

Staff Report



To	General Committee
Subject	2026 Tax Rates
Date	April 22, 2026
Ward	All
From	C. Smith, Interim Director of Finance
Executive Member Approval	J. Schmidt, General Manager of Community and Corporate Services
CAO Approval	M. Prowse, Chief Administrative Officer
Staff Report #	CCS-010-2026

Recommendation(s):

1. That the tax rates for the 2026 taxation year be established as identified in Appendix "A" to Staff Report CCS-010-2026.
 2. That the City Clerk be authorized to prepare all necessary by-laws to establish the 2026 tax rates as described within Staff Report CCS-010-2026.
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Executive Summary:

The purpose of this report is to establish the 2026 tax rates based on the budgetary requirements approved in the 2026 Business Plan. The 2026 tax rates are presented in Appendix A. The tax rates are calculated by determining the amount each taxable property class needs to contribute based on established tax ratios in order to generate the property tax levy requirement of \$338,922,579.

Council approved the City of Barrie's (City) portion of the 2026 Business Plan & Budget on November 12, 2025, under Motion 25-G-236 (as amended), and the Service Partner portion on December 10, 2025 under Motions 25-G-259 and 25-G-261 (as amended). Both motions established the 2026 Business Plan & Budget total property tax levy requirement at \$338,922,579.

On April 15, 2026, Council approved –the recommendations in staff report CCS-008-2026 Tax Ratios. The 2026 tax rates are based on the recommendations from that report.

Key Findings:

It is anticipated that the final 2026 property tax bills will be issued in mid-May. The instalment due dates proposed for the balance of 2026 are June 30 and September 29. Proposed instalment dates for taxpayers participating in the City’s pre-authorized monthly payment plan are June 30, July 31, August 31, September 29, and October 30. As in previous years, the final tax rate by-law will establish penalties and interest rates at 1.25% per month in accordance with the *Municipal Act, 2001*.

In addition to collecting Municipal taxes, the City is also required to collect education taxes on behalf of the Province. The Province establishes the education rates each year under Ontario Regulation 400/98, as amended.

Payment in lieu (PIL) of taxes are billed and collected in accordance with Provincial Regulation O. Reg. 382/98, as amended, based on assessed values from the Municipal Property Assessment Corporation (MPAC), and the tax rates that would be used if the properties were taxable. Properties that are subject to PIL of taxes are typically government owned properties, hospitals, and colleges/universities. For hospitals, the PIL is calculated based on the number of beds, and for colleges/universities, the calculation is based on “heads” or number of students as reported to the City.

Financial Implications:

There are no direct financial implications for the City associated with the recommendations regarding the tax rates. However, postponing a decision about the 2026 tax rates would create a delay in issuing the 2026 final property tax bills, which could create a financial constraint on the City’s cash flow.

Alternatives:

The following alternatives are available for consideration by General Committee:

Alternative #1 - General Committee could choose to change the instalment or monthly pre-authorized due dates. This alternative is not recommended as it could pose a strain on the City’s cash flow requirements.

Strategic Plan Alignment:

The recommendation(s) included in this Staff Report are not specifically related to the goals identified in the 2022-2026 Strategic Plan.

Additional Background Information and Analysis:

The City must establish its tax rates through by-law on an annual basis to raise the required levy set out in the annual Budget and Business Plan. The tax rates are based on assessment values, tax ratios, and the annual tax levy requirement. They are calculated as follows:

$$\begin{array}{rcccl}
 \text{Property} & & \text{Annual Property Tax Levy} & & \\
 \text{Tax Rate} & = & \frac{\hspace{10em}}{\hspace{10em}} & \times & \text{Tax Ratio} \\
 & & & & \text{for the} \\
 & & \text{Weighted Assessment for} & & \text{class} \\
 & & \text{All Classes} & &
 \end{array}$$

Boundary Adjustment Property Tax Phase-In

Following passage of Bill 76, the Province created *Ontario Regulation 402/25*, which requires property tax increases associated with the boundary adjustment to be phased in under certain conditions. A property tax credit for the phase-in will be calculated and appear on applicable properties' final bill. These credits have been factored into the 2026 proposed tax rates in Appendix A.

Consultation and Engagement:

No public consultation was required in relation to this staff report.

Environmental and Climate Change Impact Matters:

There are no environmental and/or climate change impact matters related to the recommendations.

Appendix:

Appendix A – 2026 Proposed Tax Rates

Report Author:

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File #: C11

Pending #: Not Applicable

Appendix "A"
2026 Proposed Tax Rates

See separate attachment