



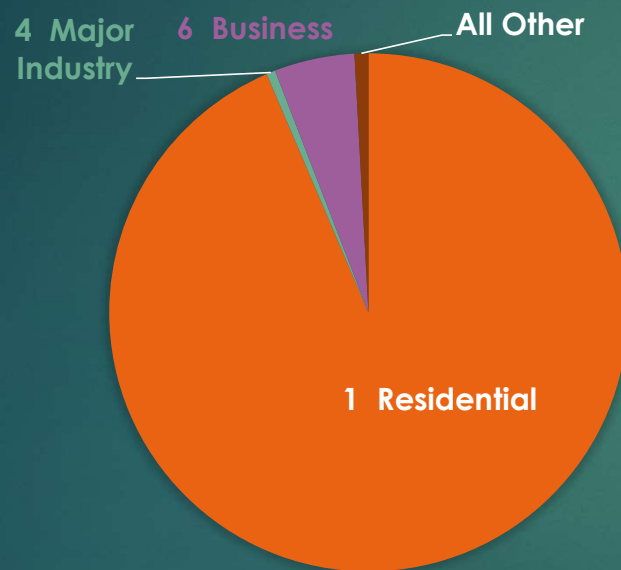
# Town of Ladysmith

TAX RATE DISTRIBUTION

# Tax Rate Distribution

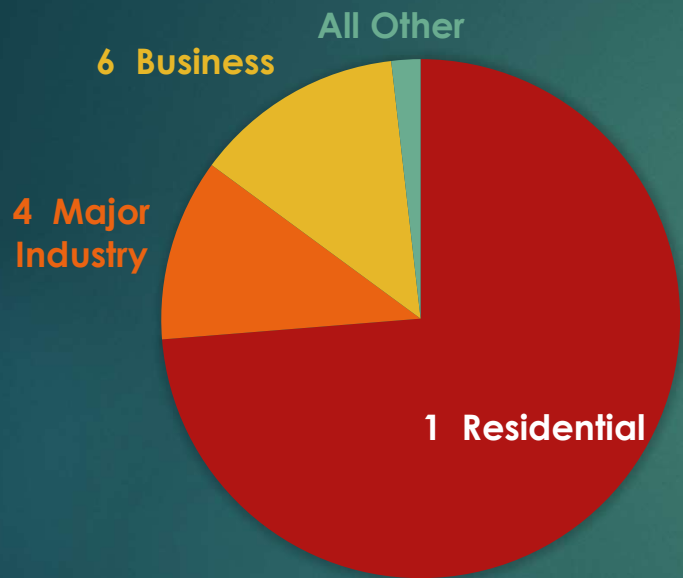
$$\text{\$ Budget} \div \text{assessment} \times 1,000 = \text{tax rate}$$

# Distribution of 2025 ASSESSMENTS (% and value)



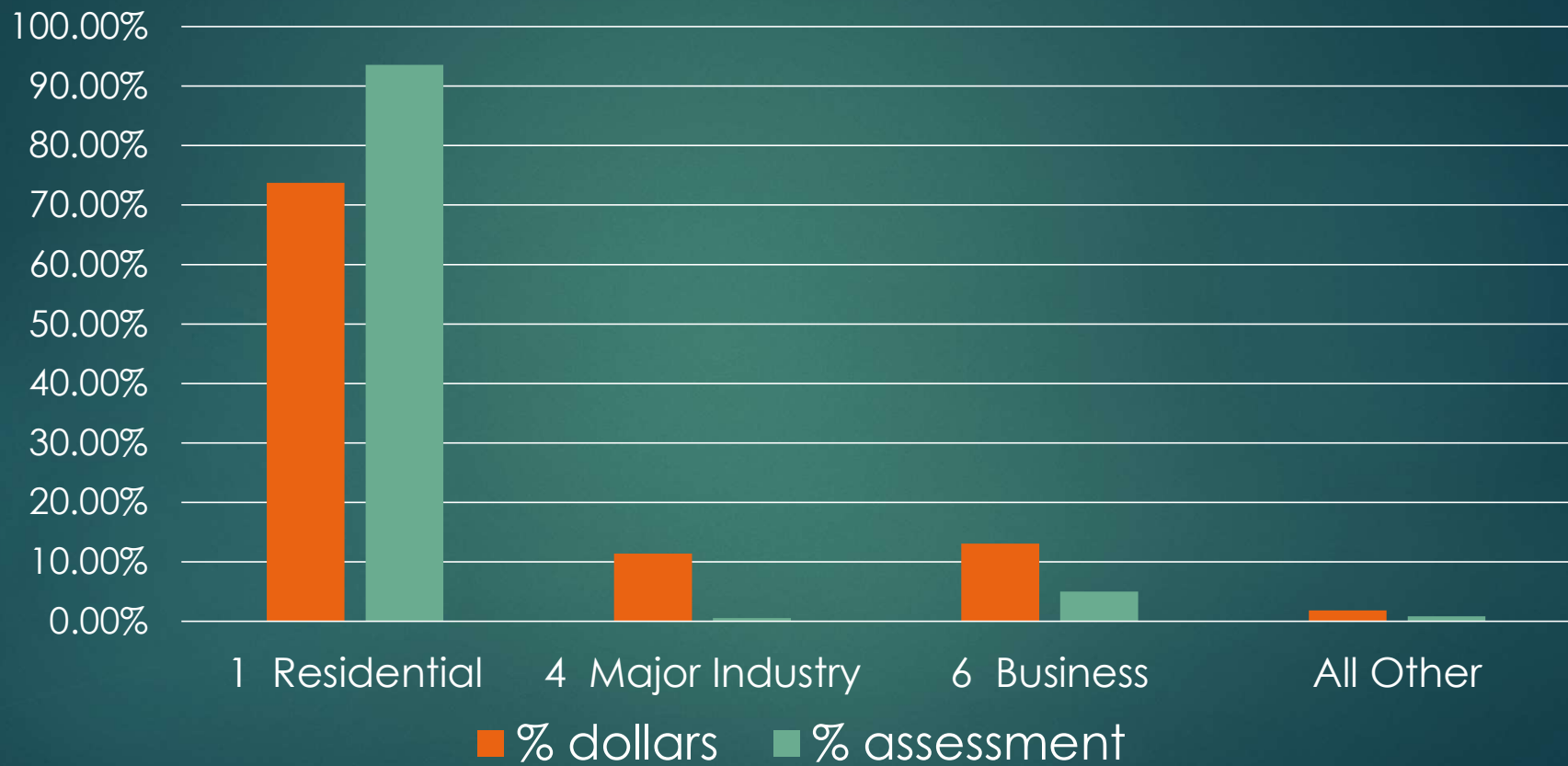
ASSESSMENTS		
1 Residential	2,852,880,901	93.57%
2 Utilities	2,236,400	0.07%
3 Supportive Housing	0	0.00%
4 Major Industry	16,960,600	0.56%
5 Light Industry	11,306,100	0.37%
6 Business	152,365,800	5.00%
7 Managed Forest	7,500	0.00%
8 Rec/Non-Profit	13,057,000	0.43%
9 Farm Land	21,960	0.00%
	3,048,836,261	100.00%

## Distribution of 2025 Taxes (% and \$)

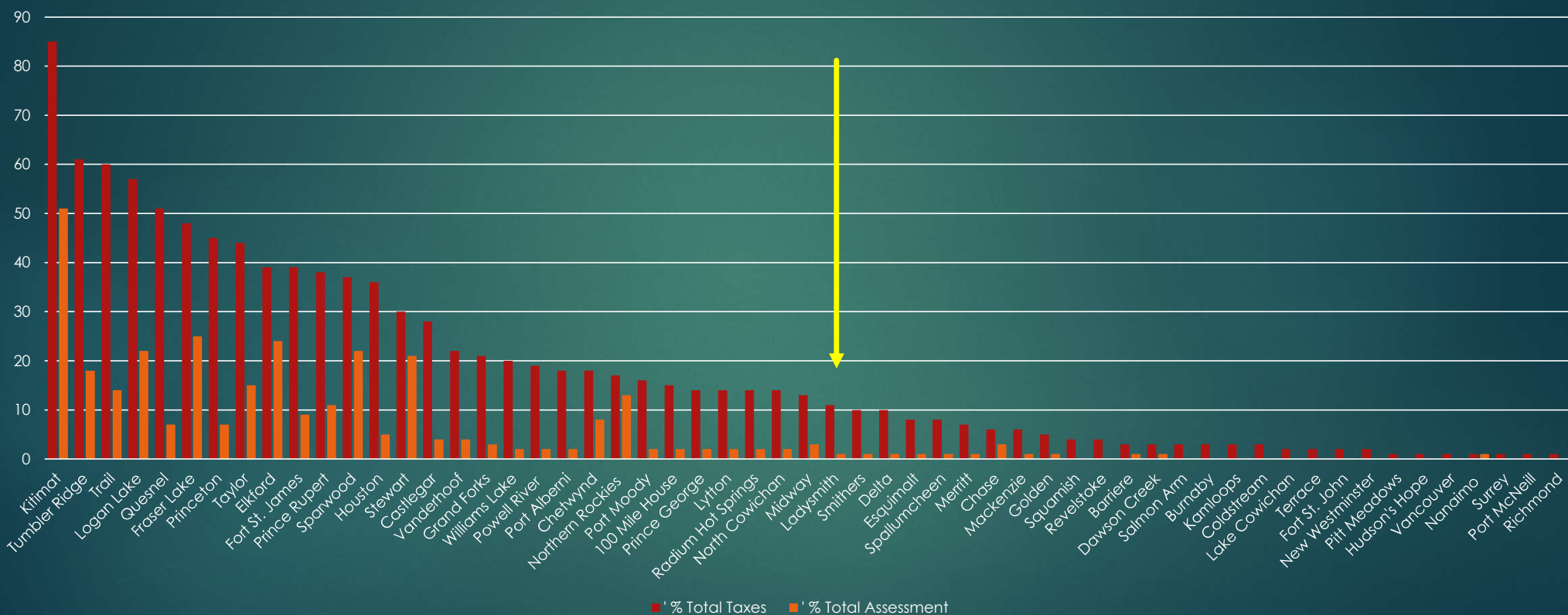


TOL TAXES		
1 Residential	7,893,114	73.72%
2 Utilities	51,414	0.48%
3 Supportive Housing	0	0.00%
4 Major Industry	1,217,174	11.37%
5 Light Industry	106,669	1.00%
6 Business	1,401,133	13.09%
7 Managed Forest	330	0.00%
8 Rec/Non-Profit	36,125	0.34%
9 Farm Land	937	0.01%
	10,706,896	100.00%

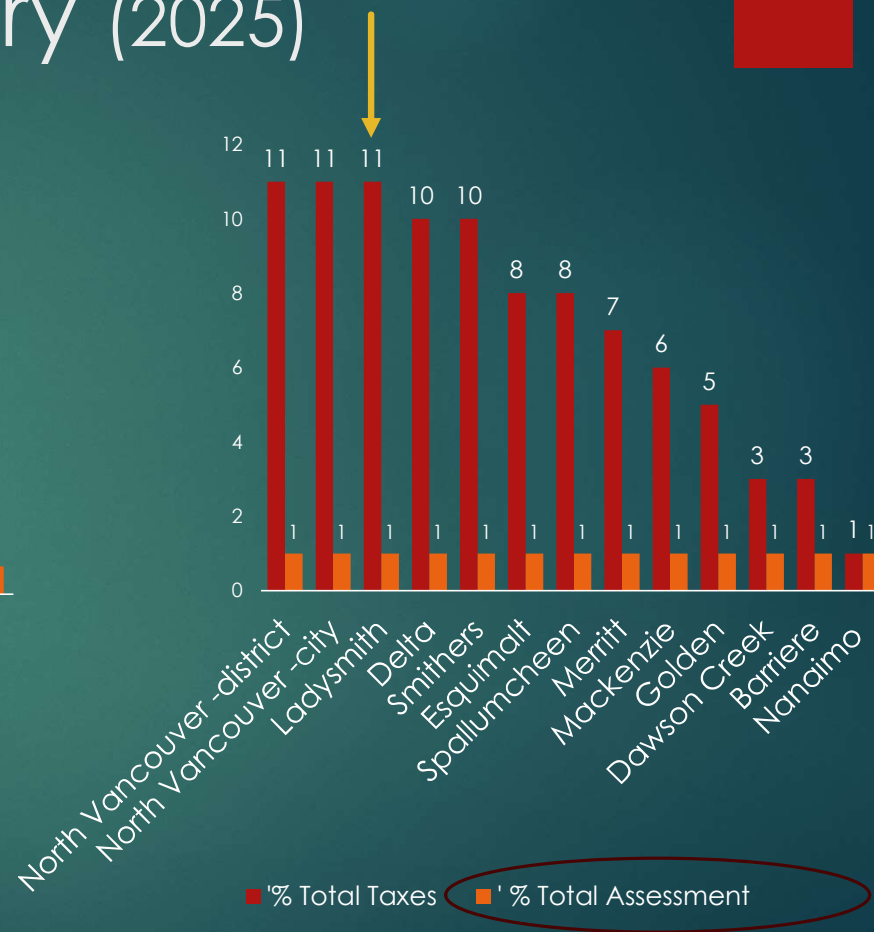
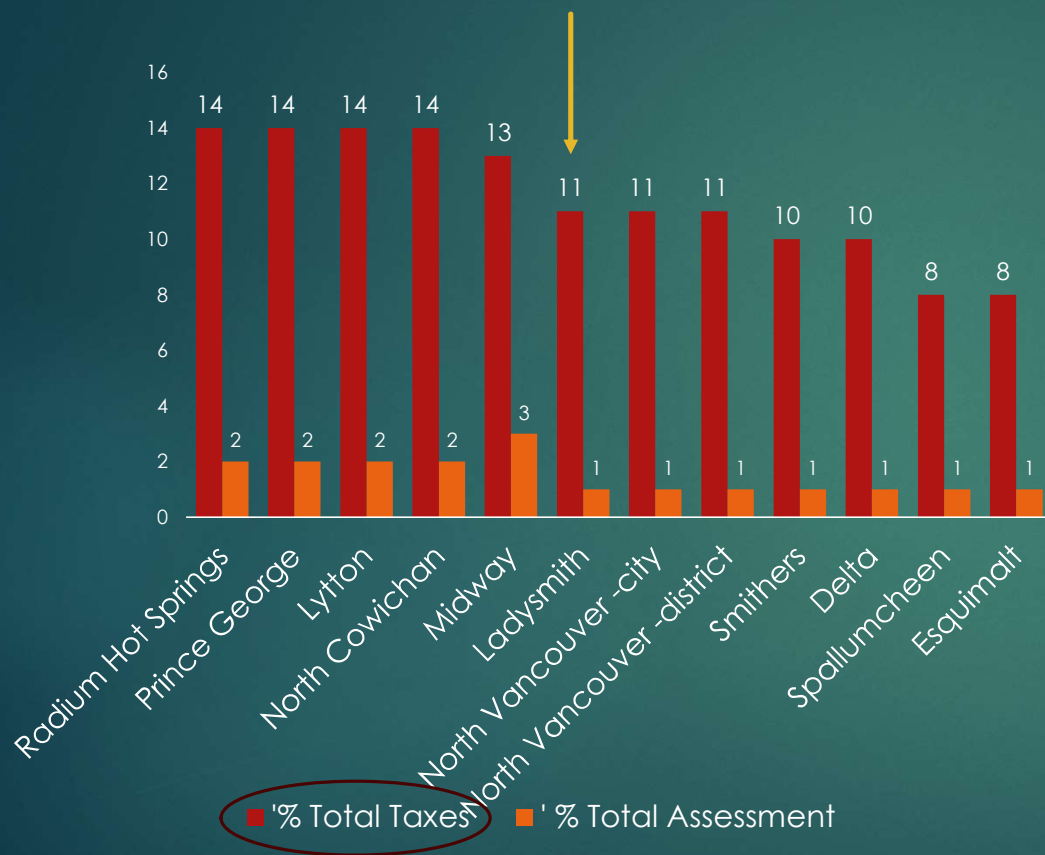
# Summary (2025)



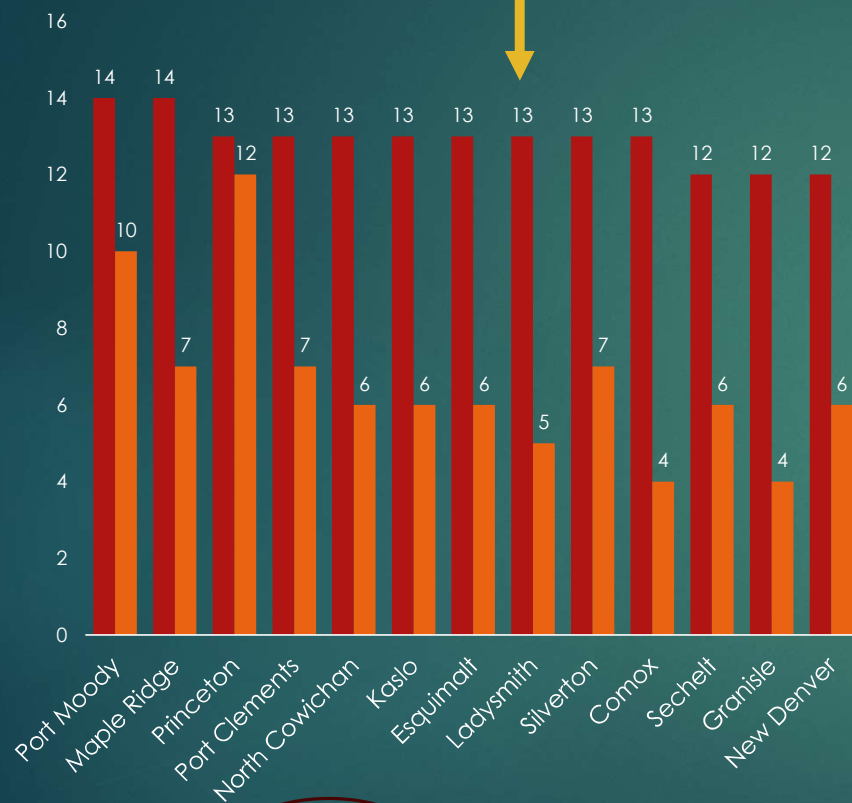
# Class 4 – Major Industry (2025)



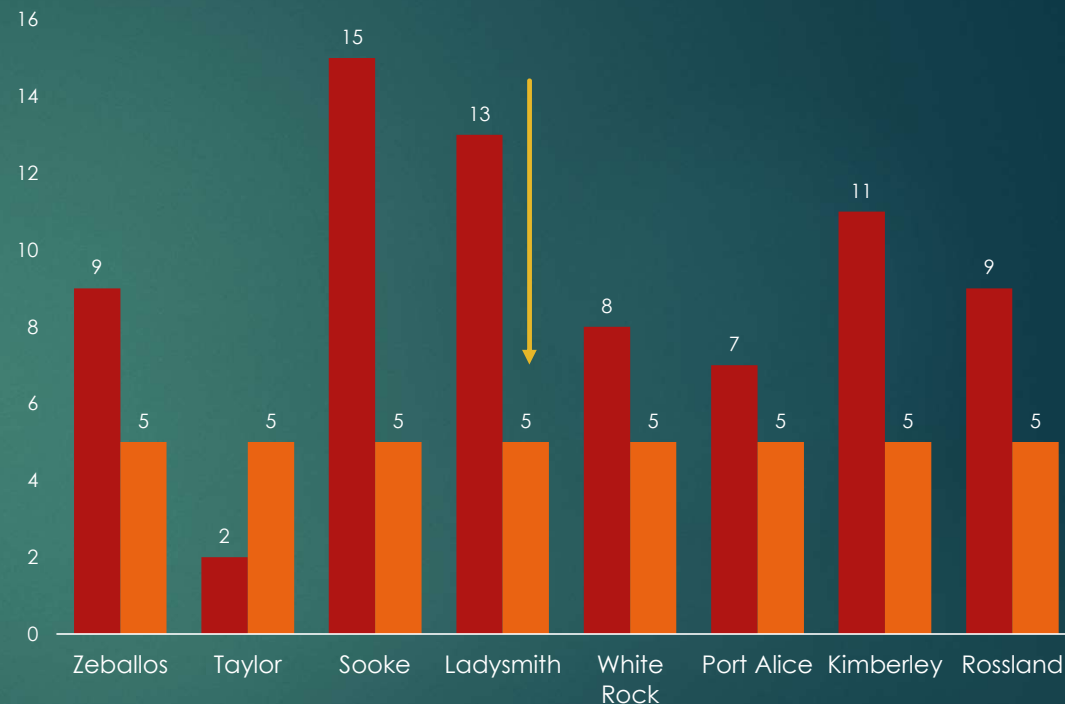
# Class 4 – Major Industry (2025)



# Class 6 – Business (2025)



■ % Total Taxes ■ % Total Assessment

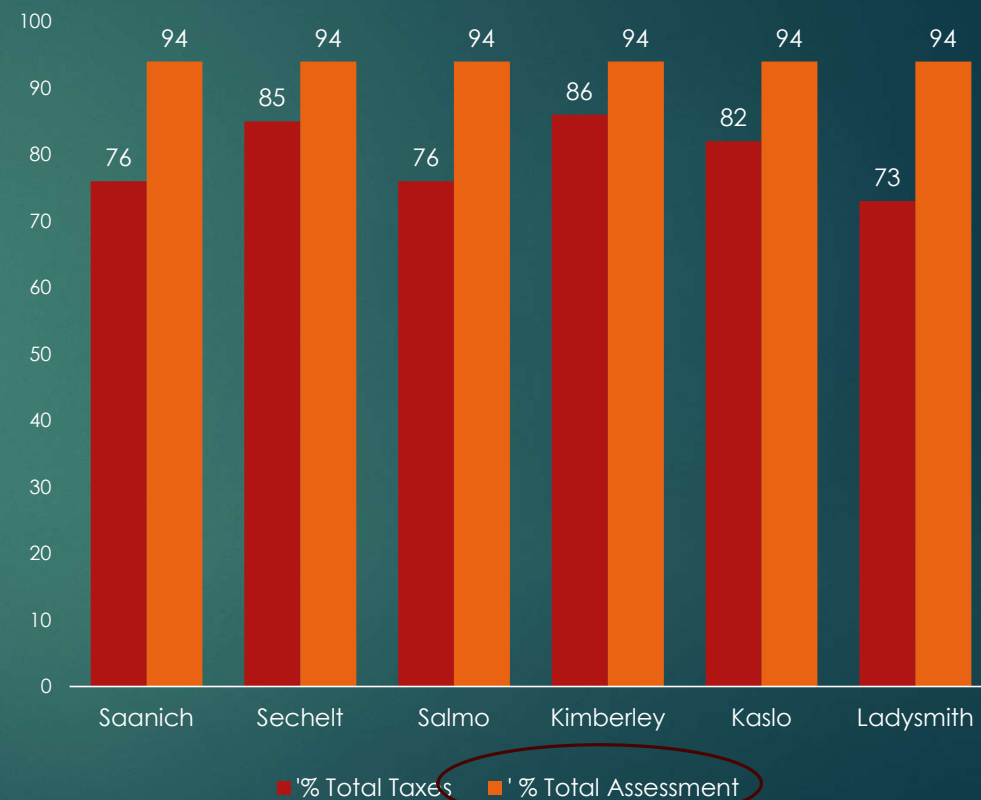
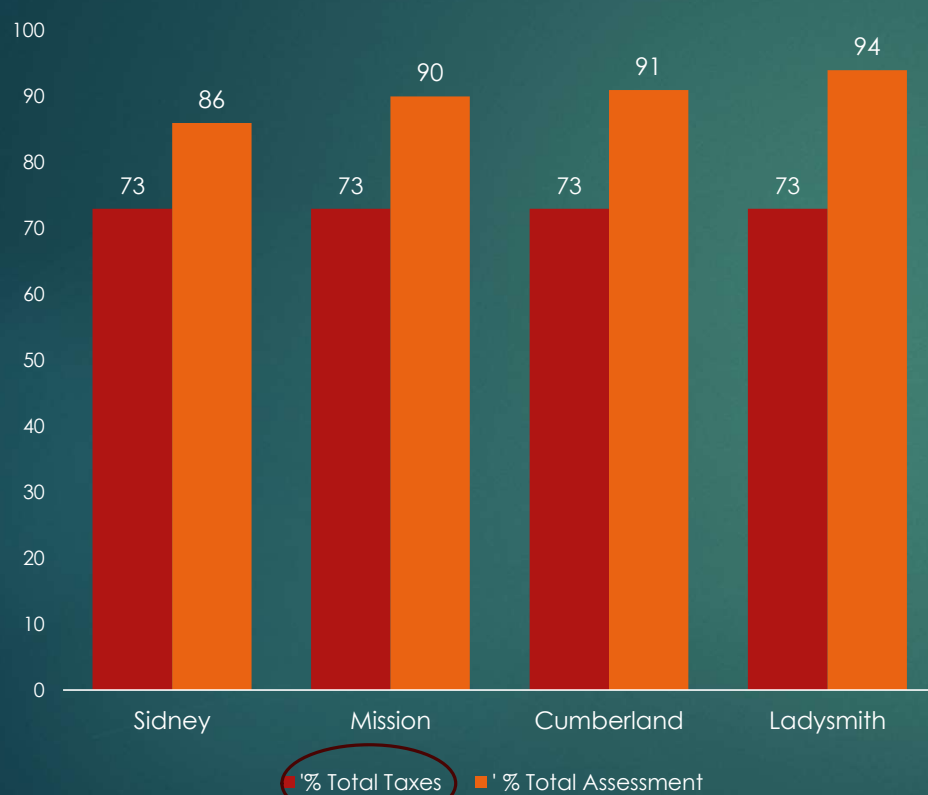


■ % Total Taxes ■ % Total Assessment

<https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-rates-tax-burden>



# Class 1 – Residential (2025)



# 2025 Comparisons Municipalities

House Value		Ttl Res Variable Rate Taxes		Ttl Res Parcel Taxes		Ttl Res User Fees	
Lake Country	1,065,614	Qualicum Beach	5,917	Sechelt	868	Osoyoos	1,713
Sidney	1,052,989	Sechelt	5,223	Ladysmith	821	Summerland	1,566
Qualicum Beach	1,045,345	Lake Country	5,204	Peachland	522	Nelson	1,495
Sechelt	996,935	Parksville	4,681	Summerland	485	Peachland	1,235
Peachland	949,065	Powell River	4,629	Powell River	437	Castlegar	1,141
Summerland	874,427	Sidney	4,571	Parksville	416	Sechelt	1,009
Parksville	794,822	Nelson	4,464	Creston	322	Lake Country	1,005
Osoyoos	732,293	Peachland	4,434	Qualicum Beach	320	Duncan	992
Ladysmith	721,217	Ladysmith	4,364	Sidney	205	Ladysmith	907
Nelson	704,985	Duncan	3,860	Osoyoos	170	Sidney	882
Powell River	601,795	Summerland	3,806	Trail	150	Creston	873
Duncan	585,499	Creston	3,687	Castlegar	150	Trail	822
Castlegar	526,529	Osoyoos	3,484	Lake Country	125	Parksville	800
Creston	435,965	Trail	3,267	Duncan	20	Qualicum Beach	709
Trail	406,057	Castlegar	3,174	Nelson	15	Powell River	688

<https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-rates-tax-burden>



# 2026 Financial Plan

# Financial Plan Requirements CC s.165

- ▶ (3.1) The financial plan must set out the objectives and policies of the municipality for the planning period in relation to the following:
- ▶ (a) for each of the funding sources described in subsection (7), the proportion of total revenue that is proposed to come from that funding source;
- ▶ (b) the distribution of property value taxes among the property classes that may be subject to the taxes;
- ▶ (b.1) the provision of development potential relief under section 198.1;
- ▶ (c) the use of permissive tax exemptions.

Presented during  
budget deliberations  
and ongoing

n/a

Bylaws &  
agreements  
adopted & signed in  
October

# 2025 Financial Plan



- ▶ Set tax rates and ratios that maintain tax stability between property classes while factoring in non-market growth within classes.



- ▶ Ensure the Class 4 (Major Industry) percentage is lower than the previous year with a target percentage of 10% of the total taxation.



- ▶ Ensure the Class 6 (Business/Other) percentage is lower than the previous year with a target percentage of 12% of the total taxation.

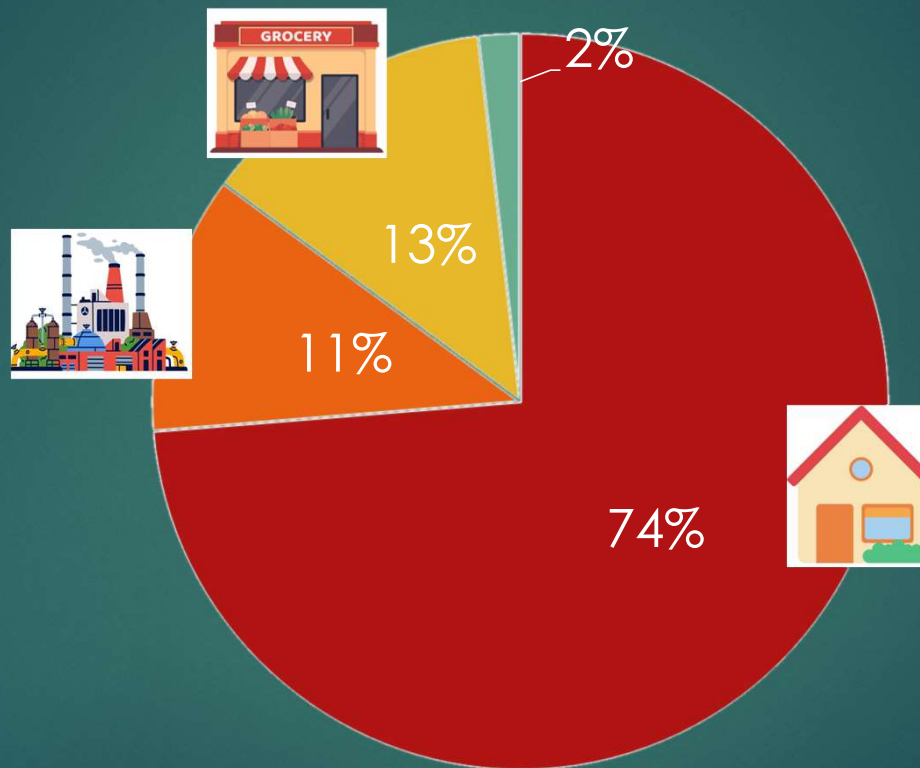


- ▶ Ensure the Class 5 (Light Industry) tax rate is not less than the Class 6 (Business/Other) rate.



- ▶ Set Class 8 (Recreation/non-profit) rate equal to the Class 1 (Residential) rate.

# 2025 Distribution



■ 1 - Residential   ■ 4- Major Industry   ■ 6 - Business   ■ Other

# Current Policy & Objectives



- Set tax rates and ratios that maintain tax stability between property classes while factoring in non-market growth within classes.

**BC ASSESSMENT**

## WHAT'S NON-MARKET CHANGE?

**Q:** What is non-market change (NMC)?  
**A:** NMC is a change in value on the assessment roll that is not market related.

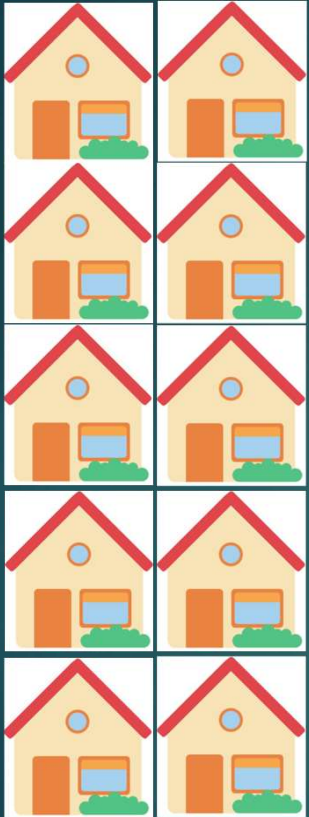
**Q:** Why is NMC important?  
**A:** NMC is a potential source of new taxing authority revenue without having to increase a jurisdiction's property tax rates.

**Q:** What triggers NMC?  
**A:** The following assessment changes trigger calculation and reporting of NMC:

Trigger	Description
Inventory change	Modification of physical property characteristics causing a value change, i.e. new construction, renovations, etc.
Additions or deletions	Adding a new folio (subdivision), or deleting an existing folio (amalgamation of folios)
Boundary change	Jurisdiction (boundary) change, usually resulting from municipal incorporation or annexation
Exemption status change	Change in exemption (taxability) status, i.e. taxable to non-taxable, or vice versa
Property class change	Change in class, or class apportionment, i.e. class 01 - Residential to 06 - Business, or % of class 01 vs. class 06
Zoning change	Change in a property's zoning land use designation



# Non-market change (simple scenario)



## Year 1

Budget = \$60,000

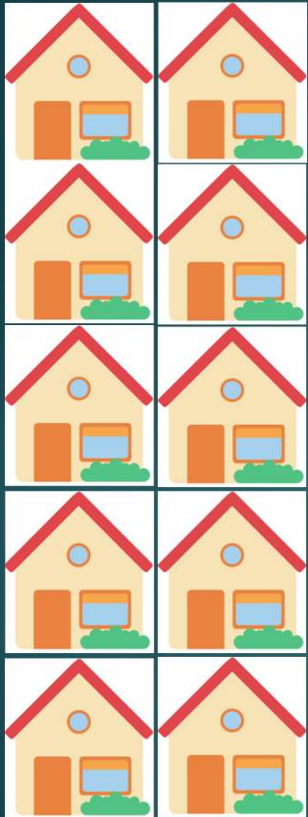
10 identical houses  
valued at \$1,000,000  
each

Tax rate = 6.000

Each house pays  
\$6,000



# Non-market change (simple scenario)



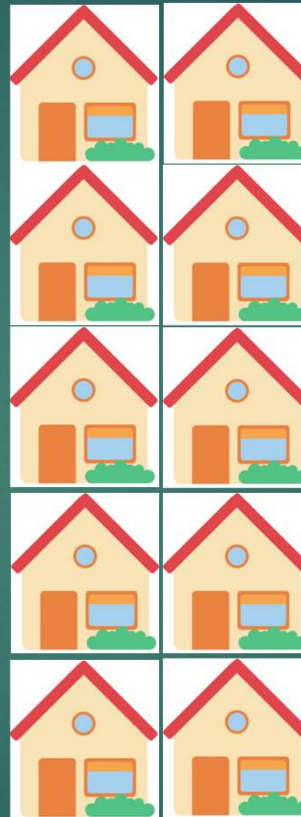
## Year 1

Budget = \$60,000

10 identical houses  
valued at \$1,000,000  
each

Tax rate = 6.000

Each house pays  
\$6,000



## Year 2

Budget = \$66,000

11 identical houses  
valued at \$1,000,000  
each

Tax rate = 6.000

Each house pays  
\$6,000

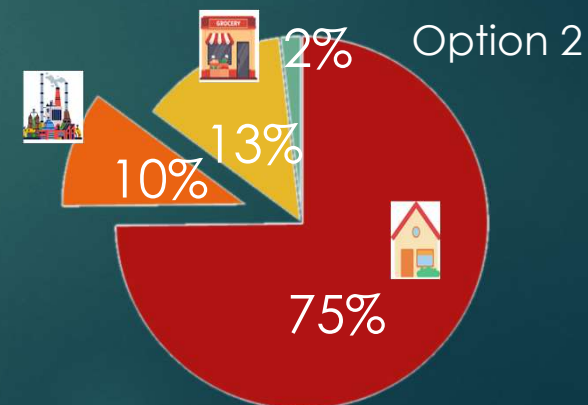
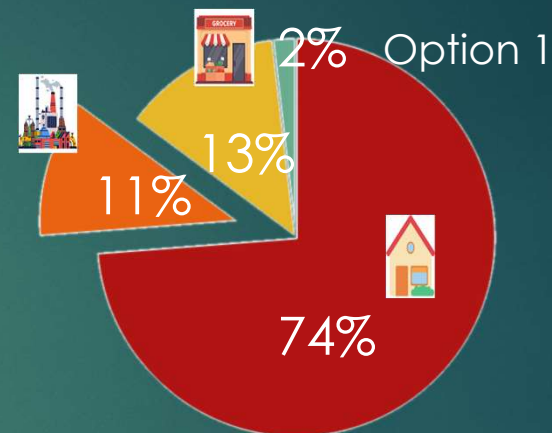


# Current Policy & Objectives

- ▶ *Ensure the Class 4 (Major Industry) percentage is lower than the previous year with a target percentage of 10% of the total taxation.*

# Class 4 – major industry

	2026 Class 4 General net value	Assessment Difference	Option 1 status quo	Option 2 Reflect Revit
	6,494,000	↑ 229,000	\$ 526,914	\$ 478,318
	8,428,000	↓ 1,357,000	\$ 683,836	\$ 620,767
	872,000	↑ 11,000	\$ 70,753	\$ 64,227
	49,600	0	\$ 4,024	\$ 3,653
			\$ 1,285,527	\$ 1,166,966



# WFP - Revitalization



\$5,000

OR

\$124,000



# Current Policy & Objectives

- *Ensure the Class 6 (Business/Other) percentage is lower than the previous year with a target percentage of 12% of the total taxation.*



\$5,000



# Current Policy & Objectives

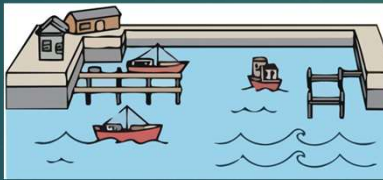
- ▶ Ensure the Class 5 (Light Industry) tax **rate** is not less than the Class 6 (Business/Other) rate.



\$ 0



- ▶ Set Class 8 (Recreation/non-profit) **rate** equal to the Class 1 (Residential) rate.



\$ ?



# Tax Shifting

Classes	2025	2026 – Option 1	Option 1 difference	2026 – Option 2	Option 2 difference
Class 1 Residential	73.72%	73.78%	↑ 0.06%	74.82%	↑ 1.10%
Class 4 Major Industry	11.37%	11.32%	↓ 0.05%	10.28%	↓ 1.09%
Class 6 Business	13.09%	13.04%	↓ 0.05%	13.04%	↓ 0.05%
All others	1.82%	1.86%	↑ 0.04%	1.86%	↑ 0.04%

# Other jurisdictions

- ▶ Library \$ 646,084
- ▶ CVRD ~ \$4,771,948 (unapproved)
- ▶ Hospital – expected late March
- ▶ BC Assessment – expected early April
- ▶ MFA – expected early April
- ▶ School – expected early May





# Questions from Council?