

Property Taxes: Fiscal Tools in Other Jurisdictions

Union of Municipalities of
New Brunswick 2026 Conference

October 3, 2026

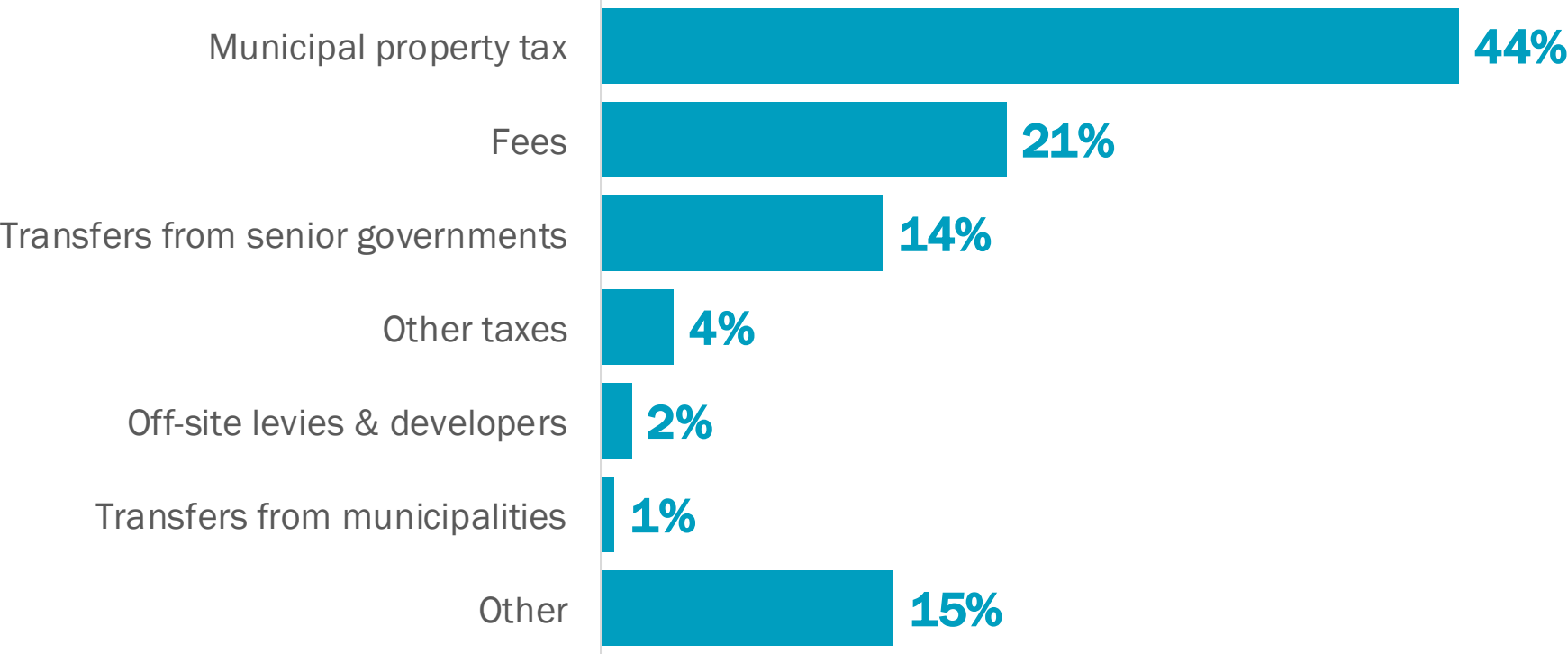


Alberta's Municipal Landscape

- 334 municipalities across Alberta
- 19 Cities
- 106 Towns
- 81 Villages
- 51 Summer Villages
- Specialized municipalities (6 total)
- 63 Municipal Districts / Counties
- 7 Improvement Districts
- 1 Special Areas Board governing 3 Special Areas

Property tax makes up almost half of municipal revenue in Alberta

Alberta Municipal Revenue Sources (2024)



Source: Alberta Municipal Affairs Financial Information Returns, 2024, Schedule D(1)-Total, Financial Activities by Type/Object

Revenue tools available to Alberta municipalities

Taxes

- Municipal property tax
- Local improvement tax
- Special tax
- Business tax

Utility Fees

- Water/wastewater rates
- Franchise fees

Other Revenues

- Offsite levies
- Rental fee
- Parking fee
- Naming rights and advertising space
- Community revitalization levy
- Community aggregate payment levy
- Business improvement area
- Road use agreement

How Property Taxes Work in Alberta

Assessment

- All property is assessed annually
- Municipalities assess residential and commercial property based on market value
- The province assesses farmland and some industrial property using regulated formulas

Taxation

- Councils set their municipal tax rates
- Municipalities collect the municipal property tax and the province's education property tax

Taxing properties at different rates

Residential

Municipalities can split residential property into any subclass of their choices. Common examples:

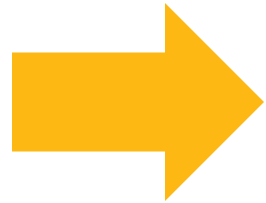
- Vacant land
- Farmland
- Multi-family home
- Vacant home (Canmore)
- Derelict property

Non-Residential

Only three subclasses are allowed:

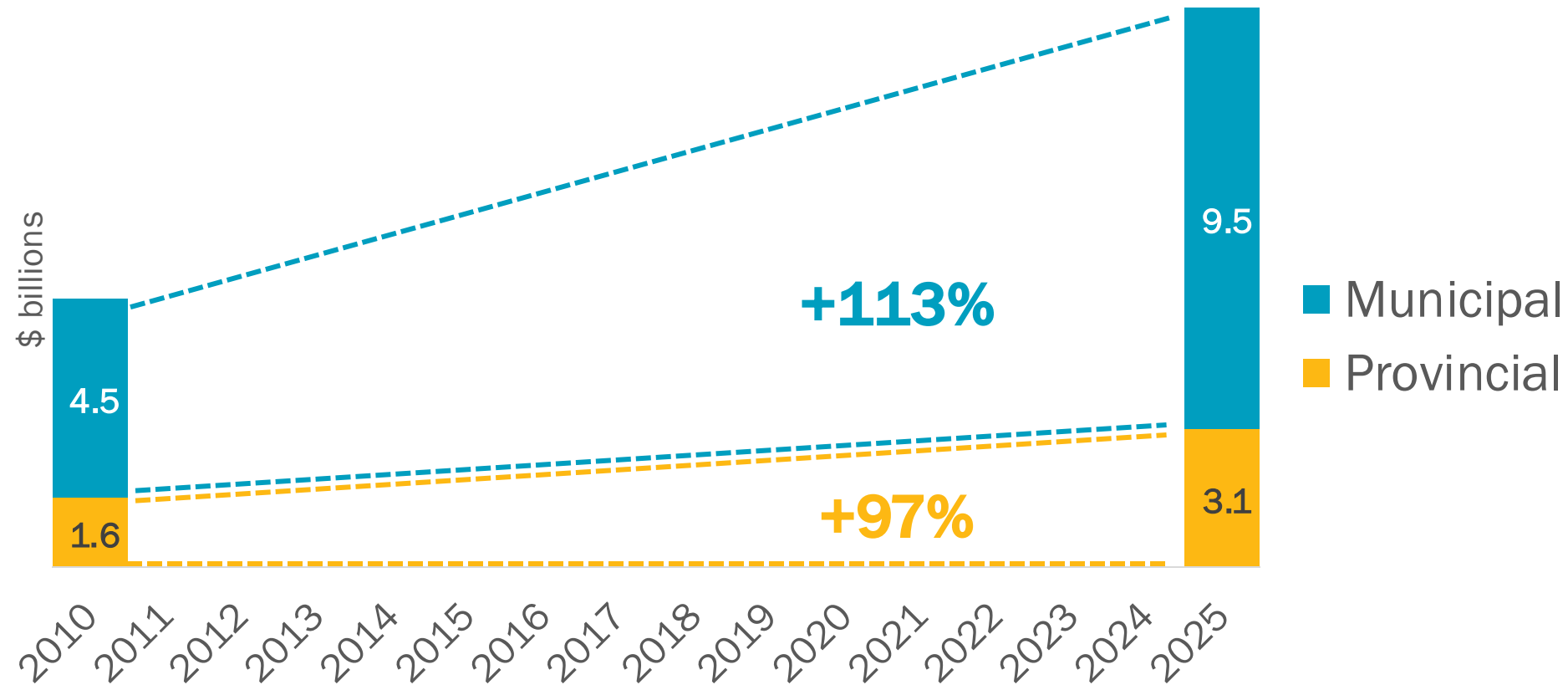
- Vacant property
- Small business property
- Other non-residential property

In 2009
3,679,010
people



In 2025
5,029,346
people

Alberta's property taxes have more than doubled from \$6 billion to \$12.6 billion in the last 15 years



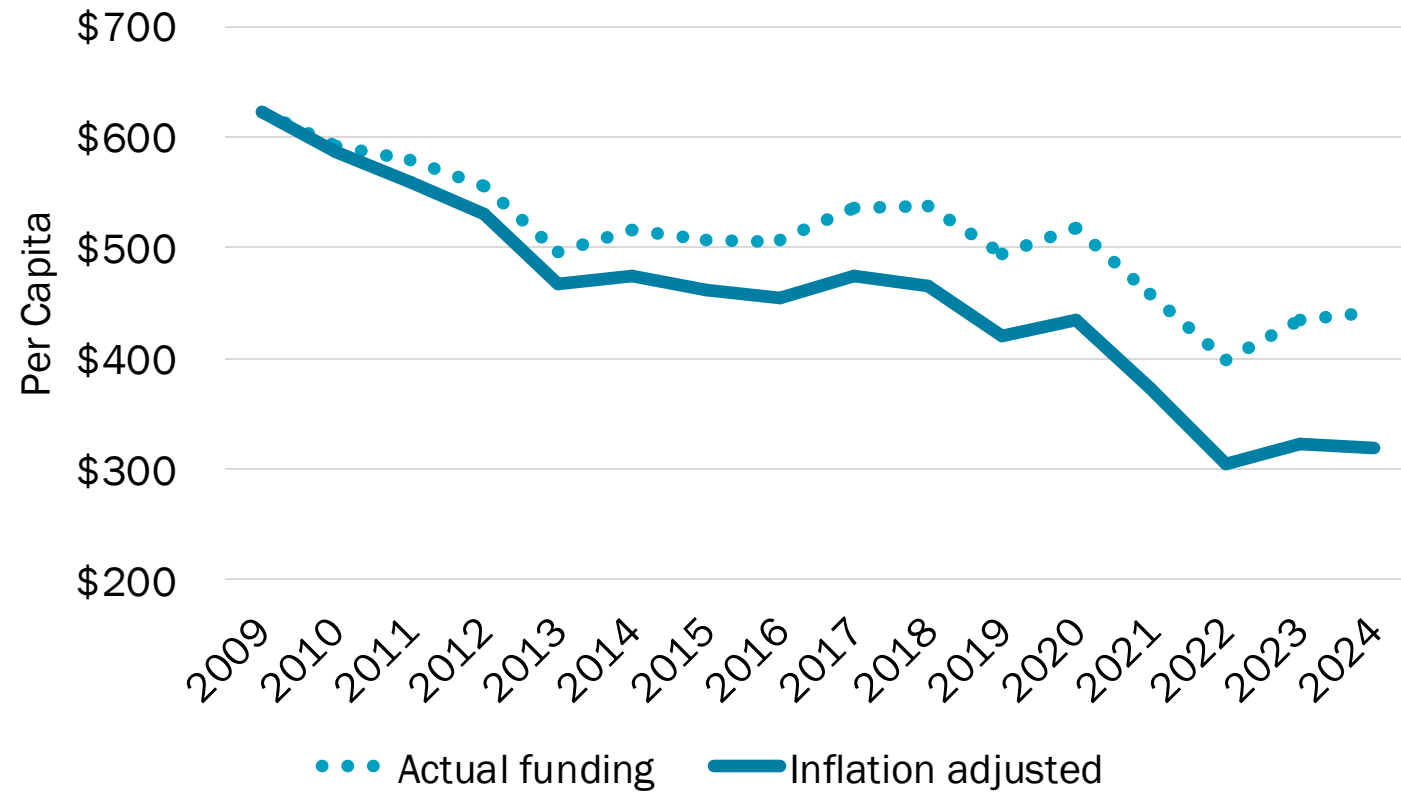
Source: Provincial property tax figures are sourced from the Alberta government's annual fiscal plan. Municipal property tax figures are sourced from Municipal Affairs' annual financial information returns, Schedule D(1), column 01720. 2025 municipal property tax is an estimate based on the average annual increase between 2010 and 2024.

The snowballing burden on property taxes

The cumulative impact on municipal finances

1. Reduced provincial funding
2. Rising provincial property taxes
3. Added rules and costs for municipalities
4. Municipalities supplementing provincial services
5. Inflation on municipal costs

Government of Alberta (GoA) decrease in funding for municipalities



Includes capital and operating funding. Calculated using Alberta Municipal Affairs, Financial Information Returns, Schedule D, provincial transfers reported in columns 01910, 01920, 01912, 01922. Inflation adjusted figures are based on 2009 constant dollars using Alberta's Consumer Price Index, Statistics Canada Table 18-10-0005-01 and Statistics Canada Table 17-10-0005-01, Population Estimates on July 1.

Year	Link to % of K-12 school costs	Freeze mill rate	Freeze revenue amount
2015	32%		
2016	32%		
2017		✓	
2018			✓
2019		✓	
2020			✓
2021			✓
2022			✓
2023			✓
2024		✓	
2025	31.6%		
2026	33.3%		

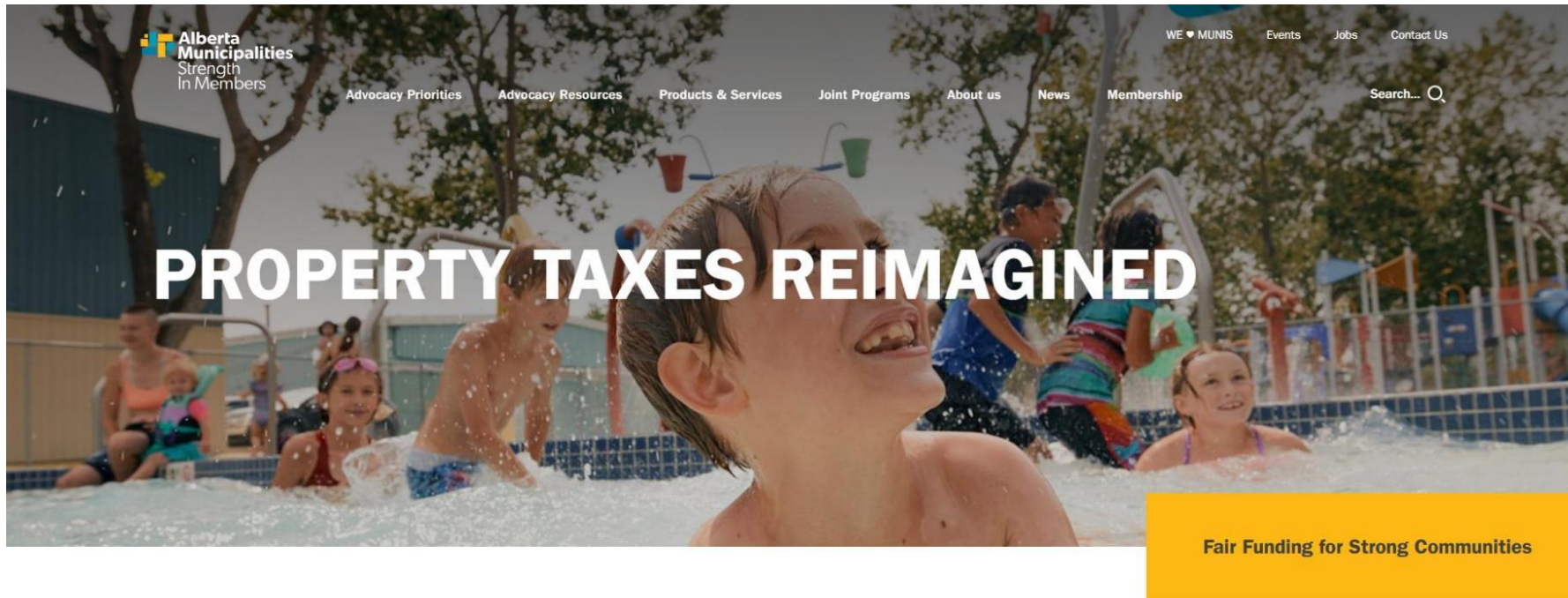
Alberta has had an inconsistent approach to setting education property taxes

Provincial education property taxes have increased by \$1 billion (42%) since 2023

Government of Alberta Property Tax Revenue
(\$ billions)



Source: Government of Alberta's annual fiscal plans.



Short term goal

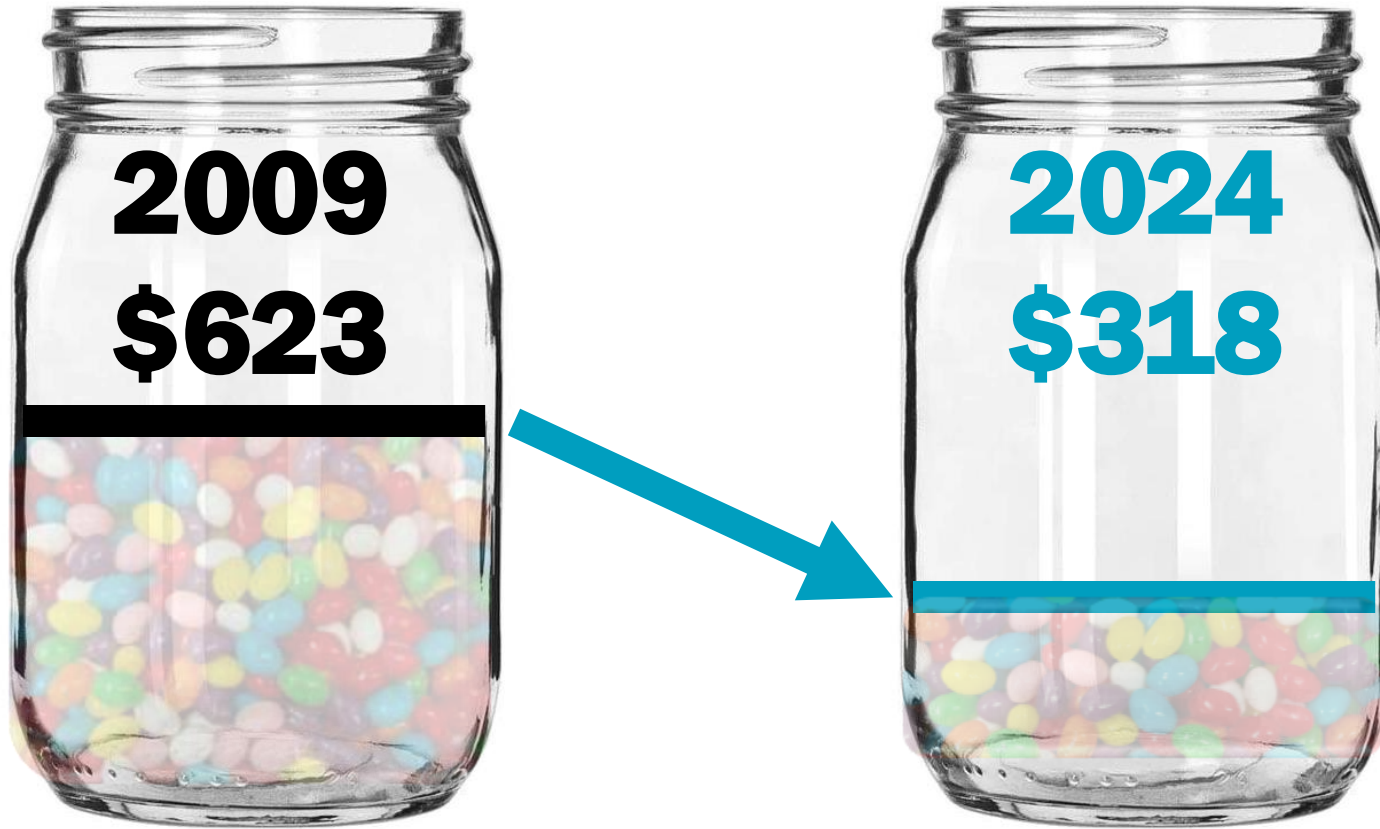
Create public awareness, stop provincial downloading and invest in municipalities.

Long term goal

Clarify our partnership with the province on what services municipalities are responsible for and ensuring municipalities have adequate revenue tools to pay for those services.

The Jellybean Activity

Provincial funding per capita



Pamphlets to help members communicate

Explaining education taxes

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Provincial property taxes are going up

DID YOU KNOW?
Your property tax bill is actually two different taxes. One tax is set by your municipal council to pay for local services. The other is a tax set by the Government of Alberta to cover the running costs for schools. Both taxes are collected by your municipality in one bill.

The Government of Alberta **increased its tax on homes and property** by **12% in 2025** & **15% in 2026** with the ultimate aim of raising more revenue to cover a third of school costs.

If you have questions about your municipal property tax, contact your municipal government office or council.
If you have questions about your provincial property tax, contact your provincial Member of Legislative Assembly (MLA).
Contact details at

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Why are my property taxes going up?

Changes to Government of Alberta Police Funding

The provincial government has made decisions that affect your municipality's annual budget. Significantly, **the province started charging communities with fewer than 5,000 residents for policing costs, which were previously provided at no cost.** These communities started paying 10% of provincial policing costs in 2020, increasing to 30% four years later.

Increasing Average Annual Provincial Policing Costs (estimated)

Year	Summer Villages (right axis)	Towns (left axis)	Villages (left axis)
2019	\$0	\$0	\$0
2020	\$200,000	\$100,000	\$50,000
2021	\$300,000	\$150,000	\$75,000
2022	\$400,000	\$200,000	\$100,000
2023	\$500,000	\$250,000	\$125,000
2024	\$600,000	\$300,000	\$150,000
2025	\$700,000	\$350,000	\$175,000
2026	\$800,000	\$400,000	\$200,000
2027	\$900,000	\$450,000	\$225,000
2028	\$1,000,000	\$500,000	\$250,000
2029	\$1,100,000	\$550,000	\$275,000
2030	\$1,200,000	\$600,000	\$300,000

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Explaining policing costs for under 5,000s

Facts, videos, and stories that explain what is driving up property taxes in Alberta

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Property Taxes Reimagined:
Fair Funding for Strong Communities

This is part of an informational series on the realities facing municipal government councils and the need to reimagine property taxes in Alberta.

**Stacking up the Bills:**
The Snowballing Burden on Property Taxes

Why are Alberta's property taxes increasing?
First, we need to remember that your property tax bill has two main taxes, and each is controlled by a different level of government.

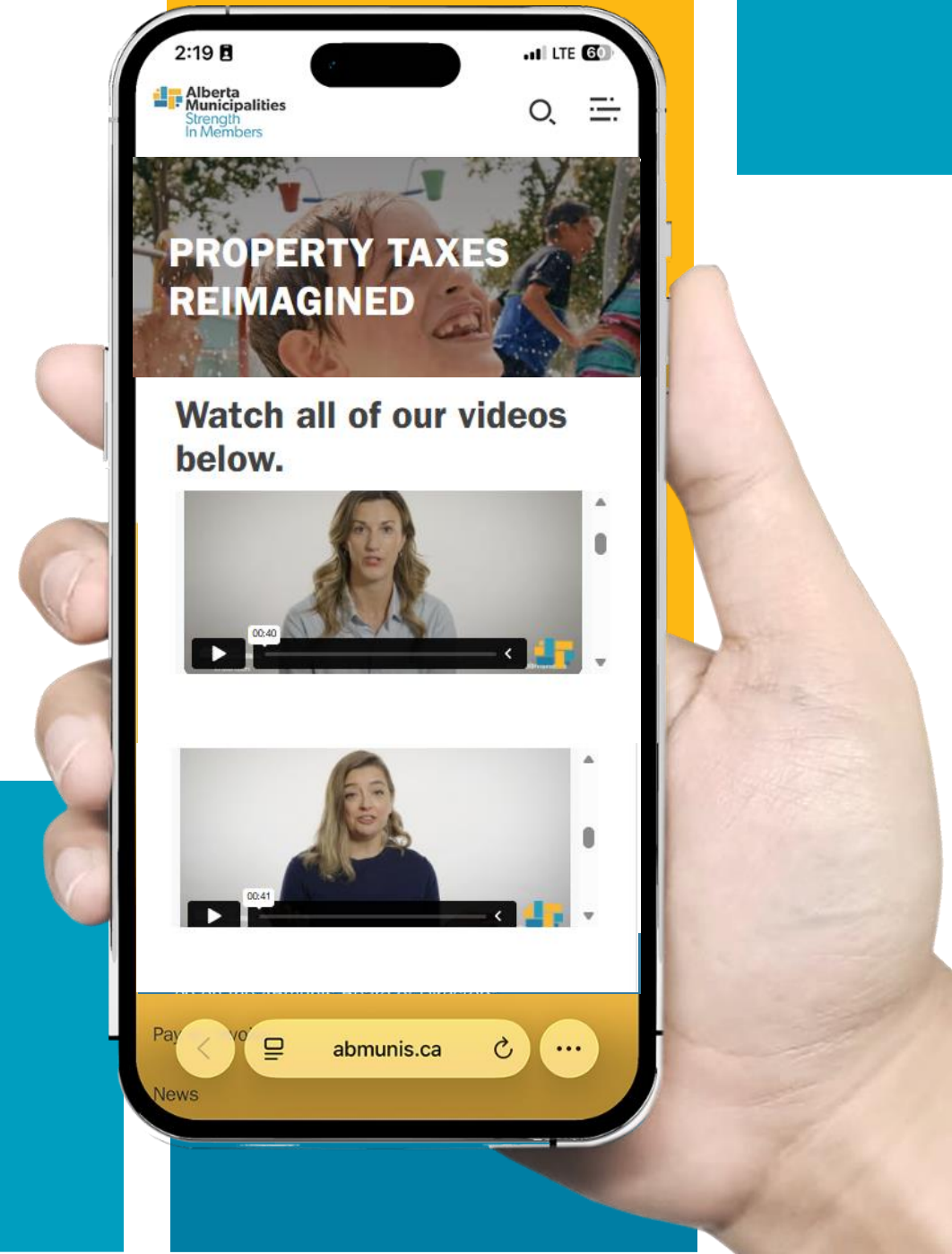


One tax is set by your municipal (local) government to fund services provided by your municipal government.



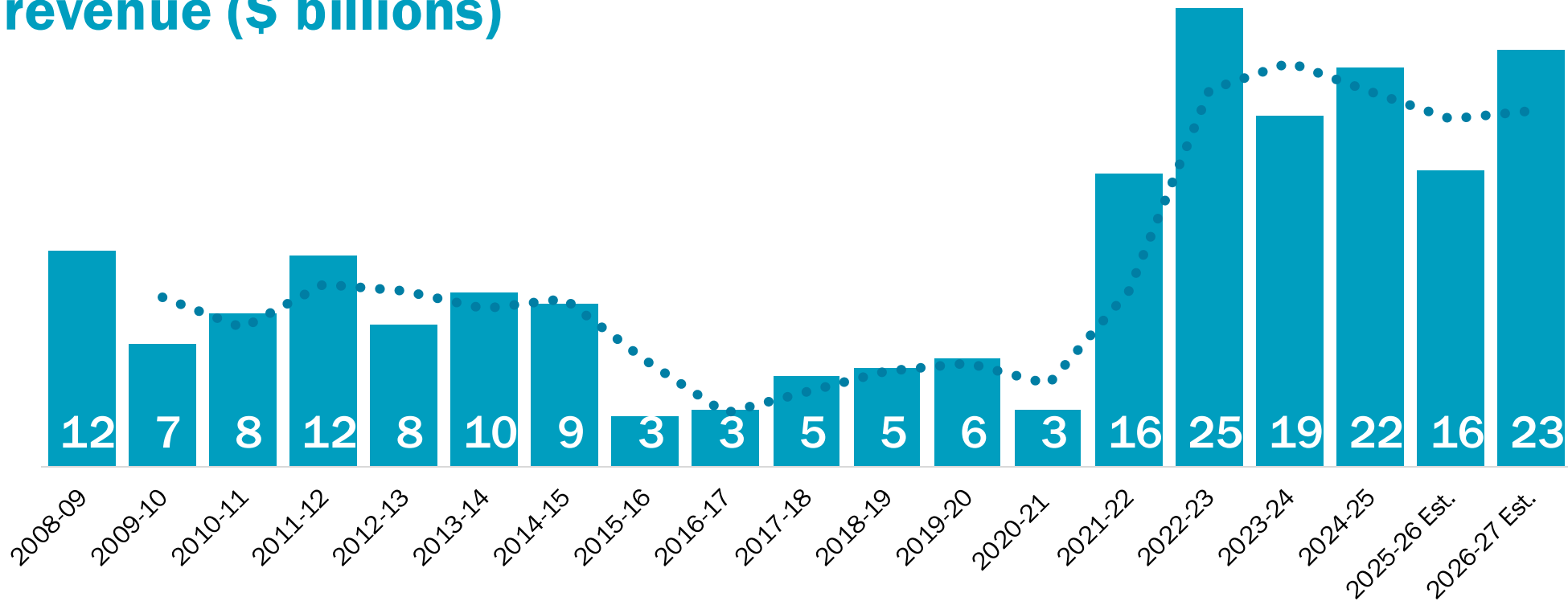
The second tax is set by the Government of Alberta to help fund kindergarten to grade 12 schools.

This can be confusing since both taxes are sent on one bill from your municipal government. The Alberta government requires your municipality to collect the provincial property tax and then send the money to them.



Oil and gas royalties are an unreliable source of revenue to pay for public services

Government of Alberta's non-renewable resource revenue (\$ billions)



Source: Government of Alberta's annual fiscal plan. The 2025-26 amount is per the 2026 Fiscal Plan. The 2026-27 amount is based on the 2026-27 First Quarter Fiscal Update report.

Upcoming research

ABmunis' Property Taxes Reimagined campaign

- Pros/cons of property taxes versus other taxes
- Alternatives to education property taxes
- Municipal role in economic productivity
- Provincial role in funding local infrastructure
- Alternative revenue tools for municipalities
- Optimization of municipal debt and reserves
- Reducing municipal costs

Our Pathway to Solutions



President's Summit

on property taxes and municipal finances



April 6

Edmonton Convention Centre



Learn more at Property Taxes Reimagined

www.abmunis.ca/property-taxes-reimagined

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