



Report to: General Committee

Meeting Date: May 6, 2025

SUBJECT: 2025 Tax Rates and Levy By-law

PREPARED BY: Matthew Vetere, Manager, Tax & Assessment Policy

REVIEWED BY: Shane Manson, Senior Manager, Revenue & Property Tax

RECOMMENDATION:

1. That the report entitled “2025 Tax Rates and Levy By-law” be received; and,
2. That a by-law to provide for the levy and collection of property taxes totalling \$879,122,671 required by the City of Markham, the Regional Municipality of York, Province of Ontario (Education) and Business Improvement Areas, in a form substantially similar to Appendix A (attached), satisfactory to the City Solicitor and provides for the mailing of notices and requesting payment of taxes for the year 2025, as set out as follows, be approved; and,

TAX LEVYING BODY	2025 TAX LEVY AMOUNT
City of Markham	\$193,983,012
Region of York	\$425,350,022
Province of Ontario (Education)	\$259,341,776
Markham Village BIA	\$239,640
Unionville BIA	\$214,221
Total	\$879,128,671

3. That staff be authorized to levy against Markham Stouffville Hospital and Seneca College the annual levy pursuant to Section 323 of the *Municipal Act, 2001*, as outlined in Section 9 of the attached by-law once the required information is received from the Ministry of Training, Colleges and Universities; and,
4. That the attached by-law be passed to authorize the 2025 Tax Rates and Levy By-law; and further,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

This report seeks Council approval for the adoption of the 2025 tax rates required to meet the levy obligations of the City of Markham, the Regional Municipality of York, and the Province of Ontario (for education purposes).

BACKGROUND:

The City property tax rates, as attached, are based on the levy requirement as per the 2025 operating budget adopted by the City of Markham and calculated utilizing the 2025

assessment roll as provided by the Municipal Property Assessment Corporation (MPAC). An interim tax was levied and will be shown as a reduction on all final tax bills.

The Region of York, each year, in line with section 308 and Section 311(2) of the *Municipal Act, 2001* (Act) establishes tax ratios to support the tax rate setting process for the Region and its nine local municipalities. Regional staff are tabling their 2025 Property Tax Rate & Policy Reports at the COW meeting May 8th, with the corresponding by-laws being enacted at the Regional Council meeting on May 22nd, 2025. For the 2025, the Region's property tax policy report is recommending the following tax policy items for the 2025 taxation year.

1. New Multi-Residential (Municipal Reduction) Subclass

Prior to 2024, all purpose-built rental properties in York Region were classified under two mandatory property tax classes, Multi-Residential and New Multi-Residential, both of which were taxed at the same rate and ratio as the Residential class.

As part of the 2024 Ontario Budget, the Province introduced an optional property tax subclass called the New Multi-Residential (Municipal Reduction) subclass. This new subclass gives municipalities the flexibility to reduce the municipal portion of property taxes by up to 35% for eligible newly constructed purpose-built rental properties. On May 23, 2024, York Region adopted the new subclass, setting the initial discount rate at 0%.

For 2025, a 35% reduction in the municipal property tax rate is being proposed for newly completed purpose-built rental properties that received building permits on or after May 23, 2024. The financial impact of this discount would be redistributed among other taxpayers, with the Region estimating that the average homeowner could see a modest increase in their total annual property tax bill ranging from approximately \$0.25 to \$0.50 per new eligible building. As no qualifying properties are currently completed, the measure is not anticipated to affect the 2025 taxation year. The proposed reduction represents an additional tool to support housing affordability objectives across the Region.

2. Vacant And Excess Commercial and Industrial Land (Discount)

When the Province implemented property assessment reform in 1998, it also introduced a series of transitional measures to support businesses in adapting to the new system. Of those measures, only one remains in effect today: a 30% property tax discount for vacant and excess commercial land and a 35% discount for vacant and excess industrial land.

Initially, this discount applied to both the municipal and education portions of the property tax bill. However, in 2017 and 2018, the province gave municipalities the authority to eliminate the municipal portion of the discount. By 2020, it had also phased out the education portion of the discount, regardless of local decisions. As a result, by 2020, approximately 90% of municipalities in Southern Ontario had eliminated the discount, Toronto being the notable exception.

York Region has advised that removing the discount would not compromise its competitiveness or economic growth. Even without the discount, commercial and industrial properties in York Region would continue to face among the lowest tax rates in the Greater Toronto and Hamilton Area specifically, the lowest for commercial and the second lowest for industrial properties.

Eliminating the discount for vacant and excess commercial and industrial land would allow for the resulting tax revenue to be redistributed across all other property classes. The elimination of the discount would also fully offset any increase required to fund the new multi-residential discount noted above.

OPTIONS/ DISCUSSION:

Budget 2025 as adopted by the City of Markham includes estimates requiring property taxes to be levied as follows:

2025 City of Markham Tax Levy:	\$193,983,012
2025 Markham Village BIA:	\$239,640
2025 Unionville BIA:	\$214,221
2025 Regional Municipality of York total requisition:	\$1,489,383,992
2025 City of Markham % share:	28.56%
2025 City of Markham \$ share:	\$425,350,022

All the required regulations establishing the education tax rates for the 2025 property tax levy have been passed by the Province of Ontario. The total 2025 levy to be raised for education purposes is \$259,341,776.

Property Tax Installment Dates

The 2025 final tax instalment due dates for the residential class are July 7 and August 5. The non-residential properties are billed later in 2025 due to added provincial legislated requirements. The tax instalment due dates for Commercial, Industrial and Multi-Residential classes are October 6 and November 5.

Property Tax Rates by Classification and Levying Body

Levying Body	Residential	% of Rate	Commercial	% of Rate	Industrial	% of Rate
City	0.171415%	24.48%	0.228342%	14.19%	0.281669%	15.83%
Region	0.375863%	53.67%	0.500687%	31.12%	0.617618%	34.71%
Education	0.153000%	21.85%	0.880000%	54.69%	0.880000%	49.46%
Total	0.700278%	100.00%	1.609029%	100.00%	1.779287%	100.00%

FINANCIAL CONSIDERATIONS

The proposed tax rates have been calculated to achieve the tax revenue requirements included in 2025 budgets, as adopted by the City of Markham and as approved by the Council of The Regional Municipality of York. Education tax rates are established via a Regulation issued by the Province of Ontario.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable

RECOMMENDED BY:

X

Joseph Silva
Treasurer

X

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A - Draft Levy By-law

APPENDIX A: 2025 TAX RATES AND LEVY BY-LAW**THE CORPORATION OF THE CITY OF MARKHAM
DRAFT BY-LAW NO. 2025-XXX****BEING A BY-LAW TO PROVIDE FOR THE LEVY AND COLLECTION OF SUMS REQUIRED BY THE CORPORATION OF THE CITY OF MARKHAM FOR THE YEAR 2025 AND TO PROVIDE FOR THE MAILING OF NOTICES REQUIRING PAYMENT OF TAXES FOR THE YEAR 2025.**

WHEREAS Subsection 312(2) of the *Municipal Act, 2001* provides that the Council of a local municipality shall, after the adoption of estimates for the year, pass a by-law each year to levy a separate tax rate on the assessment in each property class in the local municipality rateable for local municipal purposes; and,

WHEREAS Sections 307 and 308 of the said *Act* require taxes to be levied upon the whole of the assessment for real property according to amounts assessed under the *Assessment Act* and that tax rates to be established in the same proportion to tax ratios; and,

WHEREAS estimates have been prepared showing the sum of \$193,983,012 raised for the lawful purpose of The Corporation of the City of Markham for the year 2025, \$425,350,022 for the Region of York and \$259,341,776 for the Boards of Education; and,

WHEREAS the Assessment Roll made in 2024 and upon which 2025 taxes are to be levied, was returned by the Municipal Property Assessment Corporation and is the last revised Assessment Roll; and

WHEREAS the total taxable assessment within the City of Markham is \$108,637,489,576; and,

NOW THEREFORE the Council of The Corporation of the City of Markham enacts as follows:

1. THAT the following property tax ratios are to be applied in determining tax rates for taxation in 2025:

PROPERTY CLASS	2025 TAX RATIO
Residential	1.000000
Multi-Residential	1.000000
Commercial	1.332100
Landfill	1.100000
Industrial	1.643200
Pipeline	0.919000
Farmland	0.250000
Managed Forest	0.250000

2. THAT the sum of \$193,983,012 shall be levied and collected for the City of Markham purposes for the year 2025 such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential (RT)	94,406,344,396	0.171415%	161,826,592
Residential Shared as PIL (RH)	2,206,000	0.171415%	3,781
Residential Farm Awaiting Development (R1)	18,115,000	0.042854%	7,763
Multi-Residential (MT/NT)	1,218,279,300	0.171415%	2,088,313
Multi-Residential (Municipal Reduction)	0	0.111420%	0
Commercial (CT/DT/ST/GT)	10,920,367,287	0.228342%	24,935,770
Commercial (CU/DU/SU)	106,470,847	0.228342%	243,118
Commercial (CJ)	4,231,000	0.228342%	9,661
Commercial (CH)	19,330,800	0.228342%	44,140
Commercial (CX)	256,790,309	0.228342%	586,360
Commercial (C1)	29,480,100	0.042854%	12,633
Commercial (C7)	37,000	0.228342%	84
Industrial (IT/KT/LT)	1,071,032,270	0.281669%	3,016,766
Industrial (IH)	64,012,673	0.281669%	180,304
Industrial (IU/KU)	28,191,800	0.281669%	79,408
Industrial (IK)	862,327	0.183085%	1,579
Industrial (IX)	262,567,700	0.281669%	739,572
Industrial (I1)	27,316,900	0.042854%	11,706
Pipelines (PT)	95,015,000	0.157530%	149,677
Farmland (FT)	104,643,167	0.042854%	44,844
Managed Forest (TT)	2,195,700	0.042854%	941
TOTAL	108,637,489,576		\$193,983,012

3. THAT the sum of \$425,350,022 shall be levied and collected for the City of Markham's share of the Regional Municipality of York Budget for the year 2025, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential (RT)	94,406,344,396	0.375863%	354,838,518
Residential Shared as PIL (RH)	2,206,000	0.375863%	8,292
Residential Farm Awaiting Development (R1)	18,115,000	0.093966%	17,022
Multi-Residential (MT/NT)	1,218,279,300	0.375863%	4,579,061
Multi-Residential (Municipal Reduction)	0	0.244311%	0
Commercial (CT/DT/ST/GT)	10,920,367,287	0.500687%	54,676,859
Commercial (CU/DU/SU)	106,470,847	0.500687%	533,086
Commercial (CJ)	4,231,000	0.500687%	21,184
Commercial (CH)	19,330,800	0.500687%	96,787
Commercial (CX)	256,790,309	0.500687%	1,285,716
Commercial (C1)	29,480,100	0.093966%	27,701
Commercial (C7)	37,000	0.500687%	185
Industrial (IT/KT/LT)	1,071,032,270	0.617618%	6,614,888
Industrial (IH)	64,012,673	0.617618%	395,354
Industrial (IU/KU)	28,191,800	0.617618%	174,118
Industrial (IK)	862,327	0.617618%	5,326
Industrial (IX)	262,567,700	0.617618%	1,621,665
Industrial (I1)	27,316,900	0.093966%	25,669
Pipelines (PT)	95,015,000	0.345418%	328,199
Farmland (FT)	104,643,167	0.093966%	98,329
Managed Forest (TT)	2,195,700	0.093966%	2,063
TOTAL	108,637,489,576		\$425,350,021

4. THAT the sum of \$259,341,776 shall be levied and collected for the City of Markham's share of the Boards of Education Budget for the year 2025, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential (RT)	94,406,344,396	0.153000%	144,441,707
Residential Shared as PIL (RH)	2,206,000	0.153000%	3,375
Residential Farm Awaiting Development (R1)	18,115,000	0.038250%	6,929
Multi-Residential (MT/NT)	1,218,279,300	0.153000%	1,863,967
Commercial (CT/DT/ST/GT)	10,920,367,287	0.880000%	96,099,232
Commercial (CU/DU/SU)	106,470,847	0.880000%	936,943
Commercial (CX)	256,790,309	0.880000%	2,259,755
Commercial (C1)	29,480,100	0.038250%	11,276
Commercial (C7)	37,000	0.880000%	326
Industrial (IT/KT/LT)	1,071,032,270	0.880000%	9,425,084
Industrial (IU/KU)	28,191,800	0.880000%	248,088
Industrial (IX)	262,567,700	0.880000%	2,310,596
Industrial (I1)	27,316,900	0.038250%	10,449
Pipelines (PT)	95,015,000	0.880000%	836,132
Farmland (FT)	104,643,167	0.038250%	40,026
Managed Forest (TT)	2,195,700	0.038250%	840
TOTAL	108,549,052,776		\$258,494,725
Plus: Taxable – Full Share PIL (CH, CJ, IH, IK)			
Taxed at education rate but revenue retained by City			\$847,051
TOTAL EDUCATION LEVY			\$259,341,776

5. THAT a Waste Collection and Disposal Grant totaling \$135,860 shall be provided proportionately to the following Residential Condominium properties.

CONDOMINIUM NUMBER	ADDRESS	UNITS
YRC #226	7811 Yonge Street	148
YRC #550	7451 Yonge Street	21
YRC #618	55 Austin Drive	142
YRC #636	25 Austin Drive	149
YRC #784	7805 Bayview Avenue	341
YRC #792	610 Bullock Drive	235
YRC #794	7825 Bayview Avenue	337

6. THAT the sum of \$239,640 shall be levied on non-residential properties located within the boundaries of the City of Markham's Markham Village Business Improvement Area for the year 2025, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Commercial	\$88,630,922	0.270380%	\$239,640

7. THAT the sum of \$214,221 shall be levied on non-residential properties located within the boundaries of the City of Markham's Unionville Business Improvement Area for the year 2025, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Commercial	\$55,889,000	0.383297%	\$214,221

8. THAT the sum of \$1,286 shall be levied against all properties in the Farmland Class and collected for membership fees in the Federation of Agriculture for the Region of York for the year 2025, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Farmland (FT)	\$104,643,167	0.001229%	\$1,286

9. THAT there shall be a levy upon the Markham Stouffville Hospital in the estimated amount of \$28,200 pursuant to Subsection 323(3) of the *Municipal Act, 2001*, such amount being the sum of \$75.00 for each of the estimated 376 provincially rated beds and a levy upon Seneca College in the estimated amount of \$243,900 pursuant to Subsection 323(1) of the *Municipal Act, 2001*, such sum being \$75.00 for each of the estimated 3,252 full time enrolled students as determined by the Minister of Training, Colleges and Universities. The figures included here are 2024 figures as the 2025 information is not yet available from the Ministry of Municipal Affairs and Housing.

10. THAT there shall be levied upon Utility Transmission Lines (UH) the sum of \$762,185 for the year 2025, such amount to be provided for as follows:

DESCRIPTION	ACRES	RATE PER ACRE	CITY	REGION	EDUCATION	TOTAL
Hydro One	373.13	\$834.02	\$90,177	\$221,021	--	\$311,198
Hydro One	373.13	\$1,208.66	--	--	\$450,987	\$450,987
TOTAL			\$90,177	\$221,021	\$450,987	\$762,185

* Education revenue of \$450,987 retained by City

11. THAT there shall be levied upon Railway Rights of Ways (WT) the sum of \$477,221 for the year 2025, such amount to be provided for as follows:

DESCRIPTION	ACRES	RATE PER ACRE	CITY	REGION	EDUCATION	TOTAL
Canadian National Railways	244.62	\$624.33	\$44,255	\$108,468	--	\$152,724
Canadian National Railways	244.62	\$822.69	--	--	\$201,246	\$201,246
Canadian Pacific Railways	48.42	\$624.33	\$8,760	\$21,470	--	\$30,230
Canadian Pacific Railways	48.42	\$822.69	--	--	\$39,835	\$39,835
Metrolinx	85.19	\$624.33	\$15,412	\$37,775	--	\$53,187
TOTAL			\$68,427	\$167,713	\$241,081	\$477,221

12. THAT for the purposes of paying the owners' portion of debt charges pursuant to *Ontario Regulation 390/02* under the *Municipal Act, 2001* (previously the *Local Improvement Act*), as authorized by the following by-laws, the amounts listed below shall be levied and collected from the owners of the properties liable therefore:

EFFECTIVE / EXPIRY DATE	PURPOSE	AMOUNT
(2006-2025)	Buttonville	\$6,179

13. THAT for the purposes of paying the owners' portion of debt charges pursuant to Section 391 of the *Municipal Act, 2001* as authorized by the following by-laws, the amounts listed below shall be levied and collected from the owners of the properties liable therefore:

EFFECTIVE / EXPIRY DATE	PURPOSE	AMOUNT
(2016-2025)	Main Street	\$7,229
(2020-2029)	Houghton Blvd	\$27,239
TOTAL		\$34,468

14. THAT pursuant to Regional By-law No. A-0303-2002-020, a tax rebate totaling \$8,002.63 (City share is \$1,963.01) be provided to the Markham District Veterans Association for its property located at 7 Washington Street for 2025 upon the provision of documentation in a form satisfactory to the Treasurer.

15. THAT the Treasurer shall add to the Collector's Roll, all or any arrears for service provided by: the *Power Commission Act* (hydro-electric power), the *Weed Control Act*, the *Ditches and Watercourses Act*, the *Public Utilities Act*, the *Tile Drainage Act*, and the *Ontario Building Code*; and any other collection agreements charges approved by Council which shall be collected by the Collector in the same manner and at the same time as all other rates and levies.

16. THAT the Interim Tax Levies which were payable in two instalments on February 5, 2025, and March 5, 2025 shall be shown as a reduction on the final levy.

17. THAT the net amount of taxes levied by this By-law shall be due and payable in equal instalments as follows.

PROPERTIES	INSTALMENTS
Residential, Farmland and Pipelines	1. July 7, 2025 2. August 5, 2025
Commercial, Industrial and Multi-Residential	1. October 6, 2025 2. November 5, 2025

18. THAT those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in six (6) equal instalments:

- i. July 1, 2025;
- ii. August 1, 2025;
- iii. September 1, 2025;
- iv. October 1, 2025;

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- v. November 1, 2025; and
 - vi. December 1, 2025
19. THAT those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in three (3) equal instalments:
- i. July 7, 2025;
 - ii. August 5, 2025; and
 - iii. September 5, 2025.
20. THAT those commercial, industrial and multi-residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in three (3) equal instalments:
- i. October 6, 2025;
 - ii. November 5, 2025; and
 - iii. December 5, 2025.
21. THAT those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in two (2) equal instalments:
- i. July 7, 2025; and
 - ii. August 5, 2025.
22. THAT those commercial, industrial and multi-residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in two (2) equal instalments:
- i. October 6, 2025; and
 - ii. November 5, 2025.
23. THAT as provided in Subsections 345(1) and (2) of the *Municipal Act 2001*, if the taxes or any class or instalment thereof so levied in accordance with this By-law remain unpaid following the due date, a penalty of 1 per cent (1.00%) on the fourth day of default, and one and one quarter per cent (1.25%) per month (15% per annum), on the first day each calendar month thereafter, of the taxes remaining unpaid shall be levied until December 31, 2025.
24. THAT as provided in Subsection 345(3) of the *Municipal Act, 2001*, if any taxes levied pursuant to this By-law remain unpaid as at December 31, 2025, interest at the rate of one and one quarter per cent (1.25%) per month (15% per annum) of the unpaid taxes shall be levied from January 1, 2026 and for each month or fraction thereof until such taxes are paid.

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25. THAT all taxes levied by any By-law and which remain unpaid as at the date of passing this By-law, shall have interest charged at the same rate of one and one quarter per cent (1.25%) per month (15% per annum) calculated on the unpaid taxes, on the first day of each calendar month thereafter, of the taxes remaining unpaid shall be levied until December 31, 2025.
26. THAT the Treasurer of The Corporation of The City of Markham is hereby authorized and directed to serve personally or to mail or cause to be mailed notices of the taxes hereby levied to the person or persons taxed at the person's residence or place of business or upon the premises in respect of which the taxes are payable by such person, or the ratepayer's mortgage company or third party designated by the property owner.
27. THAT the property taxes are payable to The Corporation of The City of Markham, 101 Town Centre Boulevard, Markham, Ontario, L3R 9W3. Upon payment of any applicable fee, and if paid on or before the due date imprinted on the bill, taxes may also be paid at most chartered banks in the Province of Ontario.
28. AND THAT those residents who qualify for the Low-Income Seniors and Low-Income Disabled Tax Deferral program shall apply to the City of Markham – Property Tax Division in accordance with the program policies as established by The Regional Municipality of York. The amount of deferral for 2025 will be determined once the application has been received and approved. The deferral amount may not be reflected on the 2025 final tax billing issued in accordance with this By-law.

READ A FIRST, SECOND AND THIRD TIME AND PASSED **THIS 27th DAY OF MAY, 2025.**

KIMBERLEY KITTINGHAM
CITY CLERK

FRANK SCARPITTI
MAYOR