

How does the long term tax increase in HH compare?

Recently I highlighted that HH has for 2021 the highest tax rate it has ever had during a time when some tax rates have been falling to counter the huge increase in MPAC current value assessments.

Now when we do comparative analyses council and staff get very nervous and usually are quick to say “You can’t compare us with anyone else”. However comparisons can be tailored to similar type municipalities (small, rural, two tier) and then adjusted for service profile differences. For instance Hastings County has no roads which I believe is unique in Ontario upper tiers. So this needs to be addressed. Bancroft has an extensive service profile with very high user fees in addition to property taxes.

But more importantly taxpayers should always encourage council and staff to explore how other municipalities keep their tax rate low over time.

Why are we looking back 15 years to tax rate changes since 2006? Well it took until then for Premier Harris’s current value assessment scheme (MPAC) to really take hold. Concurrently we did see some major increases in waterfront property values in the early part of that decade. This matters because to be “revenue neutral” tax rates should be reduced when offsetting MPAC values are increased.

Now to keep this consistent I compared the municipal and the county rates combined. All 444 municipalities in Ontario have the same education tax rate set by the province. And it has dropped by 52% over the period in question as assessment values have risen. But it is only about 15% of your tax rate; the other 85% is the combined county and municipal rate.

So what has happened to combined municipal and county tax rates over 15 years in our area?

Madawaska Valley, down 18%, Tudor and Cashel down 7%, Marmora and Lake down 5%, North Kawartha up 2%, Highlands East up 14%, Bancroft up 16%, Hastings Highlands up 21%, Dysart et al up 29%, Wollaston 41%, Faraday 52%.....average of this group is up 15%, so HH is on the high side and have surpassed Bancroft for percentage increase over the past 15 years. But only a few have significantly reduced the tax rate at a time of rapidly increasing MPAC assessments.

Now the comparisons above include 4 counties and this is the county change: Renfrew down 21%, Hastings down 17%, Peterborough up 10% and Haliburton up 16%. I don’t believe any of these have made substantive changes to their service profile over the last 15 years

And the municipal only changes: Madawaska Valley down 18%, North Kawartha down 4%, Tudor and Cashel down 2%, Marmora and Lake up 1%, Highlands East up 13%, Bancroft up 36%, Dysart et al up 41% Hastings Highlands up 48%, Wollaston up 67%, Faraday up 90%.

Now our assessment values in HH have increased about 100% since 2006 in addition to the 21% increase in tax rate for municipal and county services. But we are still dealing with the 2016 MPAC assessment values which are due for a huge increase in 2023.

Now you know why paying your property taxes keeps getting tougher.

Bill Cheshire Baptiste Lake 2021