



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 1705-20/1715-20

From: Director of Finance

Date: April 15, 2026

Subject: 2026 Tax Rate Bylaw No. 3217, 2026

PURPOSE:

To seek first, second, and third readings of “2026 Property Tax Rate Bylaw No. 3217, 2026” that provides property tax rates for 2026.

BACKGROUND:

Per Section 197 of the Community Charter, each year, after adoption of the financial plan but before May 15, a council must, by bylaw, impose property value taxes for the year by establishing tax rates for

- a) the municipal revenue proposed to be raised for the year from property value taxes, as provided in the financial plan, and
- b) the amounts to be collected for the year by means of rates established by the municipality to meet its taxing obligations in relation to another local government or other public body.

The City has adopted the “2026-2030 Financial Plan Bylaw No. 3211, 2026” on February 25th, 2026, satisfying the Community Charter requirement of having an adopted financial plan prior to adoption of a tax rate bylaw.

DISCUSSION:

The “2026 Property Tax Rate Bylaw No. 3217, 2026” contains tax rates for the following organizations:

- City of Courtenay
- Vancouver Island Regional Library
- Comox Valley Regional District (General Assessment Based Services)
- Comox Valley Regional District (Hospital Assessment Based Services)
- Comox Strathcona Regional Hospital District
- Downtown Courtenay Business Improvement Area

The City collects taxation on behalf of Provincial School Tax, Municipal Finance Authority and BC Assessment Authority, however these organizations approve and provide their own tax rates and therefore are not included in the City’s tax rate bylaw. The City is responsible for distributing total taxes collected to all other taxing authorities.

POLICY ANALYSIS:

“2026-2030 Financial Plan Bylaw No. 3211, 2026” authorizes the revenue to be collected and spending to be completed in the year. The financial plan bylaw must be adopted prior to the tax rate bylaw.

FINANCIAL IMPLICATIONS:

The annual property tax rate bylaw sets the property tax rates per \$1,000 of assessed property value. The tax rate bylaw itself does not authorize spending or revenue collection it is simply the tool to provide the property tax rate that is applied to individual properties assessed values to calculate property taxes charged.

ADMINISTRATIVE IMPLICATIONS:

Once the property tax rate bylaw is adopted staff will prepare the annual property tax notices that are normally mailed out mid-May.

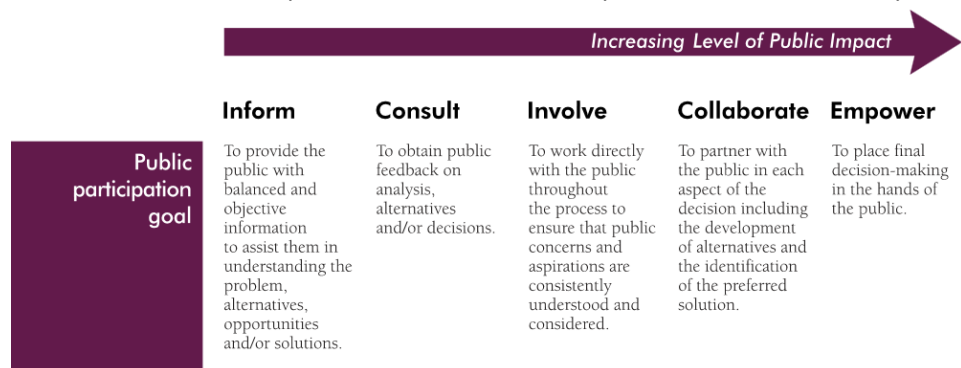
Once notices are mailed the annual collection process starts very quickly with a combination of in-person engagement with clerks at City Hall and electronic engagement coincident with the timing of mail delivery. The typical experience has an increase in activity in late May when property owners first receive their property tax notice, and then a final rush leading up to the deadline which is Wednesday July 2, 2026 (consistent with prior years).

If property taxes remain unpaid after the July 2 deadline a 10% penalty is applied to the outstanding balance on current year’s taxes. There is no daily interest charged on current year’s unpaid taxes until January 1st of the following year. Unpaid taxes from 2026 carrying over to 2027 are considered in arrears and are charged daily interest until paid. Unpaid taxes from 2025 carrying over to 2027 are considered delinquent and are also charged daily interest until paid. If delinquent property taxes are not paid by the September tax sale deadline the property will be put up for sale at the annual tax sale.

Interest is only charged on the outstanding balance of taxes. Interest rates are dictated by the Province and the effective interest rate as of April 1, 2026, is 7.45% with the next rate updated scheduled to occur on July 1, 2026.

PUBLIC ENGAGEMENT:

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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OPTIONS:

1. THAT Council give first, second and third reading to “2026 Property Tax Rate Bylaw No. 3217, 2026”.
2. THAT Council provide alternative direction to staff.

ATTACHMENTS:

1. 2026 Property Tax Rate Bylaw No. 3217, 2026

Prepared by: Adam Langenmaier BBA, CPA, CA, Director of Finance

Concurrence: Geoff Garbutt, M.PI., MCIP, RPP, City Manager (CAO)