

# Ag. Issues

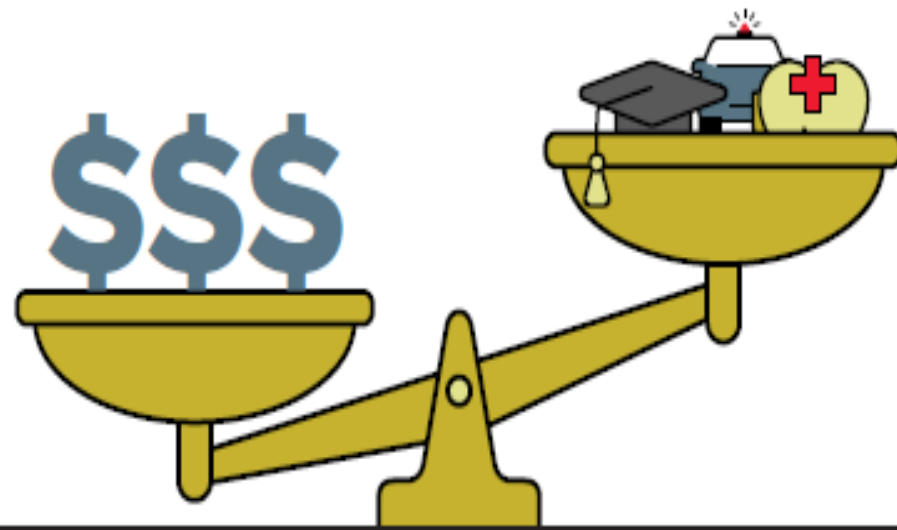
Municipality of Port Hope

To Address *“Specifically, how municipalities (and which) have adjusted rates for farmers. What constitutes sensible growth and how do we protect farmland. How can municipalities be more fiscally responsible as there are already many checks and balances.”*

## Rising rural taxes

Property taxes are based on property value. For Ontario farmers, that means as land values increase so do tax bills. In the last few years, the taxable assessment of farmland has increased by an average of 64% across Ontario. This has caused a significant shift in tax burden onto farm property owners. Residential taxes in rural areas have been relatively flat during that same time.

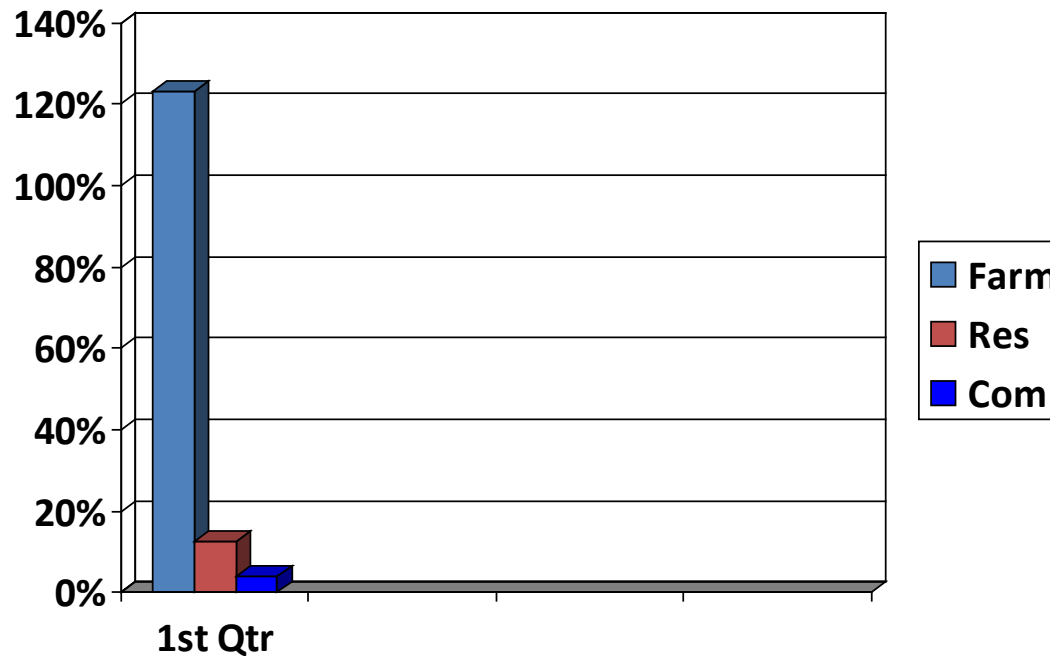
As a result of rising land values, farmers are paying a disproportionate amount of property tax compared to the services they use.



The municipal tax burden has shifted to bare farmland and away from the residences that need and use the municipal services that property tax is intended to cover.

# Impacts on Property Tax Northumberland

- ✓ In Northumberland Farmland CVA has increased by 123%
- ✓ Residential values of Increased by just over 12%



# Impacts on Property Tax Northumberland

Year	% tax from farm	\$ increase tax burden on farm	% tax from res	% Tax from Commercial
2016	1.3%		89.7%	8.9%
2017	1.7%	\$166K	89.6%	8.7%
2018	2 %	\$332K	89.4%	8.6%
2019	2.3%	\$500K	89.3%	8.4%
2020	2.6%	\$665K	89.2%	8.2%
Total		\$1,663,000		



# Tax Levy

	County	Farm Tax Rate	Population (2016)	Size KM2	Agriculture Employ	Percent of Province	Percent of Pop	Tax Levy	
2	Northumberland	0.25	85,598	1,905	1,195	1.4%	1.4%	\$56,393,449.00	
3	Grey	0.218	93,830	4,513	2,815	3.2%	3.1%	\$58,254,078.00	
4	Lambton	0.226	123,399	3,002	2,335	2.6%	1.9%	\$76,943,883.00	
5	Oxford	0.2177	110,862	2040	3,235	3.7%	3.0%	\$64,476,487.00	
6	Caledon	0.1689	66,502	378				\$70,531,730.00	
7	Dufferin	0.22	61,735	1,486	860	1.0%	1.4	\$39,189,862.00	
8	Elgin	0.23	50,096	1,845	2,355	2.7%	2.7		
9	Norfolk	0.23	64,044	1,607	4,040	4.6%	3.75		
10	Durham	0.2	645,862	2,523	2,650	3.0%	0.4		
11	Renfrew	0.25	88,072	7,426	1,225	1.4%	1.2	\$46,344,177.00	
12	Middlesex	0.25	71,551	2,821	3,850	4.4%	0.9		
13	Prescott & Russell	0.25	89,333	2,004	1,645	1.9%	1.9	N/A	

## Other Upper/Single Tier Municipalities that have addressed This Issue

- ✓ Oxford 0.2177
- ✓ Dufferin 0.22
- ✓ Elgin 0.23
- ✓ Chatham- Kent 0.22
- ✓ Lambton 0.226
- ✓ Grey 0.218
- ✓ Norfolk- 0.23
- ✓ Brant 0.24
- ✓ Region of Durham- 0.20
- ✓ London 0.1752
- ✓ Kingston- 0.2375
- ✓ Hamilton 0.182
- ✓ Ottawa 0.20
- ✓ Caledon 0.1689
- ✓ North Bay 0.15
- ✓ Halton Region 0.20

# Farmland Preservation

- ✓ Less than 5% of Ontario's landscape can support the growth of food for human consumption
- ✓ From 2016-2021, we anticipate we may have lost over 319,000 acres of farmland or about 1,300 farms, 5 farms / wk., or 175 ac/day
- ✓ Ontario's agri-food sector employs more than 860,400 (over 11%) of Ontarians
- ✓ The agri-food sector contributes more than \$47 billion annually to the province's economy
- ✓ We have a responsibility to protect our remaining farmland so we can continue producing food right here in Ontario for future generations

# How do we Protect Farmland

- ✓ Protect farmland from conversion to non-farm uses by prohibiting or restricting development
- ✓ Inventory important farmland, set goals for its protection.
- ✓ Assessing property taxes on farmland that encourage agriculture.
- ✓ Use smart land-use planning, which encompasses strategies like compact development, agricultural zoning, and agricultural districts.
- ✓ Promote agriculture in the community, and promote careers in Ag.



# Fiscal Responsibility

- ✓ The disconnect between end-of-year balance statements and budgets can make it difficult for individuals and businesses to understand how their municipality is spending tax dollars, limiting the transparency and accountability.
- ✓ Cost of Community Services studies examine both the tax revenues generated by different land uses and the costs to local government of providing services to those same uses.
- ✓ Consider appointing an Auditor General to critic local spending.
- ✓ Consider all opportunities to share needs or priorities with other municipalities.