



REPORT

Council

Meeting Date: April 27, 2026

FROM: Finance Department

DATE: April 14, 2026

SUBJECT: 2026 Property Tax Levy

LOCATION: Town-wide

WARD: Town-wide

Page 1

RECOMMENDATION:

That the Tax Levy by-law 2026-052, a by-law to provide for the levying of rates for the year 2026, as attached to the report from the Finance Department, be passed.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Council approval of the property tax by-law is required to levy 2026 property taxes;
- Any surplus or deficit resulting from a difference in the actual assessment growth from the budgeted assessment growth will be transferred to/from the Tax Rate Stabilization reserve as per the Council approved Financial Control Procedure;
- The Town of Oakville is required to levy and collect property taxes on behalf of the Region of Halton, the Province of Ontario for education, and the Business Improvement Areas (BIAs).

BACKGROUND:

Section 312 of the *Municipal Act*, 2001 requires Council to pass a by-law each year specifying the levying of tax rates. Oakville's operating and capital budgets for 2026 were adopted by Council on December 15, 2025. The Downtown BIA, Bronte Village BIA, and the Kerr Village BIA budgets for 2026 were approved at the February 23, 2026 Council meeting. The tax levy by-law, attached to this report, has been prepared to reflect these budgets, and to authorize the 2026 final tax billing.

COMMENT/OPTIONS:

The Town of Oakville is responsible for approving the budget for its own general purposes and the budgets of the BIAs, as well as the calculation of the final tax rates. The Town of Oakville is also required to levy taxes for regional and education purposes according to the tax rates set by the Region of Halton and the Province of Ontario for the school boards.

The attached appendices are based on the budgets and rates for the Town, the business improvement areas, and for regional and education purposes:

- Appendix A By-law 2026-052 including Schedule 1 (Town of Oakville Net Budget) authorizes the 2026 final tax rates, and establishes installment due dates of June 25, 2026 and September 25, 2026; and
- Appendix B 2026 Tax Rate Summary provides a summary of the 2026 tax rates for all property classes.

2026 Tax Levy and Assessment Changes

The 2026 gross operating budget for the Town, adopted by Council at the December 15, 2025 Special Council meeting, totals approximately \$514.9 million and established a levy budget requirement of \$290,113,500. Due to an increase in actual property assessment growth compared to budget and in accordance with the Council approved Financial Controls procedure, the net levy requirement increased from \$290,113,500 to \$290,185,134, and a transfer to the Tax Rate Stabilization reserve in the amount of \$71,634 has been recorded. The tax levy by-law, attached to this report, has been prepared to reflect this net levy requirement; as well as those of the Downtown, Bronte Village, and Kerr Village BIAs.

The Town's general tax levy requirement adopted as part of the 2026 budget process has increased 0.47%, representing an approximate 1.96% overall residential tax rate increase including the Region and Education portion.

The in-year changes to property assessment, completed by the Municipal Property Assessment Corporation (MPAC,) are finalized and provided to municipalities in December annually. The assessment growth of 2.57% is due to net in-year growth in assessment in 2025. Assessment growth is generated from new development or property improvement that has been valued by MPAC during the year. Oakville was 5th overall in Ontario for new property value in 2025, adding \$1.6B in new assessment. In-year growth in assessment is typically off-set by reduced assessed values resulting from Assessment Review Board appeal settlements and MPAC requests for reconsideration settlements; however, these have reduced significantly with the pause in provincial reassessment.

All assessments in Ontario reached full value in 2020, and there has been a postponement of the 2021 reassessment for the 2021-2026 tax years. This means that assessments used for the 2026 taxation year will continue to be based on the same valuation date that was in effect for the 2025 taxation year (based on a January 1, 2016 market value) and will be the same value unless there has been a change or improvement to the property. At the time of writing this report, there has been no update from the Province or MPAC regarding timing of a future Provincial reassessment.

2026 Tax Impact

The overall (Town, Region and Education combined) residential tax rate increase is 1.96% or \$16.33 per \$100,000 of assessment and the overall commercial tax rate increase is 1.35% or \$23.78 per \$100,000 of assessment.

Percentage Share of 2026 Property Taxes:



For every \$100,000 of assessed value, total property taxes for 2026 on a residential dwelling will be \$850.96 and on a commercial property at the full rate taxes will be \$1,787.13.

The increase per \$100,000 (restated for current value assessment (CVA)) of assessed value is as follows:

	<u>Residential Example</u>	<u>Commercial Example</u>
Town	\$ 1.74	\$ 2.52
Region	14.59	21.26
Education	<u>0.00</u>	<u>0.00</u>
Total	\$16.33	\$23.78

The information is provided to property owners on the Final Tax Bill, for each \$100,000 of residential assessment as follows:

2025 Final Taxes	\$834.63
2026 Local Municipal Levy Change	\$ 1.74
2026 Upper Tier Municipal Levy Change	\$ 14.59
2026 Provincial Education Levy Change	<u>\$ 0.00</u>
2026 Final Taxes	\$850.96

CONSIDERATIONS:

(A) PUBLIC

Property tax notices for all taxable properties are legislated to be mailed at least 21 days before the first installment is due. Property owners now have the ability to access their property tax information through Online Services on oakville.ca. Assessment and budget impact information was previously provided by Communications through media notifications and committee meetings. 2026 budget information is posted on the Town’s web site, and further information will be posted and published subsequent to Council approval of the tax levy By-law.

(B) FINANCIAL

The attached by-law 2026-052 has been prepared based on the Town’s operating budget and capital budgets for 2026, which were adopted at the Special Council meeting of December 15, 2025 with a tax levy increase of 1.96%. The 2026 budgets of the three Business Improvement Areas were approved by Council February 23, 2026.

A transfer to the Tax Rate Stabilization reserve in the amount of \$71,634 is required as a result of an increase in the actual assessment growth from the budgeted assessment growth.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

NA

(D) COUNCIL STRATEGIC PRIORITIES

This report addresses the corporate strategic goal(s) to:

- be fiscally sustainable

(E) CLIMATE CHANGE/ACTION

NA

APPENDICES:

Appendix A: 2026 Tax Levy By-law 2026-052 and Schedule 1 (Town of Oakville Net Budget)

Appendix B: 2026 Tax Rate Summary

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