



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: May 11, 2026

Report No: ES-030-26

Subject: 2025 Tax and Assessment Activity Update

Recommendation: **THAT report ES-030-26, 2025 Tax and Assessment Activity Update, be received for information.**

EXECUTIVE SUMMARY

The purpose of this report is to provide Council with an update on tax and assessment activities and to highlight staff efforts in accordance with Corporate Policy 111 (Financial Management – Taxation and Assessment Base Management). Notable points related to 2025 include, but are not limited to:

- the 2025 assessment roll included 44,608 billable properties from which property tax billing for \$295 million in revenue occurred through the combined levies for the Town, Halton Region and the School Boards;
- Over the phone service remained a primary avenue for property owners to engage the Town with respect to their account(s), with 14,908 calls in 2025, followed by 8,510 emails and 2,374 in person visits at Town Hall;
- Utilization of the Town's autopay and eBilling services continued to grow in 2025, with enrollment levels of 8,820 and 7,892 for each program, respectively;
- 94.8% of the current year levy was collected by 2025 year end, representing a decrease from the most recent years. The volume of overdue and other arrears-related notices also increased in 2025. No properties proceeded to public sale in 2025.
- Appeal-related activity remained relatively low in 2025, in part due to the timing of the most recent re-assessment cycle as the current assessment values (CVA) utilized in the Province of Ontario remain fixed at a date of January 1, 2016. That CVA valuation date will continue to be utilized in 2026;
- The Town progressed in 2025 on the transition to a new software platform for property tax administration, with a go-live date expected in Q2 2026. Future activity level reporting will be influenced by the adoption of the new platform and related public self-service portal.

REPORT

Background

Property taxation is the primary source of municipal revenue, funding a broad range of services delivered by the Town, Region, and Province (education). The Town of Milton is responsible for billing and collecting property taxes on behalf of all three levels of government. Property taxes are levied through interim and final billings, with supplementary and omitted billings issued throughout the year as required. Remittances are issued to the Region and school boards in accordance with legislated requirements. Services that are provided by staff in relation to taxation include, but are not limited to:

- In-person revenue collection at Town Hall;
- Supporting property owners in-person, over-the-phone and via email correspondences;
- Autopay program oversight and administration;
- Electronic billing (ebilling) oversight and administration;
- Tax certificate issuance;
- Arrears collection activities (overdue notices, warning notices, application of penalty and interest, etc.);
- Maintenance and updates of property tax web pages and public messaging.

Assessment Base Management (ABM) is a continual process that encompasses a wide range activities that are designed to ensure that assessment values are fair and accurate, and to prevent possible erosion to the assessment base. This process is complimentary to the taxpayer's right to seek relief and helps to ensure that reductions or increases to assessment created through the appeal process are equitable.

In December of each year, the Municipal Property Assessment Corporation (MPAC) provides the Assessment Roll to each municipality for the following taxation year. An audit of the Roll is carried out by staff to identify errors and omissions such as:

- current value assessments that are too high or too low;
- incorrect business and tax classification (i.e. commercial vs industrial);
- change in use due to rezoning;
- change in use due to cease farming;
- land or building omitted from the Roll;
- demolished buildings not removed from the Roll;
- building improvements such as new additions not yet assessed;
- change in tax status (i.e. exempt to taxable).

In addition to the audit outlined above, staff analyze and review development applications, building permit lists, and sales of local properties. The findings are submitted to MPAC along with any requested changes or updates. Staff also process ownership changes, Assessment



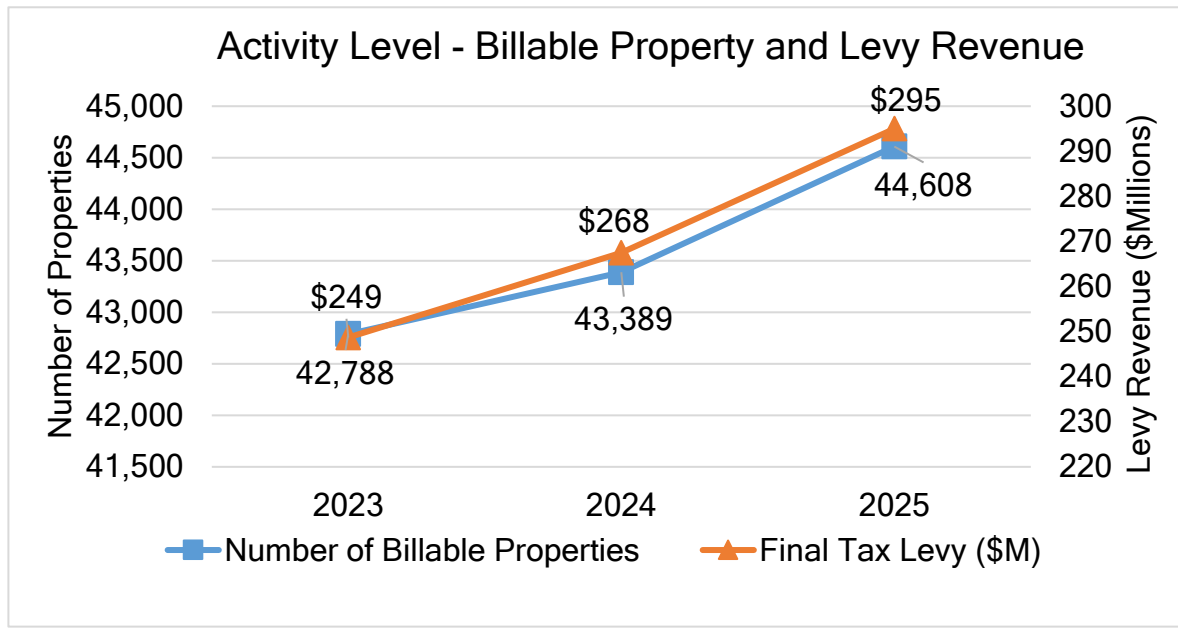
Background

Review Board decisions as well as land apportionments, and administer various financial relief programs.

Discussion

Property Tax Collection Activity

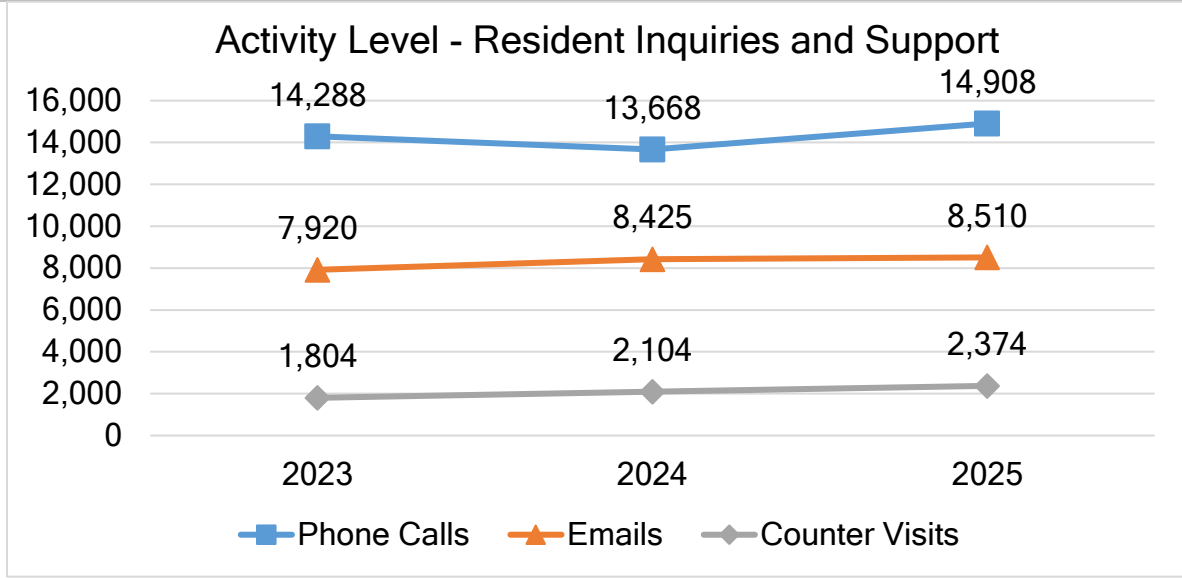
The year 2025 saw continued growth in the number of billable properties within the Town of Milton, as well as the total property tax revenue to be collected on behalf of the Town, the Region and the School Boards. Billable properties grew by 2.8% to 44,608 and levy revenue grew by 10.3% to \$295 million as shown in the following graph.



Over the past three years, customer service volumes across all three intake formats (i.e. in-person at the property tax counter at Town hall, phone and email) have remained relatively stable with gradual growth within each as shown in the graph below. Inquiries received may span a wide range of topics, with common requests relating to tax balances, property assessment (classification and valuation), and tax billing matters. Phone calls remain the largest method of intake in 2025 representing 58% of the volume, followed by emails at 33% and in-person counter visits at 9%.



Discussion

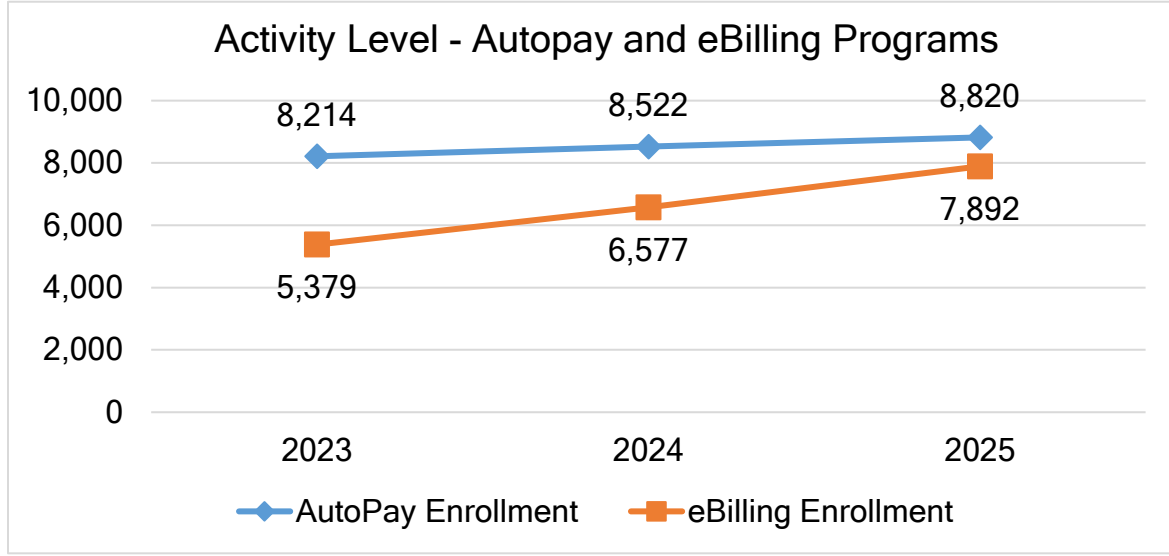


The Town provides updates and promotes property tax due dates and form changes across the Town’s website and social media platforms. 2025 saw increased activity levels related to property tax related content, with a 5.9% increase to 19,937 visits.

	2023	2024	2025
Total Property Tax Webpage Visits	19,057	18,827	19,937

The Town offers four Pre-Authorized Payment (Autopay) programs for property taxes: end-of-month, mid-month, semi-monthly, and the due date instalment plan. The number of accounts enrolled in these programs has increased over recent years, including a 3.5% growth rate in 2025. The Town also offers an eBilling platform for property owners, which saw continued growth in usage in 2025 with a 20% growth to 7,892 properties enrolled. The three-year trend for each of these services is presented below.

Discussion



Arrears on property tax accounts increased in 2025, reflected both in the percentage that the current year levy was collected by year-end, as well as the increased volume of notices that were sent to property owners as shown in the table below.

	2023	2024	2025
% of Current Year Levy Collected	97.1%	96.0%	94.8%
Number of Properties with Arrears at Year End	3,752	4,631	6,273
Number of Accounts on Arrears Plans	15	27	30
Overdue Notices Issued	39,233	54,221	55,393
Warning Notices Issued	168	292	409
Final Notices Issued	83	155	214

Note: Overdue notices are generally issued seven months per year. Warning letters are generally sent once per year in the fall to properties with arrears from the current and prior year. Final notice letters are generally sent once per year in the fall to properties with arrears from the current year plus any part of the third year of arrears.

Following the final notice issuance, should a sufficient payment not be received by the required date, a property may then have a tax arrears certificate registered against title, after which a period of at least one-year is provided for payment to be made in full for the arrears. Should no such payment be received, the Town may then proceed with a public sale. No public sale processes were initiated in 2025.

Under section 398(2) of the *Municipal Act, 2001*, municipalities are authorized to add unpaid water and wastewater charges to the property tax roll for the property to which the service was supplied. Once transferred, these charges are collected in the same manner as property taxes and are afforded priority lien status, consistent with provincial regulation.



Discussion

This legislative authority applies regardless of whether the water account was billed to an owner or a tenant and supports the municipality's ability to recover costs associated with the delivery of essential water and wastewater services while maintaining the financial sustainability of the utility system. The number of properties for which water and wastewater charges were transferred to the property tax roll increased in 2025 as shown below.

Water and Wastewater Charges added to the Property Tax Roll	2023	2024	2025
Number of Properties	248	308	579
Value of Charges Added	\$181,654	\$275,225	\$450,901

Assessment Base Management Activity

Pursuant to S.33, 34, 40, 39.1 and 40.1 of the *Assessment Act*, R.S.O. 1990 c. A.31, as amended, Council may complain in writing to the Assessment Review Board, that it or another person was, in respect of real property:

- assessed too high or too low;
- was classified incorrectly;
- was wrongly placed on or omitted from the assessment roll; and/or
- was wrongly placed on or omitted from the roll in respect to school support.

The regularly scheduled deadline to appeal to the Assessment Review Board is March 31st of the current taxation year. In accordance with Corporate Policy 111 and the authorities provided in By-law 049-19, staff file appeals (if applicable) in advance of the deadline and subsequently report to Council.

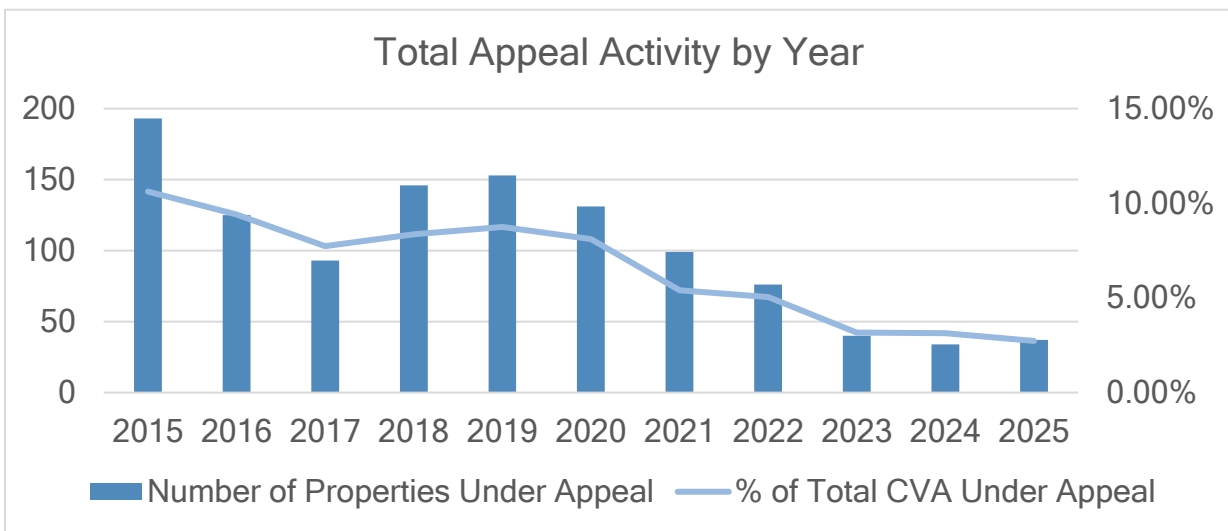
The reviews conducted for the 2025 taxation year did not warrant any proactive Town initiated appeals, as such none were submitted in advance of March 31st. This is attributed to the enhanced functionality of Municipal Connect, the communication platform between MPAC and the municipality, which enables property-specific issues to be submitted and resolved in accordance with MPAC's Service Level Agreement (SLA), without the need for a formal appeal. In addition, roll values (outside of new properties) in the latter years of the phase-in cycle have had previous opportunity for review and action where appropriate. The property assessments for the 2026 tax year continue to be based on the fully phased-in January 1, 2016 current values.

Town staff continue to monitor supplementary/omitted assessment activity, in-year and year-end changes, along with Requests for Reconsideration (RfR), as received, and may file appeals if applicable.

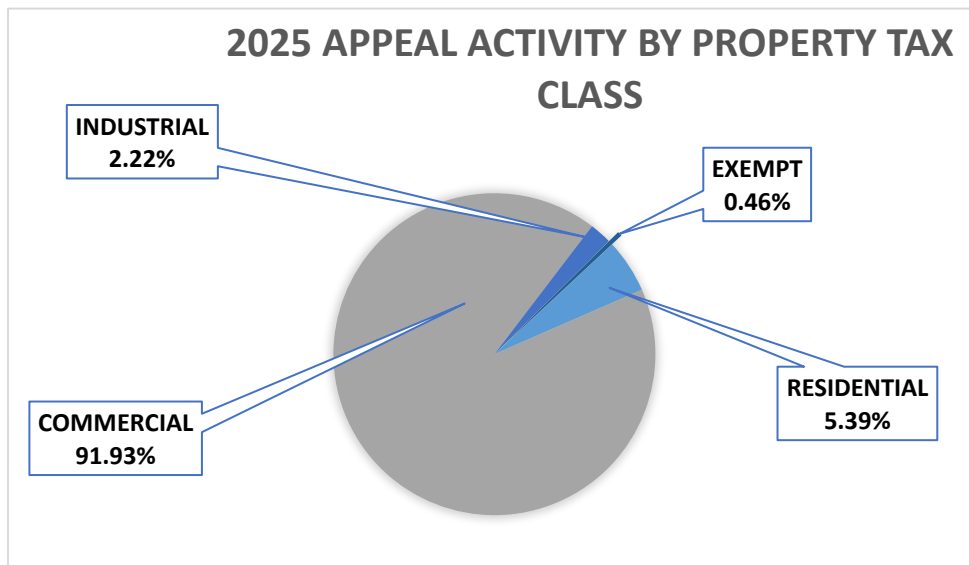
Discussion

Owner/Representative Initiated Appeals

Town staff continue to actively support and represent the Town’s position in appeal processes initiated by external parties including property owners. The following table presents a history of appeal activity based on information made available by Online Property Tax Analysis (OPTA). It identified 38 properties with appeals against the assessed value of 2025. The total value of those properties equates to 4.25% of the full Current Assessment Value (CVA) of all taxable properties in the Town of Milton.

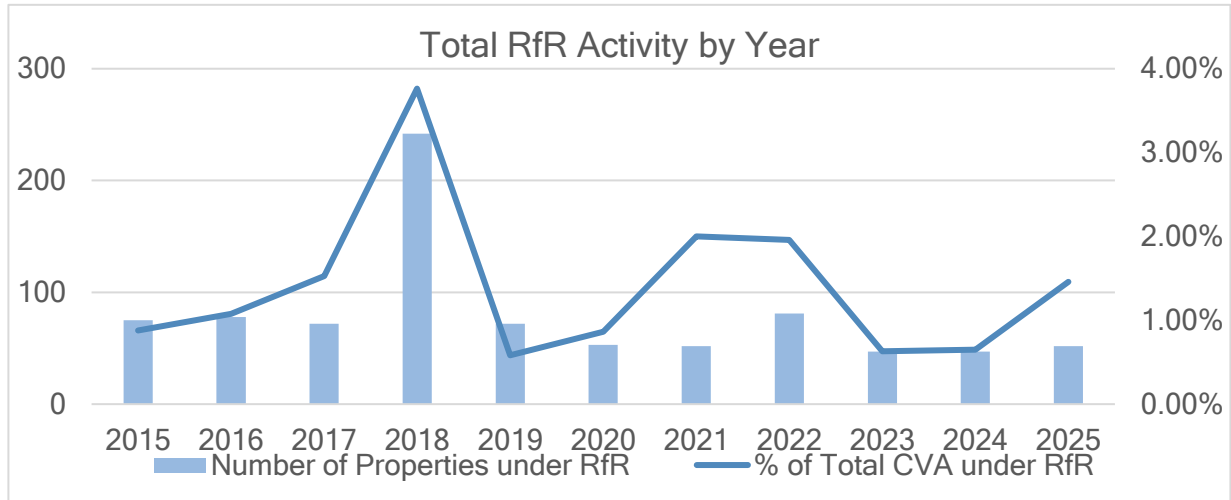


The appeal activity in 2025 continued to be largely related to the Commercial class as shown in the chart below, accounting for 91.93% of the \$1,235,115,400 CVA under appeal:



Discussion

In addition to appeals, Town staff also review and respond to Requests for Reconsideration (RfR). While all property types may submit an RfR, properties classified wholly or part as residential, farm or managed forests must first file an RfR with MPAC before becoming eligible for appeal to the ARB. 2025 RfR volumes are presented below.



It is important to recognize that the volume of appeals, whether Section 33, 34, 40 or RfR (39.1) of the Assessment Act, fluctuate greatly throughout the assessment phase-in cycle, with the majority occurring within the first year(s) of the typical four-year reassessment cycle.

2026 Tax and Assessment Workplan and Outlook

2026 will see a significant milestone for the Town of Milton with respect to the administration of property tax billing and collection, as the Town will be introducing a new software platform in Q2 2026. This initiative was previously identified as a priority in the Town’s service delivery review, and it aligns with the digital first focus of the strategic plan. It will replace the current system that was first installed 28 years ago, and result in a consistent frame between the four local municipalities that manage property tax collection within Halton Region.

A project status update was provided to Council through report ES-008-26, including details on the introduction of a portal that will offer self-service functions to property owners. The new system and portal may result in notable changes in the several of the activity levels that are considered in this report, both in 2026 during the transition and future years as utilization of the new system matures. Staff will monitor those trends and report to Council through future activity reporting.

Discussion

Council has also approved an update to the Town's policy with respect to Taxation and Assessment Base Management, through report ES-018-26. Updates included those that were required to support the new software platform, as well as other continuous improvement opportunities that were identified.

As part of the Ontario Government's 2025 Fall Economic Statement dated November 6th, 2025, the government indicated it's continued efforts to gather input from a wide range of stakeholders, including residential and business property owners, industry associations, municipalities, and professionals in the property tax and assessment sector to identify ways to improve the effectiveness of Ontario's property assessment and taxation system. Measures already implemented include providing municipalities with authority, beginning in 2026, to offer reduced municipal tax ratios for affordable rental housing; establishing consistent property tax treatment for university operated student housing through recent legislative amendments; and expanding municipal access to Municipal Property Assessment Corporation (MPAC) data, along with enabling MPAC to issue property assessment notices digitally. The Province continues to explore initiatives to support the effectiveness of the assessment and taxation system and has not announced a provincial reassessment to date.

Property assessments for the 2026 tax year will continue to be based on January 1, 2016 values. All property assessments will remain the same as they were for the 2025 tax year, unless there have been changes made to the property, including:

- A new addition, new construction, or renovation;
- A first-time assessment;
- A change to the classification;
- A change to the property's value resulting from a Request for Reconsideration, and/or Assessment Review Board decision;
- A property that no longer qualifies as farmland, conservation land or managed forests;
- All or part of the property no longer qualifies to be tax exempt.

Financial Impact

The \$295 million in current year property taxation revenue that is collected by the Town is a primary funding source for the Town, Region and School Boards, supporting a variety of public services.

With respect to appeal activity, there is no fee for the Town in responding to owner-initiated appeals and/or Requests for Reconsideration (RfR), as the Town is considered a respondent in the appeal process. Historically, the Town's assessment staff involvement in the appeal process has proven beneficial to the prevention of erosion to the assessment base and the application of equitable assessments, resulting in a fair distribution of the cost of the Town's services.



Financial Impact

The results of the aforementioned assessment review processes are adjustments to property tax collection for the Town. The following table presents both the annual property tax write-offs and supplementary tax revenues for Milton (Town share only) during the most recent years.

Town Share	2023	2024	2025
Supplementary Revenue	\$1,905,903	\$1,421,932	\$4,199,609
Write-offs	(\$838,726)	(\$313,410)	(\$702,132)
Number of Properties (Write-offs)	212	114	138

As shown, the annual amounts can fluctuate based on the quantity and nature of the properties added, improved, or amended (including through appeal activity), as well as the number of taxation years to the supplementary notices and appeal decisions applies.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Nina Do, Manager, Tax and Assessment Phone: Ext. 2120

Attachments

None.

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.



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Report Approval Details

Document Title:	2025 Tax and Assessment Activity Update.docx
Attachments:	
Final Approval Date:	Apr 30, 2026

This report and all of its attachments were approved and signed as outlined below:

Glen Cowan

Laura Nelson

No Signature found

Andrew Siltala