

Hasting Highlands Tax Update 2016

The formula for residential properties is: county tax rate+ education tax rate + municipal tax rate X MPAC assessed value = your property tax. About 60% of the total tax rate in HH is Municipal, County 24%, and Education 16%.

- The county tax rate has dropped steadily since 2005 when it was 0.4105. It is set by Hastings County. For 2016 this tax rate has been set at 0.281594 a slight increase from the 2015 rate of .281139. On a \$200,000 assessment it amounts to about a dollar per year. This tax rate is down just over 31% since 2005
- The education tax rate for 2015 dropped 4% from .203 to .195. In 2016 it is dropping another 3.6% to .188. Since 2005 the education tax rate has fallen from 0.296, a reduction of about 36%. This tax rate is provincially set
- The proposed Municipal tax rate for 2016 tax rate is .718011, up 4.7% from .686046 in 2015. The history on this rate has none of the long term trend of the two above, as it has bounced from 0.510939 (the lowest rate in 2006) to 0.756472 (the highest rate in 2009) an increase of 48% over that time period. But since 2012 this rate is up steadily by 14.6%. This tax rate is set by your HH Council.
- MPAC assessed values are the other factor in the property tax equation and since 2005 and they have seen some dramatic increases. Overall total assessed values for residential properties have gone from \$438 Million in 2005 to \$897 Million in 2016, an increase of over 205%. (There is an increase of slightly over 3% in 2016 for assessed values for all properties in HH). But for you personally the only MPAC number that counts is the change in your assessed value for 2016 which you received four years ago from MPAC.

Bottom line: Using a \$200,000 assessed value, the total tax rate in 2016 is 1.1876 compared with 1.162185 in 2015, an increase of 2.2% or about \$51 per year. And if your assessed value went up 3%, that's another \$75 per year

For comparison, the total tax rate in 2005 was 1.217439 or about 2.5% higher than in 2016 (1.1876). Surprised? Don't be. Taxes are always an emotional subject and very few take the time to examine the facts. Better to rant and rave

The big culprit in property tax cost has been assessed values as set by MPAC as demonstrated above. And they are about to inflict their 2017-2020 values on you.

Now you know the property tax story in HH without all the histrionics, just the facts.

And later in 2016 we will review what you can do about the upcoming MPAC property valuations for 2017 and beyond. Trust me: these folks don't get it right a high percentage of the time in rural/cottage areas. I still have an appeal to the Assessment Review Board pending, and I have been doing them for the past ten years.

Why? The returns on my investment are very good.

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