City Council Report

April 14, 2026

Finance and Risk Management-2026-0019

Bylaw 6516 - 2026 Property Tax and Supplementary Property Tax Rate

Name Amy Wehlage, Acting Assessment & Taxation Manager

Department Finance and Risk Management

Summary

Bylaw 6516 (Attachment 1) sets the property tax rates to be imposed upon property within the City of Lethbridge to raise required municipal revenues from property as outlined in the operating budget in accordance with Section 243 of the *Municipal Government Act* (MGA) (Link 1).

The bylaw also sets the tax rates required to raise the requisitions for the Alberta School Foundation, the Holy Spirit Roman Catholic Separate Regional Division 4, the Green Acres Foundation, and the Designated Industrial Property requisition.

The bylaw further authorizes the rates for the levying of a supplementary tax on properties completed or occupied in 2026.

In order to meet mail out requirements for tax notices, final approval of Bylaw 6516, the 2026 Property Tax & Supplementary Property Tax Rate Bylaw, must pass at the April 28, 2026 Council meeting.

The Letter of Transmittal (Attachment 2) summarizes the tax rate bylaw and provides Council with key contextual information related to the municipal tax requirement, requisitions, and overall tax levy.

Recommendation(s)

That Council give first reading on April 14, 2026, and second and third reading on April 28, 2026, to Bylaw 6516, the 2026 Property Tax & Supplementary Property Tax Rate Bylaw.

Financial

Property taxes will be imposed on all property owners in Lethbridge to raise the required funds outlined in the Operating Budget.

Background and Prior Decisions

Each year property tax rates must be approved by Council. Once approved, tax notices are prepared and sent to all taxpayers in Lethbridge.

Tax notices are mailed in May, with a payment due date on the last business day of June.

Penalties are applied to unpaid balances beginning in July, with a 7% penalty applied in July, and additional penalties of 1% applied in August, September, October, November and December, as outlined in Bylaw 6510 (Link 2).

Engagement

Public engagement will occur as necessary once the tax notices are mailed out.

Recommendation and Option(s) Analysis

That Council give first reading on April 14, 2026, and second and third reading on April 28, 2026, to Bylaw 6516, the 2026 Property Tax & Supplementary Property Tax Rate Bylaw.

Bylaw 6516 imposes a tax rate to be applied to all taxable properties in Lethbridge with a tax due date of June 30, 2026.

- **Community/Citizen**
  - Social – Property taxes fund the provision of municipal services.
  - Economic - By passing this bylaw, property taxes will be levied on all taxable properties in Lethbridge
  - Environmental – N/A
- **Risk**

  April 28, 2026, is the last Council date that would allow sufficient time to prepare and mail tax notices. The risk of not meeting this timeline would impact municipal revenues and require amendments to the property tax penalty structure.

- **Implementation and Communication Plan**

  Each year property tax rates must be approved by Council. Once approved, tax notices are prepared and sent to all Lethbridge property owners.

  Notices are sent in late May with a due date of the last business day of June.

  Public communication includes advertisements in the Lethbridge Herald, public service announcements, social media, Shaw TV and the City's website.

  Payment reminders are also published in the Lethbridge Herald, social media, Shaw TV, the City's electronic road signs, and through public service announcements in June.

Attachment(s)

1. Attachment 1: Bylaw 6516 - 2026 Property Tax & Supplementary Property Tax Rate Bylaw
2. Attachment 2: Letter of Transmittal

Link(s)

1. Link 1 - *Municipal Government Act*, RSA 2000, c M-26 (MGA)
2. Link 1 – Bylaw 6510 – 2026 Incentives for Prepayments, Penalty and Tax Deferral

BYLAW 6516

****

A BYLAW OF THE CITY OF LETHBRIDGE TO

AUTHORIZE THE LEVY OF TAX UPON ALL TAXABLE PROPERTY SHOWN ON THE PROPERTY ASSESSMENT AND TAX ROLLS AND THE SUPPLEMENTARY PROPERTY ASSESSMENT AND TAX ROLLS FOR THE YEAR 2026

* *

WHEREAS pursuant to section 353 of the Municipal Government Act, R.S.A. 2000, c. M-26, Council must pass a Property tax bylaw annually authorizing the Council to impose a tax in respect of Property in the municipality to raise revenue to be used toward the payment of the expenditures and transfers set out in the budget of the municipality, and the Requisitions;

AND WHEREAS, section 369 of the Municipal Government Act, R.S.A. 2000, c. M-26, provides that Council must pass a supplementary Property tax bylaw annually to authorize the levying of a supplementary Property tax in respect for which supplementary assessments have been made;

AND WHEREAS, pursuant to section 243 of the Municipal Government Act, R.S.A. 2000, c. M-26, a Property tax levy of $206,727,025 including budgeted and additional growth is required for the general revenue of the City for municipal purposes during the year 2026;

AND WHEREAS, pursuant to sections 162 and 167 of the Education Act, S.A. 2012, c. E-0.3 the City of Lethbridge is required to levy a tax to pay the Requisition from the Province for the Alberta School Foundation Fund and the Holy Spirit Roman Catholic Separate Regional Division No. 4, which will be $56,364,160.

AND WHEREAS, pursuant to section 7 of the Alberta Housing Act, R.S.A. 2000, c. A-25, the City of Lethbridge is required to levy a tax to pay the Requisition of $2,741,112 from the Green Acres Foundation.

AND WHEREAS, section 297 of the Act provides that the assessor must assign one or more of the following assessment classes to the Property, including: Residential, Non-Residential, Farm Land and Machinery and Equipment;

AND WHEREAS, pursuant to section 359.3 of the Municipal Government Act, R.S.A. 2000, c. M-26, the City of Lethbridge is required to levy a tax of $26,388 to recover the costs incurred for matters relating to the assessment of Designated Industrial Property and any other matters related to the provincial assessor's operations;

AND WHEREAS, section 359.3 of the Act provides that the tax rate for the purposes of the Requisition defined in section 326(1)(a)(vi) of the Act must be set by the Minister;

AND WHEREAS, the assessed value of all Property for the purpose of this Bylaw in the City of Lethbridge as shown on the 2026 assessment roll is:

	Total Assessment	Non-Taxable Assessment	Taxable Assessment
MUNICIPAL			
Residential	15,293,204,920	70,370,960	15,222,833,960
Multi-Family Residential	1,043,412,150	298,061,550	745,350,600
Farm Land	2,299,120	0	2,299,120
Non-Residential	6,526,676,610	2,849,549,020	3,677,127,590
Machinery & Equipment	423,704,750	0	423,704,750
	23,289,297,550	3,217,981,530	20,071,316,020
EDUCATION			
Residential	15,293,204,920	70,897,960	15,222,306,960
Multi-Family Residential	1,043,412,150	351,784,250	691,627,900
Farm Land	2,299,120	0	2,299,120
Non-Residential	6,526,676,610	2,915,570,770	3,611,105,840
Machinery & Equipment	423,704,750	0	423,704,750
	23,289,297,550	3,338,252,980	19,951,044,570
GREEN ACRES			
Residential	15,293,204,920	70,897,960	15,222,306,960
Multi-Family Residential	1,043,412,150	351,784,250	691,627,900
Farm Land	2,299,120	0	2,299,120
Non-Residential	6,526,676,610	2,905,405,840	3,621,270,770
Machinery & Equipment	423,704,750	0	423,704,750
	23,289,297,550	3,328,088,050	19,961,209,500

NOW THEREFORE, THE COUNCIL OF THE CITY OF LETHBRIDGE ENACTS AS FOLLOWS:

PART I – TITLE, PURPOSE AND DEFINITIONS

1 **(1)** This Bylaw may be cited as the 2026 Property Tax & Supplementary Property Tax Rate Bylaw.

Purpose

2 **(1)** The purpose of this Bylaw is to establish:

(a) municipal Property tax rates for the 2026 annual Property taxes;
(b) municipal Property tax rates for the 2026 supplementary taxes;
(c) authority to collect the Green Acres Foundation Requisition;
(d) authority to collect the Education Requisition; and
(e) authority to collect the Designated Industrial Property Requisition.

Definitions

3 **(1)** In this Bylaw, unless the context otherwise requires:

(a) “Act” means the *Municipal Government Act,* R.S.A. 2000 c. M-26;
(b) “Designated Industrial Property” shall be defined as in 284(1)(f.01) of the Act;
(c) "Farm Land" means land used for farming operations as defined in the regulations passed under the Act;
(d) "Machinery and Equipment" has the same meaning as in section 284(1)(l) and 297(4)(a.1) of the Act;
(e) “Minister” has the same meaning as set out in section 1(1)(o) of the Act;
(f) “Multi-family Residential” shall have the meaning given to the term “Multi-family Residential” in Bylaw 6386;
(g) "Non-Residential" has the same meaning as in section 297(4)(b) of the Act;
(h) "Property" has the same meaning as in section 284(1)(r) of the Act;
(i) "Requisition" has the same meaning as in section 326(1)(a) of the Act; and
(j) “Residential” has the same meaning as in section 297(4)(c) of the Act.

PART II – LEVY

4 **(1)** The City Treasurer of The City is hereby authorized to impose the following rates of taxation on the assessed value of all taxable Property as shown on the 2026 assessment roll of The City:

	Tax Amount	Taxable Assessment	Tax Rate
MUNICIPAL			
Residential	$117,969,352	15,222,833,960	0.0077495
Multi-Family Residential	$9,363,541	745,350,600	0.0125626
Farm Land	$17,817	2,299,120	0.0077495
Non-Residential	$79,376,315	3,677,127,590	0.0215865
Machinery & Equipment	$0	423,704,750	0
Subtotal Municipal Portion	**$206,727,025**	20,071,316,020	
EDUCATION			
Alberta School Foundation Fund and Holy Spirit Roman Catholic Reginal Division 4:			
Residential	$39,766,755	15,222,306,960	0.0026124
Multi-Family Residential	$1,806,809	691,627,900	0.0026124
Farm Land	$6,006	2,299,120	0.0026124
Non-Residential	$14,784,590	3,611,105,840	0.0040942
Machinery & Equipment	$0	423,704,750	0
Subtotal Education Portion	**$56,364,160**	19,951,044,570	
GREEN ACRES			
Residential	$2,135,690	15,222,306,960	0.0001403
Multi-Family Residential	$97,035	691,627,900	0.0001403
Farm Land	$323	2,299,120	0.0001403
Non-Residential	$508,064	3,621,270,770	0.0001403
Machinery & Equipment	$0	423,704,750	0
Subtotal Green Acres Portion	**$2,741,112**	19,961,209,500	

Designated Industrial			
Designated Industrial Property	**$26,388**	362,471,730	0.0000728
TOTAL TAX AMOUNT	**$265,858,685**		

4 **(2)** For the purposes of collecting the portion of the Requisition defined in section 326(1)(a)(vi) of the Act, the City Treasurer is hereby authorized to impose the tax rate of 0.0000728 on the assessed value of all taxable Designated Industrial Property shown on the 2026 assessment roll of the City, as set by the Minister in Ministerial Order No. MAG:003/26.

5 **(1)** This Bylaw shall come into force and effect on the date of final passing thereof.

READ A FIRST TIME this 14 day of April, A.D. 2026

MAYOR

CITY CLERK

READ A SECOND TIME this 28 day of April, A.D. 2026

MAYOR

CITY CLERK

READ A THIRD TIME this 28 day of April, A.D. 2026

MAYOR

CITY CLERK

Department: Finance & Risk Management

April 14, 2026

For Submission to
April 28, 2026
Council Meeting

His Worship the Mayor and
Members of City Council

Re: 2026 Taxation Requirements

2026 Assessment and Taxation Highlights

Submitted for City Council's consideration is Bylaw No. 6516 to establish the 2026 tax rates for taxation purposes. Some of the 2026 assessment and taxation highlights include:

1. **2026 property assessments** - consistent with the Municipal Government Act, the 2026 property assessments reflect the market value of property as of July 1, 2025. The assessments were prepared using mass appraisal practices, which utilizes information from property sales, rental income surveys and cost estimates to determine market value. All market conditions that may affect the property's value such as location, size, shape, replacement cost, age and the condition of the buildings have been taken into account. Property sales from the preceding three years establish a range of sale prices. Assessed values reflect the sales in the middle of this range of prices. This is the reason why assessments may be slightly higher or lower than the selling price. The purpose of an assessment roll is not to reflect one sale price or an opinion of value, but to assess all similar properties at similar values so that taxation is fairly and uniformly shared.

2. **Taxation bylaw** - on November 29, 2022, City Council approved the four-year operating budget (for the years 2023 - 2026). Although the approved budget includes a 5.10% increase in revenue requirements in each of the four years, City Council must approve its taxation bylaw on an annual basis.

3. **2026 Provincial education tax levy** – pursuant to the Municipal Government Act, the City is required to levy a tax to pay the education requisition. The 2026 combined education requisition increased over the 2025 requisition by a net amount of approximately $6,452,000 or 12.93%. The portion of the combined tax levy related to the residential class increased by about $5,091,100 or 13.95% and the tax levy related to the combined non-residential (commercial / industrial) class increased by about $1,361,000 or 10.14%.

4. **2026 Green Acres tax levy -** increased by a net amount of about $250,200 or 10.04%. The increase is required to adequately fund affordable housing for senior citizens, and is responsive to the needs of seniors, their families and the community.

5. **Market value** - the non-residential, single family and multi-family taxation property categories all experienced market value increases in the past year. Administration estimates that there were increases in residential category by about 7.9%, multi-family by 4.5%, and non-residential increased by 3.5%.

6. **Impact of changes in market value -** as noted in 2 above, budget requirements were established by City Council when they approved the 2023-2026 Operating Budget. Changes in market values do not have any impact on the budget requirements. For example, it is sometimes assumed that when overall assessments (property values) increase as they have in the past year, there is a corresponding increase in property taxes. That is not the case. Once the budget is approved, only sufficient taxes are levied to satisfy the budget requirements.

7. **Supplementary assessment** - it should be noted that this bylaw also authorizes the tax levy on the supplementary assessment and tax roll for the year 2026.

Single-Family Residential Property Illustration
For example purposes only, the following illustration is a tax analysis based on the average of the single family residential category with the rounded assessments of $389,600 (2025: $361,150).

	2026	2025	Increase (Decrease)	
	$	$	$	%
Municipal levy	3,019.21	2,872.62	146.59	5.10%
Education requisition	1,017.79	903.56	114.23	12.64%
Green Acres requisition	54.66	49.87	4.79	9.60%
Combined property tax levy	4,091.66	3,826.05	265.61	6.94%

Comparative Analysis of 2026 Taxation Requirements (Exhibit 1 attached)
In addition to collecting taxes for its own municipal purposes, the City of Lethbridge also collects tax levies on behalf of the Green Acres Foundation and for Provincial educational purposes. The total tax dollars to be collected in 2026 on behalf of all taxing authorities is estimated to be $265,858,685. The allocation of these tax dollars between the City of Lethbridge and other requisitioning authorities is illustrated on Exhibit 1 (attached).

Analysis of 2026 Tax Rates (Exhibit 2 attached)
Exhibit 2 provides a breakdown by requisitioning authority of the 2026 tax rates for single family residential, multi-family residential and non-residential (commercial/industrial) property classifications. The 2026 municipal and combined tax rates have increased for all tax classifications.

As discussed in point 5 above, the market values for the single-family residential, multi-family, commercial categories all had an increase. It should be noted that when computing the impact on homeowners and businesses, the respective tax rates are applied against any changes in the properties' market values in arriving at the 2026 tax levies.

The basis for establishing the 2026 municipal tax rates is to apply the budgeted increase in taxation requirement (5.1% for 2026).

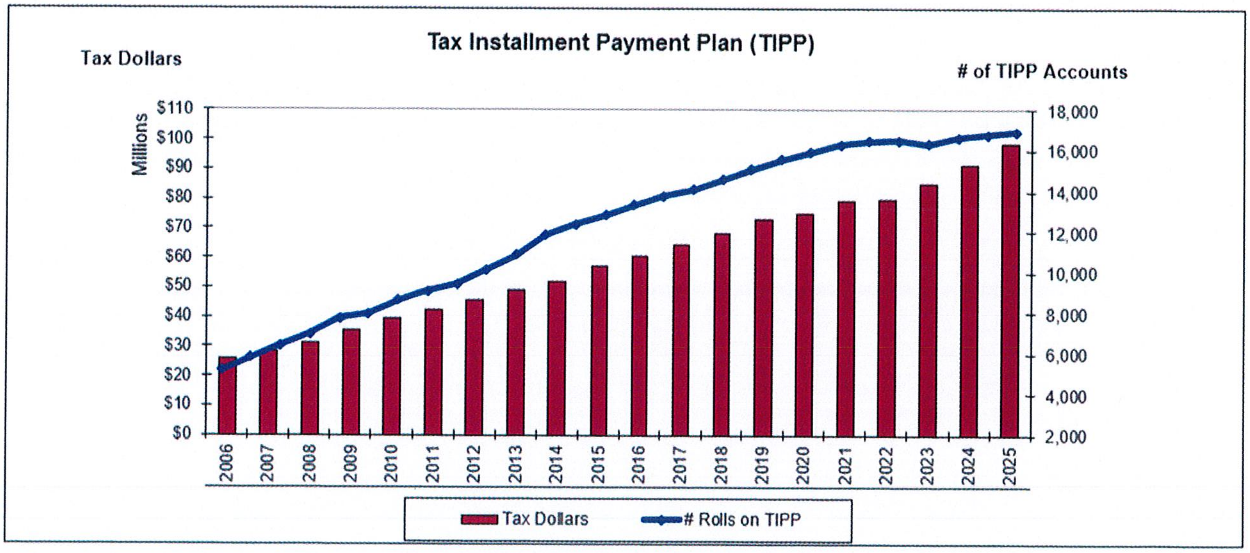
As noted in point 5 on the prior page, market values for all classes, single family, multi-family and non-residential have all increased. As a result, ratios between classes have only changed slightly. The non-residential to single family residential ratio increased to 2.79 to 1 (2025: 2.67 to 1) and the multi-family residential to single family ratio increased to 1.62 to 1 in 2026 (2025: 1.57 to 1).

Assessment / Taxation Notices
In 2026, Property Assessment Notices for all property types (single family residential, multi-family residential and non-residential) were mailed on January 2, 2026. Property owners not satisfied with the Assessment Department's justification of the estimate of market value had 69 days after the mailing date (i.e. to March 13, 2026) to formally appeal their assessment.

Tax notices for all properties will be mailed on May 28, 2026. The 2026 property taxes are due no later than the last business day in June (i.e. June 30, 2026). Penalties will apply to late payments.

Tax Installment Payment Plan

The Tax Installment Pre-Payment Plan (TIPP) Bylaw 6517 establishes a discount rate of 1.00% for taxpayers wishing to electronically pay their taxes by installments. The third reading of this bylaw will be submitted for an approval at the City Council meeting of April 28, 2026. A chart showing the history of the TIPP plan is shown below.



Property owners wanting to take advantage of the plan can sign up at City Hall, visit the City's website lethbridge.ca/TIPP or phone the Taxation Department at 311. Taxpayers already enrolled in the 2026 TIPP plan will automatically be carried forward to the 2027 plan. Any 2026 TIPP credits will be carried forward to reduce 2027 monthly installment amounts.

Policies and Programs

Under the City's **Tax Deferral Program**, property owners facing a tax increase of greater than 10% when compared to their "annualized" 2025 property taxes can defer the excess (i.e. the portion exceeding the 10% threshold). A form is attached to the Incentives for Prepayments, Penalty and Tax Deferral Bylaw 6510 that explains the two options for deferral. Application for this program must be made by June 30, 2026.

The Alberta Government's **Seniors Property Tax Deferral** program allows eligible senior homeowners to defer all or part of their property taxes through a low-interest home equity loan. Program details and application forms can be found on the Province of Alberta Seniors website at http://www.seniors.alberta.ca/seniors/property-tax-deferral.html, or call the Alberta Supports Contact line at 1-877-644- 9992.

For further information regarding 2026 assessment and taxation, property owners are encouraged to review the "Property Taxes Information Brochure" sent with their notices, or visit the city's website under Property Taxes https://www.lethbridge.ca/property-taxes/ (under Property Tax Brochure)" or for specific information about your property click "Property Assessments" and "Online Assessment".

Recommendation
Administration is recommending that the proposed Property Tax Bylaw 6516 to establish the 2026 tax rates for taxation purposes be given second and third reading on April 28, 2026, so that property tax notices can be mailed by May 28, 2026.

Respectfully submitted,

Jennifer Jerred, CPA, CA Controller	Darrell Mathews, CPA, CMA, CIA City Treasurer	Lloyd Brierley City Manager

Exhibit 1

CITY OF LETHBRIDGE
COMPARATIVE ANALYSIS OF 2026
TAXATION REQUIREMENTS

	Municipal Purposes	Green Acres Foundation	Designated Industrial	ASFF		Separate		
				Residential	Non-Residential	Residential	Non-Residential	Total
Gross 2026 taxation requirements	$ 206,727,025	$ 2,747,964	$ 26,388	36,667,529	$ 13,897,056	$ 4,926,951	$ 872,065	$ 265,864,978
Plus (minus) prior year's collection adjustment	N/A	(6,852)	0	239,453	(54,236)	(254,363)	69,705	(6,293)
Adjusted 2026 taxation requirements Per By-Law 6516	**206,727,025**	**2,741,112**	**26,388**	**36,906,982**	**13,842,820**	**4,672,588**	**941,770**	**265,858,685**
Less 2025 taxation requirements	194,145,259	2,490,946	24,008	32,165,315	12,588,482	4,323,194	835,158	246,572,362
Net dollar increase in taxation requirements	$ 12,581,766	$ 250,166	$ 2,380	4,741,667	$ 1,254,338	$ 349,394	$ 106,612	$ 19,286,323
Percentage increase	6.48%	10.04%	9.91%	14.74%	9.96%	8.08%	12.77%	7.82%

Municipal increase due to:	
2026 revenue requirement increase (as amended)	5.10%
Growth in assessment	1.38%
Total increase	6.48%

CITY OF LETHBRIDGE
ANALYSIS OF 2026 MILL RATES

	2026 Taxable Assessments	2026 Net Requirements	2026 MILL RATE Single family Residential	Multi-family Residential	Non-Residential	Designated Industrial
General Taxation						
Single family residential	15,225,133,080	$ 117,987,169	7.7495			
Multi-family residential	745,350,600	9,363,541		12.5626		
Commercial / Industrial	3,677,127,590	79,376,315			21.5865	
	19,647,611,270	**206,727,025**				
Green Acres Foundation	19,537,504,750	**2,741,112**	0.1403	0.1403	0.1403	
Designated Industrial Non residential	362,471,730	**26,388**				0.0728
School Tax - residential	15,916,233,981	41,579,570	2.6124	2.6124		
School Tax - non residential	3,611,105,839	14,784,590			4.0942	
	19,527,339,820	**56,364,160**				
		$ **265,858,685**				
2026 Combined mill rate			**10.5022**	**15.3153**	**25.8210**	**0.0728**
2025 Combined mill rate			10.5941	15.1281	25.2745	0.0701