



Table of Contents

Part I. Interpretation..... 4

 Short Title4

 Headings.....4

 References to Applicable Law4

 Definitions.....4

Part II. Optional Tools 4

 Administering Limits for Certain Property Classes4

 Administering Limits for Eligible Properties – New Construction5

Part III. Tax Ratios and Tax Rates 6

 Establish Rates to be Levied Against the Assessment.....6

 Tax Ratios6

 Tax Rate Reductions6

 Tax Rates Levied for School Board Purposes6

 Estimates for the Sums Required for the County of Grey6

 Levy Rates on Business Classes for the Downtown Improvement Area7

 Levy Rates for Utility Transmission Corridors7

Part IV. Method of Tax Payments..... 7

 Timing7

 Pre-Authorized Tax Payment Plan7

 Tax Bill7

Part V. Enactment 8

 Enactment.....8

Consolidated Version

Revision History:	Passed On:	Description of amendment
2026-041	April 27, 2026	original
2026-069	June 15, 2026	Reference policy no. AF020 in s.30

Consolidated for Convenience Only

This is a consolidation copy of a City of Owen Sound By-law for convenience and information. While every effort is made to ensure the accuracy of this by-law, it is not an official version or a legal document. The original by-law should be consulted for all interpretations and applications on this subject. For more information or to view by-laws please contact the Clerks Department.

The Corporation of the City of Owen Sound

By-law No. 2026-041

A By-law to Adopt a Policy Respecting Taxes
for the City of Owen Sound

WHEREAS on December 22, 2025, the Mayor of The Corporation of the City of Owen Sound (the "City") tabled their proposed 2026 budget of all sums required during the year for the purposes of the City, and on February 9, 2026 final budget amendments were confirmed by City Council and the budget was deemed to be adopted;

WHEREAS section 312 of the *Municipal Act, 2001*, S.O. 2001 c.25, as amended (the "Municipal Act") provides that the council of a local municipality shall, after the adoption of estimates for the year, pass a by-law to levy a separate tax rate on the assessment in each property class; and

WHEREAS sections 307 and 308 of the Municipal Act require tax rates to be established in the same proportion to tax ratios; and

WHEREAS a municipality may, in accordance with Section 329.1 of the Municipal Act and Ontario Regulation 73/03, modify the provisions and limits set out in Part IX of the Act, with respect to the calculation of taxes for municipal and school purposes for properties in the Multi-Residential, Commercial and Industrial property classes; and

WHEREAS the municipality may, in accordance with the terms and provisions of Ontario Regulation 73/03 as made and amended under the Act, pass a by-law ending the application of Part IX of the Act for the Multi-Residential and Industrial property classes; and

WHEREAS pursuant to an order under section 25.2 of the former *Municipal Act*, R.S.O. 1990, c. M.45, dated June 30, 2001 and Ontario Regulation 311/01 the Corporation of the City of Owen Sound (the "City") has maintained separate tax ratios from the County and establishes tax ratios pursuant to Ontario Regulation 311/01 and section 308(4) of the Municipal Act; and

WHEREAS Ontario Regulation 311/01 provides that the City shall establish and levy, with respect to each upper-tier levy of the County under Section 311 of the Municipal Act, a separate tax rate on the assessment in each property class in the City rateable for purposes of the upper-tier levy sufficient to raise the City's portion of the upper-tier levy; and

WHEREAS the Province of Ontario approved Ontario Regulation 297/25 under the *Education Act*, R.S.O. 1990, c. E.2 (the "Education Act") amending Ontario Regulation 400/98 to prescribe the education rates for the assessment in each property class for 2026; and

WHEREAS section 208(1) of the Act provides that the City shall levy rates on all persons assessed for business assessment in the area designated by By-law No.

2000-061 as an Improvement Area for the estimated expenditures determined by the Board of Management and approved by the Council of the City; and

WHEREAS section 342 of the Act provides that a municipality may pass by-laws providing for the payment of taxes in instalments and due dates; and

WHEREAS section 345 of the Act provides that a municipality may impose late payment charges in the form of penalties and interest for the non-payment of taxes or an instalment by the due date; and

WHEREAS City Council may deem it expedient and necessary to defer the imposition of all new penalties and interest charges during a declared emergency and as such reserve the ability to direct the Treasurer not to impose any such late payment charges for non-payment or late payment of taxes for a period specified by City Council; and

WHEREAS on April 13, 2026, City Council passed Resolution No. R-260413-005 directing staff to bring forward a by-law to authorize the collection of 2026 property taxes based on the approved tax ratios and rates, in consideration of staff report CR-26-038;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF OWEN SOUND HEREBY ENACTS AS FOLLOWS:

Part I. Interpretation

Short Title

1. This by-law shall be known as the "Tax Policy By-law".

Headings

2. The division of this by-law into parts and the insertion of headings are for convenient reference only and shall not affect the interpretation of the by-law.

References to Applicable Law

3. All references to applicable law are ambulatory and apply as amended from time to time.

Definitions

4. For the purposes of this by-law:
"Act" means the *Municipal Act, 2001*, S.O. 2001, c. 25;
"City" means The Corporation of the City of Owen Sound;
"County" means The Corporation of the County of Grey;
"Treasurer" means the Treasurer appointed by the City.

Part II. Optional Tools

Administering Limits for Certain Property Classes

5. Having determined that the eligibility requirements set out under Section 8.2 of Ontario Regulation 73/03 have been met in respect of the Multi-Residential and Industrial property classes, the City opted to end the application of Part IX of the Act for these classes in 2016.
6. Having determined that the eligibility requirements set out under Section 8.3 of Ontario Regulation 73/03 have been met in respect of the

Commercial property class, the City opted to phase-out the application of Part IX of the Act for that class with 2020 being the first year after the completion of the four-year phase-out.

7. Paragraphs 1, 2, and 3 of subsection 329.1(1) of the Act shall apply to the Commercial property classes.
8. In determining the amount of taxes for municipal and school purposes for the year under subsection 329(1) and the amount of the tenant's cap under subsection 332(5), the greater of the amounts determined under paragraphs a) and b) as set out below shall apply in determining the amount to be added under paragraph 2 of subsection 329(1), and the increasing amount under paragraph 2 of subsection 332(5).
9. The percentage set out in subsections 329(1) paragraph 2 and 332(5) paragraph 2 of the Act shall be ten per cent (10%).
10. The amount of the uncapped taxes for the previous year shall be multiplied by 10 per cent (10%).
11. The amount of the taxes for municipal and school purposes for a property for a taxation year shall be:
 - a. the amount of the uncapped taxes for the property for the year if the amount of the uncapped taxes exceeds the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section, as modified under section 329.1 of the Act and this by-law, by five hundred dollars (\$500.00) or less.
12. Paragraphs 1, 2 and 3, of section 8.0.2(2) of Ontario Regulation 73/03 shall apply to the Commercial property classes.
13. Properties shall be exempt from the capping calculations set out under Part IX of the Act. The capped taxes for the property in the previous year were:
 - a. equal to its uncapped taxes for that year;
 - b. lower than the property's uncapped taxes for that year, and the current year's capped taxes would be higher than the current year's uncapped taxes if Part IX were applied; and
 - c. higher than the property's uncapped taxes for that year, and the current year's capped taxes would be lower than the current year's uncapped taxes if Part IX were applied.

Administering Limits for Eligible Properties – New Construction

14. Paragraph 8 of subsection 329.1(1) of the Act shall apply to the Commercial property class.
15. For all properties that become eligible within the meaning of subsection 331 (20) of the Act, the taxes for municipal and school purposes for the year or portion of the year shall be the greater of:
 - a. the amount of the taxes determined for the property for 2026 under subsection 331(2), and
 - b. the amount of the uncapped taxes for the property for 2026 multiplied by one hundred per cent (100%).

Part III. Tax Ratios and Tax Rates

Establish Rates to be Levied Against the Assessment

16. The City shall levy upon the assessment values for all properties the tax rates for general purposes set out in Schedule A of this by-law.

Tax Ratios

17. That for the taxation year 2026, the tax ratio for property in:
 - a. the Residential property class is 1.000000;
 - b. the Multi-Residential property class is 1.000000;
 - c. the New Multi-Residential property class is 1.000000
 - d. the Commercial property class is 1.715420;
 - e. the Residual Industrial property class is 1.831000;
 - f. the Large Industrial property class is 1.831000;
 - g. the Pipelines property class is 2.95982500;
 - h. the Farm property class is 0.250000;
 - i. the Farmland Awaiting Development property class is 1.000000; and
 - j. the Managed Forests property class is 0.250000.

Tax Rate Reductions

18. The tax reduction used to establish the ratios for the subclasses below is:
 - a. 75% for the subclass designated as R1 (taxable at the Farm Awaiting Development Phase I rate – registered plan stage).
19. There shall be no tax reduction in establishing the ratios for the Vacant Land, Vacant Units or Excess land subclasses in either of the Commercial or Industrial property classes, effective the passing of this by-law.

Tax Rates Levied for School Board Purposes

20. The City shall levy upon all property classes the tax rate as prescribed by the Province of Ontario for school board purposes set out in Schedule C of this by-law.
21. The property tax levy for school board purposes raised from all property classes, as levied, shall be paid in accordance with the provisions of the Education Act and the Regulations made under it.

Estimates for the Sums Required for the County of Grey

22. The City adopts the sum of Ten Million, Two Hundred and Eighty-Eight Thousand, Four Hundred Seventy-Three Dollars (\$10,288,473) as the estimates of the property tax levy required for County Purposes.
23. The City shall levy upon the assessment values for all properties that have been derived from the assessment rolls the tax rates for County purposes set out in Schedule B of this by-law.

Levy Rates on Business Classes for the Downtown Improvement Area

24. For the purposes of the board of management of the business improvement area, the City shall levy the amounts calculated for each prescribed business property class and subclass set out in the table below:

Prescribed Business Class/Subclass	Rateable Assessment	Special Charge	Total Special Charge
Commercial	\$56,072,411	0.00482899%	\$ 270,773.15
Commercial Vacant Units & Excess Land	\$ 234,800	0.00482899%	\$ 1,133.85

Levy Rates for Utility Transmission Corridors

25. The City shall levy against utility transmission corridor acreage assessments the tax rate as prescribed by the Province for municipal and school board purposes.
26. The property tax levied by the City from utility transmission corridors for school board purposes shall be paid in accordance with the provisions of the Education Act and the Regulations passed thereunder.

Part IV. Method of Tax Payments

Timing

27. The balance of the rates and taxes assessed and levied respecting taxes in all wards and the Downtown Improvement Area levy shall be payable as follows:
- the first instalment shall be payable on the 30th day of June, 2026.
 - the second instalment shall be payable on the 29th day of September, 2026.
28. If default is made in the payment of any instalment by the day named herein for payment thereof, the subsequent instalment or instalments shall forthwith become payable, and penalty will be charged in accordance with the City's Fees and Charges By-law or, where applicable, any successor by-law thereto.
29. During a declared emergency, Council may deem it expedient and necessary to defer the imposition of all new penalties and interest discussed above for late payment or non-payment of taxes for a period to be specified by Council or for the duration of the declared emergency.

Pre-Authorized Tax Payment Plan

30. Payment may also be made in accordance with section 19 of the City's Tax Collection and Billing Policy AF020.
31. No discount shall be allowed in respect of prepayment of the second instalment.

Tax Bill

32. The Treasurer shall send a tax bill to the taxpayer in accordance with section 343 of the Act and have regard to the timing, contents and address for delivery set out in the Act
33. Pursuant to the provisions of section 348(1) of the Act, the Treasurer shall by February 28 in each year determine the position of every tax account as of December 31 of the preceding year.

Part V. Enactment

Enactment

34. This by-law shall come into full force and effect upon the final passing thereof at which time all by-laws, policies and resolutions that are inconsistent with the provisions of this by-law are hereby repealed insofar as it is necessary to give effect to the provisions of this by-law.

FINALLY PASSED AND ENACTED this 27th day of April, 2026.

signature on file

Mayor Ian C. Boddy

signature on file

Briana M. Bloomfield, City Clerk

Schedule A - Tax Rates and Estimates for City Levy

				City Taxes		
	RTC	2026		2026		Total Taxes
	RTQ	PHASE-IN		EFFECTIVE		by
		Assessment	Tax Ratios	Tax Rates	Taxation	Major Classes
Taxable						
Residential/Farm	RT	1,808,578,413	1.00000000	0.01520351	24,456,038	24,456,038
Multi-residential	MT	154,756,367	1.00000000	0.01520351	2,352,840	2,352,840
New Multi-Residential	NT	49,449,400	1.00000000	0.01520351	751,804	751,804
Com. Occupied	CT	269,289,616	1.71542000	0.02608041	7,023,182	
Com. Excess Land	CU	2,190,661	1.71542000	0.02608041	57,134	
Com. Vacant Land	CX	4,102,800	1.71542000	0.02608041	106,997	
Com. Occupied - full - shared PIL	CH	619,000	1.71542000	0.02608041	16,144	
Com Office Building Occupied	DT	10,033,109	1.71542000	0.02608041	261,668	
Com Shopping Centre Occupied	ST	56,795,767	1.71542000	0.02608041	1,481,257	
Com Shopping Centre Excess Land	SU	1,060,100	1.71542000	0.02608041	27,648	
Parking Lot- Full	GT	89,000	1.71542000	0.02608041	2,321	8,976,351
Ind. Farmland 1	IL	85,000	0.25000000	0.00380088	323	
Ind. Occupied	IT	12,176,254	1.83100000	0.02783763	338,958	
Ind. Excess Land	IU	172,700	1.83100000	0.02783763	4,808	
Ind. Vacant Land	IX	2,887,000	1.83100000	0.02783763	80,367	
Ind. Occupied - SHARED PIL	IH	649,500	1.83100000	0.02783763	18,081	
Large Industrial Occupied	LT	15,355,200	1.83100000	0.02783763	427,452	
Large Industrial Vacant units	LU	177,100	1.83100000	0.02783763	4,930	874,919
Pipelines	PT	6,196,000	2.95982500	0.04499973	278,818	278,818
Farmlands	FT	3,359,800	0.25000000	0.00380088	12,769	12,769
Managed Forest	TT	71,100	0.25000000	0.00380088	270	270
Total Taxable		2,198,093,527			37,703,810	37,703,810
Payment in Lieu						
Residential/Farm - full	RF		0.00000000	0.00000000	0	
Residential/Farm - General	RG	6,600	1.00000000	0.01520351	100	100
Multi-residential	MF	2,012,000	1.00000000	0.01520351	30,589	30,589
Com. Occupied - full	CF	6,130,700	1.71542000	0.02608041	159,891	
Com. Occupied - municipal	CG	11,247,300	1.71542000	0.02608041	293,334	
Com. Vac. Land- full	CY	1,076,000	1.71542000	0.02608041	28,063	
Com Parking Lot	GF	929,600	1.71542000	0.02608041	24,241	505,532
Total PIL		21,402,200			536,222	536,222
Taxable Assessment		2,219,495,727			38,240,032	38,240,032
Exempt Assessment		281,369,100				
Total Municipal Assessment		2,500,864,827				

Schedule B - Estimates of the Sums Required for Grey County

				County Taxes		
	RTC	2026		2026		Total Taxes
	RTQ	PHASE-IN		EFFECTIVE		by
		Assessment	Tax Rates	Tax Rates	Taxation	Major Classes
Taxable						
Residential/Farm	RT	1,608,578,413	1.00000000	0.00409050	6,579,890	6,579,890
Multi-residential	MT	154,756,367	1.00000000	0.00409050	633,031	633,031
New Multi-Residential	NT	49,449,400	1.00000000	0.00409050	202,273	202,273
Com. Occupied	CT	269,289,816	1.71542000	0.00701693	1,889,586	
Com. Excess Land	CLJ	2,190,881	1.71542000	0.00701693	15,372	
Com. Vacant Land	CX	4,102,800	1.71542000	0.00701693	28,788	
Com. Occupied - full - shared PIL	CH	619,000	1.71542000	0.00701693	4,343	
Com Office Building Occupied	DT	10,033,109	1.71542000	0.00701693	70,402	
Com Shopping Centre Occupied	ST	56,795,787	1.71542000	0.00701693	398,532	
Com Shopping Centre Excess Land	SU	1,060,100	1.71542000	0.00701693	7,439	
Parking Lot- Full	GT	89,000	1.71542000	0.00701693	625	2,415,086
Ind. Farmland 1	IL	85,000	0.25000000	0.00102263	87	
Ind. Occupied	IT	12,176,254	1.83100000	0.00748971	91,197	
Ind. Excess Land	IU	172,700	1.83100000	0.00748971	1,293	
Ind. Vacant Land	IX	2,887,000	1.83100000	0.00748971	21,623	
Ind. Occupied - SHARED PIL	IH	649,500	1.83100000	0.00748971	4,865	
Large Industrial Occupied	LT	15,355,200	1.83100000	0.00748971	115,006	
Large Industrial Vacant units	LU	177,100	1.83100000	0.00748971	1,326	235,397
Pipelines	PT	6,196,000	2.95982500	0.01210716	75,016	75,016
Farmlands	FT	3,359,600	0.25000000	0.00102263	3,436	3,436
Managed Forest	TT	71,100	0.25000000	0.00102263	73	73
Total Taxable		2,198,093,527			10,144,200	10,144,200
Payment in Lieu						
Residential/Farm - full	RF		0.00000000	0.00000000	0	
Residential/Farm - General	RG	6,800	1.00000000	0.00409050	27	27
Multi-residential	MF	2,012,000	1.00000000	0.00409050	8,230	8,230
Com. Occupied - full	CF	6,130,700	1.71542000	0.00701693	43,019	
Com. Occupied - municipal	CG	11,247,300	1.71542000	0.00701693	78,921	
Com. Vac. Land - full	CY	1,076,000	1.71542000	0.00701693	7,550	
Com Parking Lot	GF	929,800	1.71542000	0.00701693	6,523	136,013
Total PIL		21,402,200			144,270	144,270
Taxable Assessment		2,219,495,727			10,288,471	10,288,471
Exempt Assessment		281,369,100				
Total Municipal Assessment		2,500,864,827				

Schedule C – Tax Rates Levied for School Board Purposes

	RTC	2026	Tax Rates	Education		
				2026	Taxation	Total Taxes by Major Classes
Assessment	RTQ	PHASE-IN				
Taxable						
Residential/Farm	RT	1,808,578,413	1.00000000	0.00153000	2,461,125	2,461,125
Multi-residential	MT	154,758,367	1.00000000	0.00153000	236,777	236,777
New Multi-Residential	NT	49,449,400	1.00000000	0.00153000	75,658	75,658
Com. Occupied	CT	269,289,618	1.71542000	0.00880000	2,369,749	
Com. Excess Land	CU	2,190,681	1.71542000	0.00880000	19,278	
Com. Vacant Land	CX	4,102,800	1.71542000	0.00880000	36,103	
Com. Occupied - full - shared PIL	CH	619,000	1.71542000	0.01250000	7,738	
Com Office Building Occupied	DT	10,033,109	1.71542000	0.00880000	88,291	
Com Shopping Centre Occupied	ST	58,795,787	1.71542000	0.00880000	499,803	
Com Shopping Centre Excess Land	SU	1,060,100	1.71542000	0.00880000	9,329	
Parking Lot- Full	GT	89,000	1.71542000	0.00880000	783	3,031,073
Ind. Farmland 1	IL	85,000	0.25000000	0.00038250	33	
Ind. Occupied	IT	12,178,254	1.83100000	0.00880000	107,151	
Ind. Excess Land	IU	172,700	1.83100000	0.00880000	1,520	
Ind. Vacant Land	IX	2,887,000	1.83100000	0.00880000	25,406	
Ind. Occupied - SHARED PIL	IH	649,500	1.83100000	0.01250000	8,119	
Large Industrial Occupied	LT	15,355,200	1.83100000	0.00880000	135,126	
Large Industrial Vacant units	LU	177,100	1.83100000	0.00880000	1,558	278,912
Pipelines	PT	6,196,000	2.95982500	0.00880000	54,525	54,525
Farmlands	FT	3,359,600	0.25000000	0.00038250	1,285	1,285
Managed Forest	TT	71,100	0.25000000	0.00038250	27	27
Total Taxable		2,198,093,527			6,139,382	6,139,382
Payment in Lieu						
Residential/Farm - full	RF		0.00000000	0.00000000	0	
Residential/Farm - General	RG	6,800	1.00000000	0.00000000	0	0
Multi-residential	MF	2,012,000	1.00000000	0.00153000	3,078	3,078
Com. Occupied - full	CF	6,130,700	1.71542000	0.01250000	76,634	
Com. Occupied - municipal	CG	11,247,300	1.71542000	0.00000000	0	
Com. Vac. Land - full	CY	1,078,000	1.71542000	0.01250000	13,450	
Com Parking Lot	GF	929,600	1.71542000	0.01250000	11,620	101,704
Total PIL		21,402,200			104,782	104,782
Taxable Assessment		2,219,495,727			6,244,164	6,244,164
Exempt Assessment		281,369,100				
Total Municipal Assessment		2,500,864,827				