

**Terminology of Taxation**

**Assessment**

Current value assessment placed on properties is affected by 2 factors: (i) growth in the municipality from new development, and (ii) increases in market value. With the implementation of market values at January 1, 2008, properties with an increase in assessment will incur an increase from 2009 to 2012. The increase in assessment is applied 25% to each of the 4 years. A decrease in value was applied in 2009.

**Tax Rate**

Rate applied to the assessment to determine the amount of funds available for the provision of municipal services.

**Levy**

In simple terms: Assessment X Tax Rate

<b>Impact of Increasing the LEVY</b>		<b>Increase over 2010 Levy</b>	<b>Impact on Tax Rate</b>
2010 Tax Levy	\$ 7,477,073		
1% Tax Levy Increase	\$ 7,551,844	\$ 74,771	-5.75%
2% Tax Levy Increase	\$ 7,626,614	\$ 149,541	-4.82%
3% Tax Levy Increase	\$ 7,701,385	\$ 224,312	-3.88%
4% Tax Levy Increase	\$ 7,776,156	\$ 299,083	-2.95%
5% Tax Levy Increase	\$ 7,850,927	\$ 373,854	-2.02%
6% Tax Levy Increase	\$ 7,925,697	\$ 448,624	-1.08%
Levy Increase            7.2%	\$ 8,012,471	\$ 535,398	0.00%

<b>Impact of increasing the TAX RATE</b>	<b>Tax Rate</b>	<b>Levy</b>	<b>Levy Increase</b>
2010 Residential Tax Rate	\$ 0.00553558	8,012,470.86	\$ 535,397.86
1% Tax Rate Increase	\$ 0.00559094	8,092,595.56	\$ 615,522.56
2% Tax Rate Increase	\$ 0.00564629	8,172,720.27	\$ 695,647.27
3% Tax Rate Increase	\$ 0.00570165	8,252,844.98	\$ 775,771.98

**2011 ASSESSMENT AT 2010 TAX RATES  
TOWN OF SOUTH BRUCE PENINSULA  
CALCULATION OF WEIGHTED ASSESSMENT AND TAX RATES -2011**

**Step 1 Calculate Weighted Assessment**

Class	Assessment (CVA)	Tax Ratio	Vacancy Factor	Weighted Assessment	Percentage Share of Total
RT Residential and Farm	1,347,255,342	1.0000	100%	1347255342	93.08%
RI Farmland awaiting development	502,405	1.0000	75%	376803.75	0.03%
MI Multi-Residential	7,273,327	1.0000	100%	7273327	0.50%
CT Commercial	50,528,704	1.2331	100%	62306944.9	4.30%
CU Commercial-excess land	286,680	1.2331	70%	247453.5756	0.02%
CX Commercial-vacant land	2,401,924	1.2331	70%	2073266.739	0.14%
CH Commercial - Full shared PIL		1.2331	100%	0	0.00%
CP Commercial - PIL - TTOP	376,650	1.2331	100%	464447.115	0.03%
XT New Construction - Commercial	3,499,691	1.2331	100%	4315466.972	0.30%
IT Parking Lot	60,381	1.2331	100%	74455.8111	0.01%
II Industrial	5,123,132	1.7477	100%	8953697.796	0.62%
IH Industrial - Full shared PIL	123,475	1.7477	100%	215797.2575	0.01%
IU Industrial-vacant bldg, excess land		1.7477	65%	0	0.00%
IX Industrial-excess land		1.7477	65%	0	0.00%
IU Pipelines	2,490,559	1.0164	100%	2531404.166	0.17%
PT Farmlands	41,983,415	0.2500	100%	10495853.75	0.73%
FT Managed Forest	3,458,913	0.2500	100%	864728.25	0.06%
TT					
<b>TOTAL</b>	<b>1,465,364,598</b>			<b>1447448993</b>	<b>1.00</b>

**RD Education Only Excluded**

**Step 2 Calculate Weighted Assessment**

Weighted CVA	1447448993	(A)
Levy Requirement	8,012,471	(B)
Class 1 Tax Rate	0.005535581	(B/A)
	8012470.855	

