

Changes to the Provincial Land Tax

The *2016 Ontario Economic Outlook and Fiscal Review* announced Provincial Land Tax (PLT) rate changes for 2017. These PLT changes will significantly increase tax fairness and reduce inequities in how services are paid for in the North.

The updated 2017 PLT rates will be reflected in your **2017 Final Tax Bill**, which will be mailed in June 2017.

What are the 2017 changes for residential PLT?

- For residential properties in areas inside school boards, the PLT rate will be adjusted by \$20 per \$100,000 of assessed value in 2017.
- For residential taxpayers in areas outside school boards, the PLT rate will be adjusted by \$40 per \$100,000 of assessed value in 2017. This larger adjustment will begin to address the inequity between residential PLT rates inside and outside of school boards.

Changes to Residential PLT Rates (Per \$100,000 of Assessed Value)			
	2015	2016	2017
Inside School Board	\$10	\$40	\$20
Outside School Board	\$10	\$40	\$40

- With the 2017 PLT changes, the PLT rate for areas inside school boards will be \$232 per \$100,000 of assessed value. The 2017 PLT rate for areas outside school boards will be \$115 per \$100,000 of assessed value.
- Managed forest and farm properties in areas inside and outside school boards will continue to be taxed at 25% of the residential PLT rate.

2017 Provincial Land Tax Rates (Per \$100,000 of Assessed Value)		
Property Class	Inside School Board	Outside School Board
Residential	\$232	\$115
Farm / Managed Forest	\$58	\$29

What are the 2017 changes for businesses?

- Business and residential taxpayers will each contribute an equal share of the projected PLT revenue increase. Under this approach, the PLT rate change for business properties will be in line with the percentage change for residential properties in areas outside school boards.
- Beginning in 2017, property owners of commercial, industrial and landfill properties will be taxed at the same PLT rate of \$183 per \$100,000 of assessed value.

What is the end goal of PLT reform?

- With the 2017 PLT changes, the residential PLT rate for areas inside school boards will be \$232 per \$100,000 of assessed value. Once the PLT reform is fully implemented, the PLT rate for these properties will be \$250 per \$100,000 of assessed value.
 - This end goal is dependent on all property owners, both inside and outside school boards, contributing their fair share.
- The government remains committed to working with northerners to make ongoing improvements and further modernize the PLT system. The Province will also review options to enhance the property tax relief program for low-income seniors and low-income residents with disabilities.

How can I learn more about the PLT Review?

- A review of the PLT was announced in the fall of 2013 and has involved extensive consultations with northerners.
- You can find more information about the PLT review and PLT changes on the Ministry of Finance's web site. <http://www.fin.gov.on.ca/en/consultations/landtaxreform/>
 - A paper, *Provincial Land Tax Reform: A More Equitable and Modern Provincial Land Tax*, provides an overview of 2017 PLT changes and the PLT review to date.

How do I contact the Provincial Land Tax Reform Office?

- The Ministry continues to welcome input on the PLT review.

Email: pltreformoffice@ontario.ca

Voicemail: 1-844-637-6465 (toll free)

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