



—The TOWNSHIP of—
NORTH DUMFRIES

106 Earl Thompson Road, 3rd Floor
PO Box 1060
Ayr, ON N0B 1E0

January 31, 2025

Sent via Email

RE: Resolution – Aggregate Extraction Property Class for 2025 Taxation Year

Please be advised, at the Council Meeting held on January 13, 2025, the Township of North Dumfries Council considered the enclosed correspondence from the Ministry of Finance.

Township Council adopted the following resolution:

“THAT the Mayor be directed to prepare and submit correspondence to the Top Aggregate Producing Municipalities of Ontario (TAPMO), Association of Municipalities of Ontario (AMO), Minister of Finance, the Minister of Natural Resources and the Premier of Ontario raising concerns and outlining the implications associated with the implementation of the new property tax sub-class that was established in December 2024 by the Province related to the aggregate sector;

AND THAT the Area Municipalities of Waterloo Region, the Region of Waterloo and MPP Brian Riddell be copied on the correspondence.”

Please feel free to contact me if you have any questions, or concerns.

Sincerely,

Ashley Good

Ashley Good, Clerk
Township of North Dumfries
519-632-8800 ext. 122
agood@northdumfries.ca

encl.

cc. Mayor Foxton, Township of North Dumfries; Area Municipalities of Waterloo Region; Region of Waterloo and MPP Brian Riddell

Ministry of Finance

Provincial-Local Finance Division

Frost Building North
95 Grosvenor Street
Toronto ON M7A 1Z1

Ministère des Finances

Division des relations provinciales
municipales en matière de finances

Édfice Frost nord
95 rue Grosvenor
Toronto ON M7A 1Z1



December 11, 2024

Dear Municipal Treasurer/Clerk-Treasurer:

I am writing to provide an update regarding the aggregate extraction property class for the 2025 taxation year.

As previously outlined in my letter of October 3, 2024, a new property class for aggregate extraction sites will come into effect on January 1, 2025. This class is reflected on the assessment roll that the Municipal Property Assessment Corporation (MPAC) has delivered to municipalities on December 10, 2024.

Municipal transition tax ratios and provincial education tax rates for the new class have been established to provide an overall \$6M tax reduction to properties in the aggregate extraction property class relative to the original 2024 tax level before the temporary aggregate extraction sub-class was implemented.

On a province-wide basis, the \$6M reduction is comprised of \$3M municipal tax and \$3M education tax. Municipalities overall will still benefit from the majority of the incremental tax revenues that resulted from the assessment methodology changes implemented by MPAC for these properties in 2024.

Regulations have been filed under the *Municipal Act, 2001* and the *Education Act* to implement the municipal property tax framework and education tax rates for the new class. These regulations are currently available on the provincial e-laws web-site.

The following are prescribed for the aggregate extraction property class:

- Ontario Regulation 510/24 sets the transition tax ratios for each municipality;
- Ontario Regulation 509/24 sets an allowable range for municipal tax ratios of 0.6 to 1.1;
- Ontario Regulation 511/24 sets a municipal levy restriction threshold of 2.63;
- Ontario Regulation 512/24 sets an education property tax rate of 0.511%.

The 2025 municipal tax ratio and education property tax rate framework for the aggregate extraction property class will be reflected in the Online Property Tax Analysis (OPTA) system. Should you have any questions concerning the OPTA system, please contact the OPTA help desk at 416-591-1110 or 1-800-998-5739.

Maintaining a close relationship with municipal partners remains critical as our government continues to build a strong Ontario. We look forward to continuing to work with you to ensure predictability and sustainability for municipalities and businesses.

If you have questions related to this update, please contact Diane Ross, Director, Property Tax and Assessment Policy Branch, Ministry of Finance, at diane.ross@ontario.ca.

Sincerely,



Ian Freeman, CPA, CMA
Assistant Deputy Minister
Provincial-Local Finance Division