrease)	Average \$	Average %
2022	1,211,033	332,909	37.91%	277.42	12.49%
2021	878,124	20,142	2.35%	104.12	4.92%
2020	857,982	(37,755)	-4.21%	34.88	1.68%
2019	895,737	67,949	8.21%	23.95	1.16%
2018	827,788	98,933	13.57%	(8.22)	-0.40%
2017	728,855	185,056	34.03%	106.37	5.43%
2016	543,799	56,981	11.70%	70.67	3.74%
2015	486,818	24,395	5.28%	91.71	5.10%
2014	462,423	3,381	0.74%	49.69	2.84%

Average Multi-Family Residential					
	Assessed Value			Property Taxes	
Year	Average	Increase (Decrease)	% Increase (Decrease)	Average \$	Average %
2022	488,347	76,110	18.46%	(35.12)	-3.37%
2021	412,236	12,573	3.15%	56.57	5.74%
2020	399,664	(19,084)	-4.56%	12.77	1.31%
2019	418,747	93,131	28.60%	163.72	20.23%
2018	325,616	75,767	30.33%	101.32	14.31%
2017	249,849	44,688	21.78%	(31.18)	-4.22%
2016	205,161	4,505	2.25%	(39.27)	-5.04%
2015	200,656	(5,373)	-2.61%	(22.14)	-2.77%
2014	206,029	(4,274)	-2.03%	0.09	0.01%

If the residential property class was split into two separate classes, the municipality would be able to adjust the tax rate to ensure that all properties contribute their proportional share of the tax increase required in any given year.