

2019 AMO Conference Ministry of Finance Update

August 20, 2019

**Ministry of Finance
Provincial Local Finance Division**

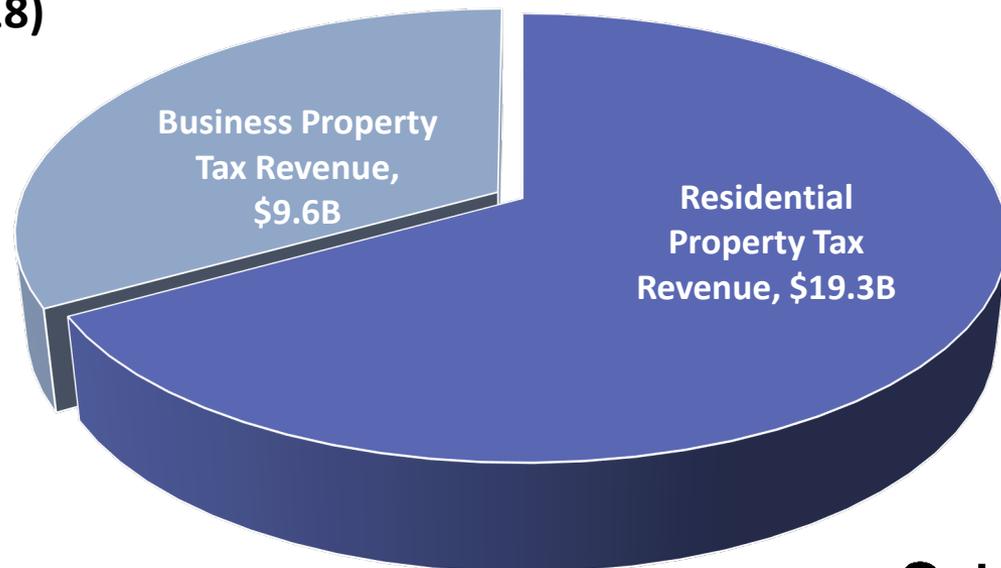
Ontario's Property Tax and Assessment System

Property tax is the largest single source of revenue for municipalities.

There are more than **five million properties** in Ontario, with a **total assessed value of almost \$2.8T.**

Property tax raises more than \$28B per year in Ontario to fund local services and to contribute to the funding of the public education system.

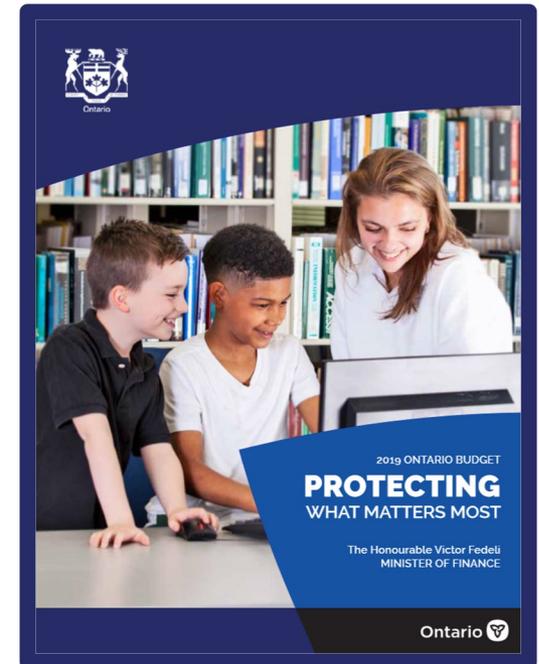
Property Tax Revenue (2018)



Review

- It is critical for the Province to have a well-functioning assessment system and for property assessments to be accurate.
- As announced in the 2019 Ontario Budget, the Province will be conducting a **review** to explore opportunities to:
 - 1 Enhance the accuracy and stability of property assessments;
 - 2 Support a competitive business environment;
 - 3 Provide relief to residents; and
 - 4 Strengthen the governance and accountability of the Municipal Property Assessment Corporation (MPAC).

To support a meaningful and informed review process, the government will consult with municipalities, businesses, and residents.



Review of the Ontario Municipal Partnership Fund (OMPF)

**OMPF is the Province's main general assistance grant to municipalities.
In 2019, the program is providing \$505 million to 389 municipalities.**

The Province is reviewing the OMPF to ensure the program is sustainable and focused on northern and rural municipalities that need this funding the most.

As part of the review, the Ministry of Finance has been consulting with municipalities on the 2020 program.

- Through these discussions, the government has heard that for 2020 municipalities have emphasized the need for stability in funding to allow time to plan.
- Municipal 2020 allocations will be announced well in advance of the municipal budget year.

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OMPF