

# Property Tax Fairness For BC Small Business



September 2018

**CFIB**

CANADIAN FEDERATION  
OF INDEPENDENT BUSINESS

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# Research Report

September 2018

## *Businesses in BC's twenty largest municipalities pay nearly 2.5x more taxes than they should*

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The Canadian Federation of Independent Business (CFIB) has reported on municipal property tax unfairness in BC since 2003. Previous reports focused on the “property tax gap”, the difference between commercial<sup>1</sup> and residential property tax rates. In 2018, the tax gap shows an average BC business owner pays well over 2.5 times the level of property taxes as a resident on the same assessed property value.

While this report includes that data, it focuses on a new metric, one often used in determining annual property tax changes: the share of the total property taxes business owners pay. This report compares that figure to how much commercial assessments make up of total assessment, a primary metric for calculating property taxes. The differential between these two metrics is termed the “Property Tax Fairness Ratio”. In a fair system, the disparity should be minimal: you pay property taxes based on what the value of the property you own (or lease).

In BC, this is not the case. Most municipalities place an unequal tax burden on business owners compared to the value of their properties. On average, commercial businesses in the largest twenty municipalities in BC pay 29.3 per cent of the total property tax bill, even though they make up just 12.2 per cent of the total assessed property value – or a 2.39 ratio. As a much smaller base, both in value and number, business owners are required to pay a large share of taxes. Business owners are paying much more than what their assessments warrant, creating a serious financial penalty for those who want to start or operate a small business.

Across the province, the situation varies greatly. Some municipalities provide a more balanced approach, while others put a much more disproportionate tax burden on the business community. The report focuses on a comparison of the 20 largest municipalities in BC<sup>2</sup>. Information for all municipalities in BC can be found in Appendix 2.

Unfortunately, the situation has not improved over the past decade. While some municipalities have improved the ratio, the overall data shows BC municipalities have a long way to go to make the distribution more even and fair.

A series of recommendations are made at the end of this report so municipalities can reduce the tax burden on business owners. It also presents ways the provincial government

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<sup>1</sup> For the purposes of this report, the terms business, commercial and Class 6 are used interchangeably. See Appendix 1 for additional details.

<sup>2</sup> Municipalities examined are: Abbotsford, Burnaby, Chilliwack, City of North Vancouver, Coquitlam, Delta, District of North Vancouver, Kamloops, Kelowna, Maple Ridge, Nanaimo, New Westminster, Port Coquitlam, Prince George, Richmond, Saanich, Surrey, Township of Langley, Vancouver, Victoria

and BC Assessment can help municipalities achieve this goal. Municipal property tax data that was used in previous reports to calculate tax gaps is also presented in Appendix 3.

## Background on property taxes in BC

Small business are a major contributor to the provincial economy. According to the Government of British Columbia, small and medium-sized enterprises (SME) account for 98 per cent of all businesses in the province, providing 54 per cent of all private sector employment and generating 34 per cent of provincial GDP<sup>3</sup>.

Property taxes can have a large dampening effect on the success of smaller firms. In a recent survey, BC business owners reported rising property taxes have made them delay expansion, forgo hiring new employees, consider moving locations, and even closing their business. (Figure 1).

A major reason property taxes are so disruptive for business owners is most municipalities in BC set property tax rates on commercial properties at far higher rates than those charged to residential owners of similarly valued properties.

Figure 1:

### How have rising property taxes impacted your business? (Select as many as apply)



Source: CFIB, BC Municipality Election and New Provincial Payroll Tax Survey, April 2018, 783 responses

Each year, municipalities set tax rates for each property tax classification<sup>4</sup>. Several factors are considered, but generally municipalities set a target for total property tax revenue they want to raise and then set a specific level of taxation for each property classification.

While setting a target for each group to pay may make sense, it should be linked to something reflecting their relative size. The natural link to determine how much each

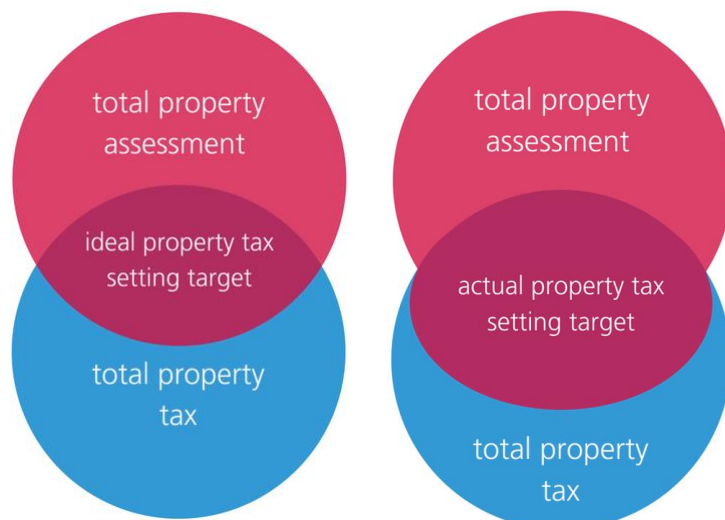
<sup>3</sup> See the BRITISH COLUMBIA SMALL BUSINESS PROFILE, BC STATS (2017).

<sup>4</sup> There are 9 property tax classifications: Residential (Class 1), Utilities (Class 2), Supportive Housing (Class 3), Major Industry (Class 4), Light Industry (Class 5), Business and Other (Class 6), Managed Forest Land (Class 7), Recreational Property (Class 8) and Farm (Class 9). This report focuses on Class 6.

property classification group should pay is to associate the tax share to the amount of the total property assessment each class makes up.

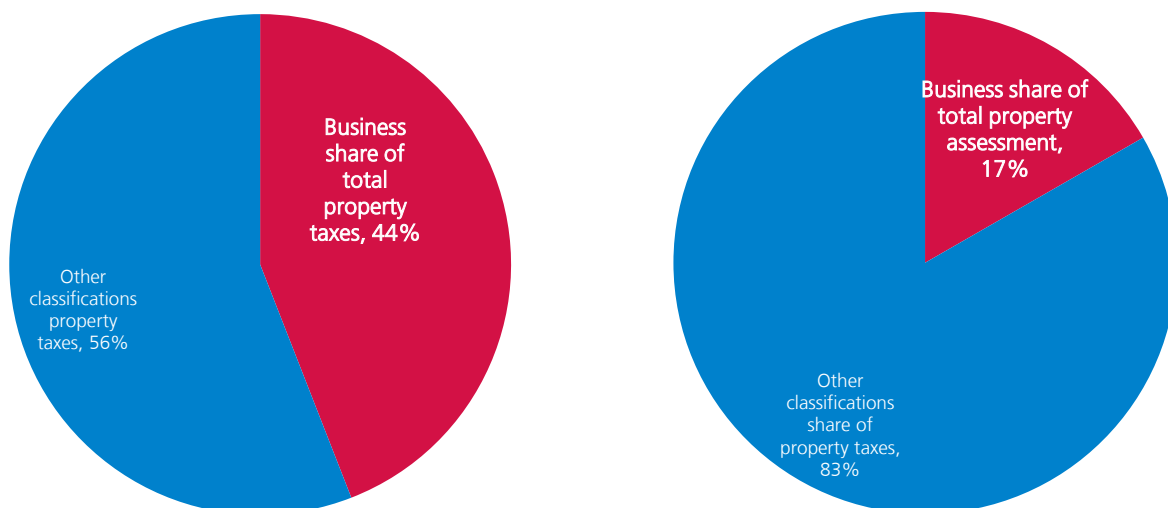
In Figure 2, the left Venn diagram represents what would be a fair commercial share – the taxes paid are reflective of their assessment share. However, the diagram on the right is the reality in BC: despite only making up a small portion of the assessed value (making up a much smaller base to pay the taxes), business owners are on the hook for a disproportionate amount of the taxes.

Figure 2  
Setting an ideal property tax target



If a municipality is charging a specific class, such as commercial, a larger share of the total property tax bill than their share of the property assessment pie, the municipality is effectively demanding them to take on an uneven, disproportionate and unfair amount of the total taxes paid to operate that local government. Unfortunately, this phenomenon is currently happening in every major municipality in British Columbia, to varying degrees. For instance, in 2018 Vancouver business owners paid 44 per cent of the total property tax bill, yet only made up 16.7 per cent of the total assessment (a tax to assessment ratio of 2.64, see Figure 3).

Figure 3:  
Vancouver: Business Share of Total Property Taxes vs Business Share of Total Property Assessment (2018)



Source: CFIB Analysis of BC Government data, sc708, sc702, 2018

In practice, this results in business owners paying a tax rate on their property that is several times higher than what residential property owners pay.

To be clear: this is not a result of business owners receiving more municipal services for the extra money they put into the system. According to a study commissioned by the City of Vancouver in 2007, residential properties, on average, paid approximately \$0.56 in property taxes for each dollar of tax-supported services consumed. Conversely, non-residential (i.e. commercial) properties paid approximately \$2.42 in property taxes for each dollar of tax-supported services consumed<sup>5</sup>.

### What does this actually mean?

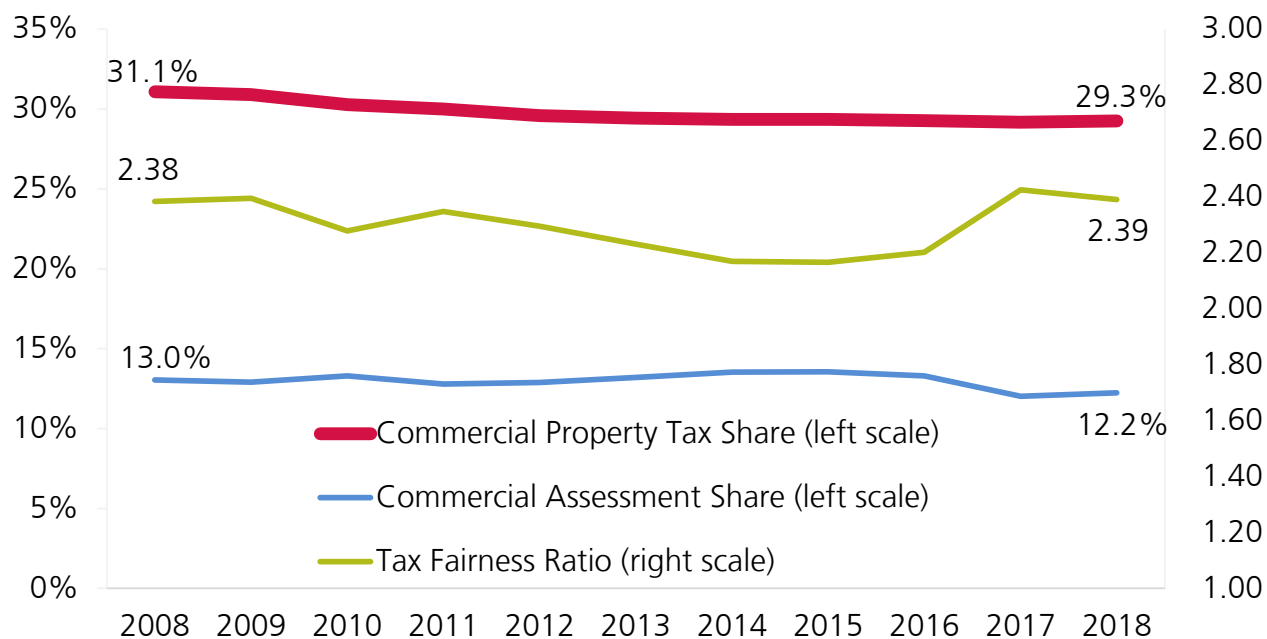
Despite being only a small portion of the assessment base, commercial owners were taxed at a rate as if they owned nearly half of Vancouver's total property values.

To illustrate in the real world, imagine a small business on a ground floor of a multi-level building, with several residential units within. A tax fairness ratio of 2.64 means that a business owner pays municipal property taxes equivalent to multiple residents' taxes, despite not receiving any greater level of services from the municipality.

Unfortunately, the situation has not improved over the past decade. Figure 4 shows how the business share of property taxes has changed between 2008 and 2018 in BC's twenty largest municipalities compared to the business share of the overall property assessment. The level of taxation on business owners far exceeds how much of the total assessment pool they represent. In 2008, the tax-assessment ratio stood at 2.38, while in 2018 it came in at 2.39, a slight increase.

Figure 4:

### 20 Largest Municipalities: 2008 to 2018 BC Commercial Property Tax Share vs Assessment Share



Source: CFIB Analysis of BC Government data, Community of Sposc707, sc702 2008-2018

<sup>5</sup> See MMK CONSULTING INC. (2007).

In BC, the number of business properties make up a small portion of the overall number of properties. In 2018 there were 125,018 Class 6 (Business and Other) properties in BC, compared to 1,905,352 Class 1 (Residential) properties. In total, Class 6 properties made up just 6.1<sup>6</sup> per cent of the total number of assessed properties – and yet paid 29.3 per cent of BC's property taxes.

More work needs to be done to ensure business owners are not being squeezed out of their local municipality due to high property taxes. Small businesses run on very thin margins in a highly competitive environment, particularly as large online businesses (that often do not pay any property taxes in local municipalities) continue to penetrate the market.

Property taxes are one of the most damaging forms of taxation as they are profit insensitive: irrespective of the profitability of a local business, they must pay the tax. This is particularly challenging for business owners who lease their business location with a requirement to pay the property taxes on the unit. Not only do those business owners need to pay the property taxes, but also do not benefit from capital appreciation of their building.

For these reasons, it is understandable that business owners focus on reducing property taxes as the best way the municipality they operate in can improve their odds for success (see Figure 5).

Figure 5:

**In your community, which of the following would you like to see improved to help your business succeed? (select as many as apply)**



Source: CFIB, National Survey on Municipal Issues, July 2017, British Columbia results, 576 responses

The following section will highlight some key findings from the twenty largest municipalities, and provide information on how they stack up.

<sup>6</sup> BC Assessment, 2018 data.

## Ranking Property Tax Fairness in BC's 20 Largest Municipalities

### Key Findings: Tax Fairness Ratio in 2018

The level of property tax disparity fluctuates greatly across the province. Some municipalities place a much larger burden on the business community relative to the share of commercial property assessment, while others strike a much more fair balance (see Table 1). Overall, there are several core findings:

- **Saanich ranks last, with a property tax fairness ratio of 3.46.** Businesses pay 23 per cent of the total property taxes, while making up just 6.7 per cent of the total property assessment.
- **Coquitlam** ranked second last (3.25), while the **New Westminister** ranked third last (2.97).
- **The best tax fairness ratio** was in Prince George (1.63), followed by Kamloops (1.92) and Chilliwack (1.97).

Table 1:

### 2018 BC Municipal Tax Fairness Ratio – by Highest Ratio

Municipality (Rank)	Business Share of Property Taxes	Business Share of Total Property Assessment	Tax-Assessment Ratio
Saanich (20 <sup>th</sup> )	23.0%	6.7%	3.46
Coquitlam (19 <sup>th</sup> )	30.0%	9.2%	3.25
New Westminister (18 <sup>th</sup> )	33.0%	11.1%	2.97
Maple Ridge (17 <sup>th</sup> )	16.0%	5.8%	2.78
Township of Langley (16 <sup>th</sup> )	26.0%	9.4%	2.77
District of North Vancouver (14 <sup>th</sup> )	17.0%	6.4%	2.64
Vancouver (14 <sup>th</sup> )	44.0%	16.7%	2.64
City of North Vancouver (13 <sup>th</sup> )	34.0%	13.3%	2.56
Port Coquitlam (12 <sup>th</sup> )	31.0%	12.1%	2.56
Burnaby (11 <sup>th</sup> )	40.0%	15.8%	2.53
Surrey (10 <sup>th</sup> )	26.0%	10.3%	2.53
Victoria (9 <sup>th</sup> )	47.0%	20.4%	2.30
Nanaimo (8 <sup>th</sup> )	29.0%	12.7%	2.29
Abbotsford (7 <sup>th</sup> )	28.0%	12.6%	2.22
Richmond (6 <sup>th</sup> )	35.0%	15.9%	2.20
Delta (5 <sup>th</sup> )	23.0%	10.8%	2.13
Kelowna (4 <sup>th</sup> )	27.0%	13.6%	1.99
Chilliwack (3 <sup>rd</sup> )	19.0%	9.7%	1.97
Kamloops (2 <sup>nd</sup> )	27.0%	14.0%	1.92
Prince George (1 <sup>st</sup> )	30.0%	18.4%	1.63
<b>Average top 20</b>	<b>29.3%</b>	<b>12.2%</b>	<b>2.39</b>

Green = best; Red = worst. 20 = worst rank.

Source: CFIB Analysis of BC Government data, sc707, sc702 2018.

Notes: See Appendix 2 for the rankings of all BC municipalities.

- **Only four municipalities have a ratio of less than 2.0.** Sixteen municipalities put two or more times the level of property taxes on the business community than what they make up in assessed value.
- **There is a large range of both the business share of property taxes and the share of assessed values, not just in the largest 20 municipalities but across BC in general.**
- **Victoria** requires businesses to pay the greatest share of taxes, at 47.5 per cent. **Vancouver** comes in second at 44 per cent, and third is **Burnaby** at 40 per cent.
- The commercial assessment share is largest in **Victoria** (20.4 per cent), followed by **Prince George** (18.4 per cent) and **Vancouver** (16.7 per cent).

### Key Findings: Tax Fairness Ratio Trend, 2008-2018

- The **Township of Langley** increased the tax fairness ratio the most between 2008 to 2018, clocking in a 21.1 per cent increase to 2.77. **New Westminster** (up 13.0 per cent to 2.97) and

Table 2:

#### 2018 BC Municipal Property Tax Fairness Ratio – by Worst Ten Year Change (2008-2018)

	Ratio	Business Tax Share Ten Year Change	Business Assessment Share Ten Year Change	Ratio Ten Year Change
Township of Langley	2.77	-15.0%	-29.8%	21.1%
New Westminster	2.97	6.1%	-6.2%	13.0%
Burnaby	2.53	-5.0%	-10.6%	6.2%
Saanich	3.46	19.4%	12.6%	6.0%
Prince George	1.63	18.3%	12.0%	5.6%
Nanaimo	2.29	0.2%	-2.3%	2.6%
Victoria	2.30	-8.4%	-10.2%	2.0%
Abbotsford	2.22	-2.7%	-4.4%	1.8%
City of North Vancouver	2.56	-12.2%	-13.8%	1.8%
Maple Ridge	2.78	-8.1%	-9.3%	1.2%
Port Coquitlam	2.56	3.3%	2.3%	1.0%
Surrey	2.53	-2.3%	-2.3%	0.0%
Coquitlam	3.25	-20.3%	-20.0%	-0.3%
Chilliwack	1.97	-12.8%	-12.3%	-0.5%
Richmond	2.20	-17.1%	-16.3%	-1.0%
District of North Vancouver	2.64	4.8%	5.9%	-1.1%
Delta	2.13	-18.8%	-17.5%	-1.5%
Kelowna	1.99	-2.7%	6.7%	-8.8%
Vancouver	2.64	-10.6%	-0.4%	-10.2%
Kamloops	1.92	-4.1%	13.4%	-15.4%
<b>Average top 20</b>	<b>2.39</b>	<b>-5.9%</b>	<b>-6.1%</b>	<b>0.3%</b>

Green = best; Red = worst. 20 = worst rank.

Source: CFIB Analysis of BC Government data, sc707, sc702 2008-2018.



**Burnaby** (up 6.2 percent to 2.53) rounded out the top three municipalities who worsened property tax fairness the most.

- **The longer trend is a mixed bag.** From 2008 and 2018, 9 municipalities decreased the tax fairness ratio, while 11 increased it. On average, the ratio was up 0.3 per cent.
- **Kamloops** deserves credit for lowering the tax fairness ratio the most over the past ten years, decreasing it 15.4 per cent to 1.92 in 2017. **Vancouver** (down 10.2 per cent over ten years, now at a ratio of 2.64) and **Kelowna** (down 8.8 percent over ten years, now at a ratio of 1.99) rounded out the top three biggest decreases.
- **Coquitlam** deserves credit for decreasing their business tax share from 37.6 per cent in 2008 to 30 per cent in 2018, the greatest per cent decrease of any municipality. However, the overall assessment share of commercial properties decreased 20.0 per cent, lowering the commercial base. As a result, the tax fairness ratio only decreased marginally.
- **Generally, the worst performers** are in those municipalities that have seen the business assessment share decrease, but have not reduced the business property tax share at the same rate (or even increased it).
- For example, the business property assessment share in **New Westminster** decreased by 6.2 per cent, yet they increased the share businesses pay of total property taxes. That means as the commercial base was outpaced in growth by residential property assessments, the municipality still shifted the tax burden on the business community.

Examining the tax fairness ratio in the twenty largest municipalities show a consistent trend: businesses are shouldering a disproportionate level of property taxes. While some municipalities have done a good job at addressing this issue, the overall picture does not promote confidence that a fairer ratio will be reached without greater political leadership.

As previous reports on the municipal property tax gap identified, this disproportionate share of taxes paid translates into a business owner paying significantly more taxes than a resident on a property of the same assessed value. For illustrative purposes, take the case of Vancouver where the tax gap calculated using the previous method is 4.04 (see Table 3 for tax gap data for the 20 largest municipalities in BC). This means that a business owner will pay over four times more taxes on the same assessed property value compared to a resident. For example, if both owned a building worth \$1,000,000, the business owner would pay \$5,030 in municipal property taxes while the resident would pay just \$1,244. This level of taxation on business owners makes it very difficult to operate a business in the nation's most expensive city.

By reducing the share of property taxes business pay, the result will be the municipal tax gap will reduce, making it a little easier to run a small business.

The following section will provide some ideas for municipalities, the provincial government and BC Assessment on ways to reform the assessment and tax system to improve property tax fairness for business owners.

Table 3:  
2018 BC Municipal Tax Gap

	Tax Gap
Coquitlam	4.38
Saanich	4.26
Burnaby	4.19
New Westminster	4.16
Vancouver	4.04
City of North Vancouver	3.85
Port Coquitlam	3.76
Township of Langley	3.75
Victoria	3.53
District of North Vancouver	3.52
Delta	3.37
Surrey	3.30
Maple Ridge	3.29
Richmond	3.19
Abbotsford	2.99
Nanaimo	2.89
Kamloops	2.55
Chilliwack	2.40
Kelowna	2.38
Prince George	2.30
Average top 20	3.40

Green = best; Red = worst. 20 = worst rank.

Source: CFIB Analysis of BC Government data, sc702 2018.

Notes: See Appendix 3 for the tax gap data for all BC municipalities.

## Recommendations to reduce the tax burden on business

### Municipal governments

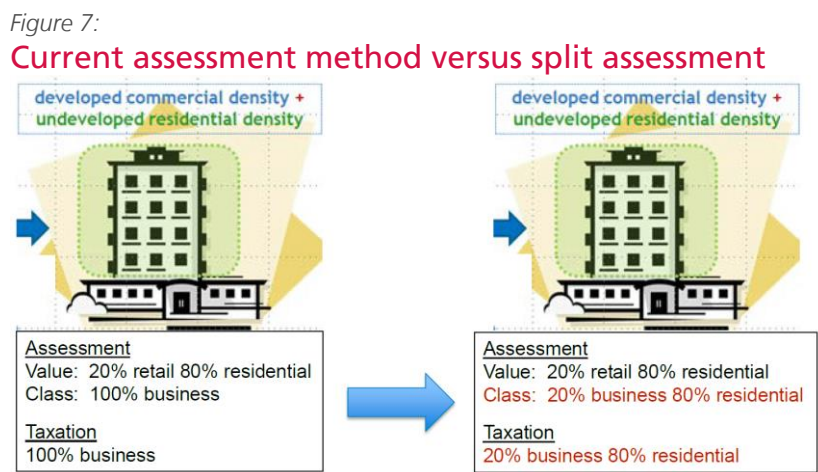
Municipalities are the primary culprits for creating this uneven distribution in property taxes, and so have the greatest responsibility in creating better tax fairness. There are several key ways they should begin to address the problem:

- **Show political leadership.** Set a *clear, transparent* goal for a specific and improved tax fairness ratio, to be reached over time. Setting a goal and making it public is critical to ensure the ratio actually reduces incrementally over time. To start, those above a ratio of 2.0 should aim for reducing it below that threshold.
- **Be accountable.** Publicly disclose and comment on the reasons for the determination of each classification's tax share in the annual budget.
- **Control spending.** Reduce municipal operational spending as the primary method to reduce the tax burden on business owners.
- **Help reform the assessment system.** Ask the provincial government to allow for *split classification assessment* and tax deferral/reduction zones. The City of Vancouver has spearheaded some initial work on this; this work should continue, with support from other municipalities.

### What is split classification assessment?

Currently, if a building is zoned as commercial it is taxed at the much higher commercial property tax rate, even if part of the assessment is based on potential residential development. How is this fair?

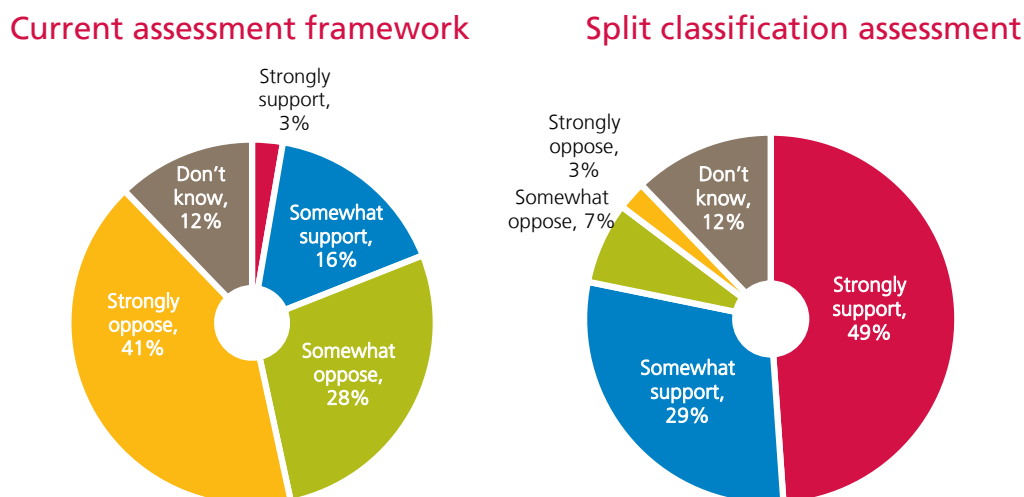
Instead, the commercial value of the property should be taxed at the commercial rate, while the speculative residential at the (much lower) residential rate. This would lower the property tax for commercial buildings in dense areas. Figure 7 demonstrates the current method versus how taxation would work under a split assessment framework.



Source: City of Vancouver, Supporting Small Business Through Provincial Tax Reform, 2017

Sixty-nine per cent of small businesses survey in April, 2018 opposed the current assessment framework. There was also significant appetite for reforming the assessment process to allow for split classification – 78 per cent support moving to that system (see Figure 8). The BC government would need to take action to allow this change. There are also some other ways the provincial government can help create an improved environment for taxation policies.

Figure 8:  
**To what extent do you support or oppose:**



Source: CFIB, "BC Municipal Election and New Provincial Payroll Tax Survey", n=783. Jan-Feb 2018

## Provincial government

- **Reopen the BC Assessment Act and conduct a public consultation.**
- **Ensure split classification assessments**, in particular, are established for commercial properties, as described above.
- **Allow municipalities to mitigate assessment shocks.** If a certain area is seeing a massive spike in assessments, a municipality should be able to reduce the mill rate in the affected area to help mitigate against spikes in taxes. There is precedent - in Richmond this happened following the completion of the Canada Line to that municipality. But it requires provincial approval - which the current government committed to (see red box).

In CFIB's Party Leaders' Survey conducted before the last provincial election, the current government committed to helping areas hit by large assessment spikes: "We support allowing municipalities to average and phase-in large land assessment changes to provide temporary tax relief to property owners."

## BC Assessment

- **Work towards assessing commercial properties under split classification.**
- **Improve assessment consistency.** Ensure assessments are done in a clear, transparent, and objective way.
- **Increase data transparency.** For instance, publicly disclose median property values in municipalities.

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## Conclusion

British Columbian small and medium-sized businesses are currently being over-taxed by their municipalities. This can, and has, hurt them, their employees, and their community.

In the longer-term, it is in the best interest of everyone to ensure businesses are not being over-taxed, and their taxes align with their ability to pay. Business owners are paying multiple times more property taxes than what they make up of the total property assessment, and this needs to change.

There are ways to improve the situation, but it will take political leadership. Politicians at the municipal and provincial level, along with BC assessment, need to work together to enact the recommendations proposed in this report. If they do, a large weight will be lifted off the shoulders of business owners. More than that, it will signify that British Columbia is a great place to own and operate a business.

**A note on changing median values of properties in different classes:** Increases to the tax-assessment ratio cannot be justified by arguing median residential household have experienced a greater increase in real estate assessment gains over between 2008 to 2018<sup>1</sup>. While it's true that some municipalities' residential base has increased, the median residential assessment increase was in step (or lower) than the median commercial property assessment growth for the majority of municipalities examined. Even as the residential base has expanded, business owners continue to be asked to take a disproportionate share of the tax bill.

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## Appendix 1: Methodology

### Data Sources

The calculations in the report are based on the Local Government Statistics from the BC Ministry of Municipal Affairs & Housing:<sup>7</sup>

- Tax Rates (Schedule 702)
- Tax Burden (Schedule 707)

### Property Assessment in BC

The BC Assessment Authority is the provincial body responsible for appraising properties to determine market value, for classifying and for deciding what if any exemptions those properties may be eligible for. Municipal taxes are then levied on the market value of those properties. BC Assessment

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<sup>7</sup> BC Ministry of Community, Sport & Cultural Development (2018), *Local Government Statistics*, <https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics>

operates independently of local government, allowing consistency and neutrality in its decisions and appeal processes.

Most municipalities assess each property class with a different rate of taxation. In British Columbia, property classifications include:

- **Residential (Class 1)**
- Utilities (Class 2)
- Supportive Housing (Class 3)—new in 2009
- Major Industry (Class 4)
- Light Industry (Class 5)
- **Business and Other (Class 6)**
- Managed Forest Land (Class 7)
- Recreational Property/ Non-Profit (Class 8)
- Farm (Class 9)

The comparison of Class 6 (business) and Class 1 (residential) categories is the focus of this report because most CFIB members fall within the business category. For the purposes of this report, the terms business, commercial and Class 6 are used interchangeably.

It is important to note that when it comes to property taxes, municipalities are also acting as the tax collector on behalf of other branches of government. Property tax components include:

- **Municipal**
- School
- Regional District
- Hospital
- Regional Transportation
- Other (to fund BC Assessment and the Municipal Financing Authority)

**This report focuses on the municipal tax portion only.**

## Tax Fairness Ratio

Municipalities raise property tax revenues from each Class of properties. This report examines the amount of property taxes raised from Class 6 properties as a per cent of the total municipal property taxes raised compared to the amount those Class 6 properties make up of the total assessed property value within the municipality.

Tax Fairness Ratio = Class 6 Property Tax Share / Class 6 Assessment Share

In most municipalities, the share business property tax rate is significantly higher than the residential property tax rate. This disparity is often described as a “gap” and measured as a ratio:

## Tax gap

In most municipalities, the business property tax rate is significantly higher than the residential property tax rate. This disparity is often described as a “gap” and measured as a ratio:

Property Tax Gap = Business Property Tax Rate / Residential Property Tax Rate

A tax gap of one indicates equal treatment for commercial and residential property. When the tax gap is greater than one, business pay proportionally more than residents, while a tax gap of less than one indicates that residents pay proportionally more than businesses.

## Appendix 2: Tax Fairness Ratio, sorted alphabetically

Municipality	2018 Business Share of Property Taxes	2018 Business Share of Total Property Assessment	Tax Fairness Ratio 2018	Tax Fairness Ratio 2008	Ten Year Change (2008 to 2018)
100 Mile House	29.3%	32.1%	0.91	0.79	15.7%
Abbotsford	28.0%	12.6%	2.22	2.18	1.8%
Alert Bay	20.0%	10.2%	1.97	2.11	-7.0%
Anmore	0.0%	0.0%	0.00	1.00	-100.0%
Armstrong	19.0%	8.0%	2.37	2.71	-12.5%
Ashcroft	21.0%	9.4%	2.23	2.40	-6.9%
Barriere	17.0%	8.0%	2.12	2.12	-0.1%
Belcarra	0.0%	0.0%	0.00	2.44	-100.0%
Bowen Island	2.0%	2.0%	0.99	1.00	-1.0%
Burnaby	40.0%	15.8%	2.53	2.39	6.2%
Burns Lake	40.0%	27.0%	1.48	1.54	-3.5%
Cache Creek	30.0%	25.3%	1.19	1.33	-10.8%
Campbell River	21.0%	10.2%	2.06	1.92	7.1%
Canal Flats	9.0%	5.6%	1.62	1.82	-11.0%
Castlegar	18.0%	13.9%	1.30	1.52	-14.5%
Central Saanich	18.0%	9.5%	1.89	2.09	-9.3%
Chase	15.0%	6.7%	2.25	2.77	-18.5%
Chetwynd	23.0%	20.2%	1.14	1.69	-32.7%
Chilliwack	19.0%	9.7%	1.97	1.98	-0.5%
Clearwater	26.0%	12.2%	2.13	2.07	3.0%
Clinton	18.0%	11.9%	1.51	1.80	-16.0%
Coldstream	2.0%	0.8%	2.56	2.28	12.5%
Colwood	22.0%	6.0%	3.64	2.66	36.9%
Comox	17.0%	4.7%	3.59	3.57	0.7%
Coquitlam	30.0%	9.2%	3.25	3.25	-0.3%
Courtenay	35.0%	15.3%	2.29	2.42	-5.4%
Cranbrook	36.0%	18.5%	1.95	2.34	-16.5%
Creston	18.0%	10.7%	1.68	1.73	-2.9%
Cumberland	18.0%	8.6%	2.10	1.75	20.0%
Dawson Creek	47.0%	26.7%	1.76	1.98	-11.2%
Delta	23.0%	10.8%	2.13	2.16	-1.5%
Duncan	42.0%	22.6%	1.86	2.23	-16.6%
Elkford	4.0%	5.3%	0.75	0.65	16.0%
Enderby	17.0%	9.7%	1.75	2.15	-18.5%
Esquimalt	16.0%	6.1%	2.61	2.57	1.8%
Fernie	15.0%	9.0%	1.67	1.11	50.6%
Fort St. James	13.0%	13.7%	0.95	1.07	-11.1%
Fort St. John	53.0%	30.1%	1.76	1.75	0.6%
Fraser Lake	7.0%	5.8%	1.21	1.06	14.8%
Fruitvale	9.0%	4.5%	1.99	2.06	-3.3%
Gibsons	30.0%	11.6%	2.58	2.97	-13.2%
Gold River	22.0%	13.1%	1.68	1.63	2.9%
Golden	40.0%	25.1%	1.60	1.76	-9.4%
Grand Forks	21.0%	12.9%	1.63	1.86	-12.6%
Granisle	14.0%	5.0%	2.77	2.25	23.2%
Greenwood	18.0%	8.3%	2.17	1.83	18.8%
Harrison Hot Springs	30.0%	12.4%	2.43	2.20	10.3%
Hazelton	28.0%	13.7%	2.05	1.87	9.6%
Highlands	10.0%	2.8%	3.53	3.37	4.6%
Hope	18.0%	9.3%	1.93	1.71	12.9%
Houston	18.0%	14.1%	1.28	1.18	7.8%
Hudson's Hope	7.0%	8.4%	0.84	1.08	-22.5%
Invermere	19.0%	8.5%	2.23	2.65	-16.1%
Kamloops	27.0%	14.0%	1.92	2.27	-15.4%
Kaslo	17.0%	8.3%	2.06	2.34	-12.2%
Kelowna	27.0%	13.6%	1.99	2.19	-8.8%
Kent	8.0%	3.9%	2.08	1.74	19.5%
Keremeos	17.0%	9.3%	1.84	2.04	-10.0%
Kimberley	11.0%	5.0%	2.21	2.65	-16.7%
Kitimat	8.0%	8.5%	0.94	0.58	62.4%
Ladysmith	14.0%	5.8%	2.41	2.78	-13.4%
Lake Country	8.0%	3.6%	2.22	3.14	-29.3%
Lake Cowichan	13.0%	5.6%	2.34	2.86	-18.2%
Langford	33.0%	14.6%	2.26	2.15	4.8%
City of Langley	45.0%	22.7%	1.98	1.70	16.3%
Township of Langley	26.0%	9.4%	2.77	2.29	21.1%
Lantzville	9.0%	2.4%	3.72	3.51	6.1%
Lillooet	30.0%	13.6%	2.21	1.80	22.9%
Lions Bay	0.0%	0.1%	0.00	3.46	-100.0%
Logan Lake	3.0%	2.5%	1.18	2.66	-55.5%
Lumby	16.0%	11.3%	1.42	1.68	-15.7%
Lytton	25.0%	22.2%	1.13	1.06	5.8%
Mackenzie	6.0%	12.1%	0.50	0.87	-42.7%
Maple Ridge	16.0%	5.8%	2.78	2.74	1.2%
Masset	40.0%	21.7%	1.85	1.91	-3.4%
McBride	38.0%	22.3%	1.70	1.64	4.2%
Merritt	30.0%	16.9%	1.77	1.97	-9.9%
Metchosin	4.0%	0.9%	4.68	4.17	12.3%
Midway	7.0%	4.9%	1.42	1.19	19.1%
Mission	21.0%	6.4%	3.30	2.85	15.7%
Montrose	2.0%	1.1%	1.82	1.98	-8.3%
Nakusp	26.0%	14.1%	1.84	2.26	-18.6%

## Appendix 2 cont'd: Tax Fairness Ratio, sorted alphabetically

Municipality	2018 Business Share of Property Taxes	2018 Business Share of Total Property Assessment	Tax Fairness Ratio 2018	Tax Fairness Ratio 2008	Ten Year Change (2008 to 2018)
Nanaimo	29.0%	12.7%	2.29	2.23	2.6%
Nelson	18.0%	13.2%	1.36	1.61	-15.3%
New Denver	15.0%	7.9%	1.89	1.84	2.6%
New Hazelton	21.0%	11.4%	1.85	1.57	17.9%
New Westminster	33.0%	11.1%	2.97	2.63	13.0%
North Cowichan	13.0%	7.7%	1.70	1.89	-10.2%
North Saanich	26.0%	5.8%	4.46	5.53	-19.3%
City of North Vancouver	34.0%	13.3%	2.56	2.52	1.8%
District of North Vancouver	17.0%	6.4%	2.64	2.67	-1.1%
Northern Rockies	10.0%	9.2%	1.09	1.96	-44.4%
Oak Bay	5.0%	1.9%	2.62	1.76	49.0%
Oliver	24.0%	11.5%	2.08	2.39	-13.2%
Osoyoos	18.0%	11.7%	1.53	1.49	2.7%
Parksville	24.0%	10.6%	2.25	2.22	1.6%
Peachland	6.0%	3.1%	1.92	1.95	-1.2%
Pemberton	22.0%	12.6%	1.75	1.92	-9.1%
Penticton	21.0%	14.4%	1.46	1.71	-15.0%
Pitt Meadows	28.0%	11.8%	2.38	2.58	-7.6%
Port Alberni	17.0%	12.7%	1.34	1.62	-17.4%
Port Alice	3.0%	4.1%	0.73	0.71	2.2%
Port Clements	18.0%	10.5%	1.71	1.62	5.2%
Port Coquitlam	31.0%	12.1%	2.56	2.54	1.0%
Port Edward	11.0%	17.9%	0.62	0.50	23.9%
Port Hardy	43.0%	19.9%	2.16	2.33	-7.5%
Port McNeill	16.0%	12.6%	1.27	1.29	-1.2%
Port Moody	13.0%	7.1%	1.83	2.37	-22.6%
Pouce Coupe	32.0%	16.8%	1.90	2.07	-8.2%
Powell River	15.0%	7.9%	1.90	2.08	-8.5%
Prince George	30.0%	18.4%	1.63	1.55	5.6%
Prince Rupert	26.0%	12.9%	2.01	1.91	5.3%
Princeton	9.0%	12.9%	0.70	2.46	-71.6%
Qualicum Beach	10.0%	4.3%	2.35	2.82	-16.7%
Queen Charlotte	27.0%	15.1%	1.79	2.04	-12.2%
Quesnel	19.0%	18.6%	1.02	0.72	41.1%
Radium Hot Springs	16.0%	9.3%	1.72	2.10	-18.0%
Revelstoke	43.0%	15.9%	2.70	3.58	-24.6%
Richmond	35.0%	15.9%	2.20	2.23	-1.0%
Rosland	9.0%	5.3%	1.71	1.59	7.7%
Saanich	23.0%	6.7%	3.46	3.26	6.0%
Salmo	12.0%	6.8%	1.77	1.84	-4.0%
Salmon Arm	28.0%	12.8%	2.18	2.27	-4.0%
Sayward	6.0%	3.6%	1.68	1.55	8.4%
Sechelt	12.0%	5.7%	2.11	1.90	10.9%
Sechelt Indian Government	23.0%	14.3%	1.60	1.49	7.5%
Sicamous	15.0%	8.4%	1.78	2.19	-19.0%
Sidney	25.0%	11.1%	2.26	2.30	-1.8%
Silverton	15.0%	8.1%	1.85	1.67	10.6%
Slocan	6.0%	6.1%	0.98	0.51	91.5%
Smithers	42.0%	21.1%	1.99	1.94	2.4%
Sooke	13.0%	5.4%	2.41	3.07	-21.4%
Spallumcheen	10.0%	4.8%	2.07	2.15	-3.7%
Sparwood	12.0%	11.3%	1.07	0.98	8.4%
Squamish	23.0%	11.2%	2.06	1.83	12.7%
Stewart	6.0%	13.3%	0.45	1.18	-61.7%
Summerland	10.0%	4.6%	2.16	2.98	-27.6%
Sun Peaks	17.0%	6.8%	2.49	na	na
Surrey	26.0%	10.3%	2.53	2.53	0.0%
Tahsis	13.0%	7.5%	1.73	1.70	2.1%
Taylor	2.0%	4.8%	0.41	0.26	56.7%
Telkwa	7.0%	3.5%	1.98	2.31	-14.1%
Terrace	46.0%	18.6%	2.47	2.27	8.8%
Tofino	44.0%	22.0%	2.00	2.15	-7.2%
Trail	8.0%	12.0%	0.67	0.52	26.9%
Tumbler Ridge	5.0%	9.7%	0.52	1.52	-65.9%
Ucluelet	41.0%	18.0%	2.27	2.10	8.0%
Valemount	41.0%	21.8%	1.88	1.40	35.0%
Vancouver	44.0%	16.7%	2.64	2.94	-10.2%
Vanderhoof	24.0%	14.8%	1.62	1.57	3.7%
Vernon	33.0%	15.3%	2.16	2.40	-9.8%
Victoria	47.0%	20.4%	2.30	2.26	2.0%
View Royal	30.0%	10.7%	2.81	3.21	-12.3%
Warfield	2.0%	1.7%	1.19	1.00	19.2%
Wells	39.0%	18.2%	2.14	1.81	18.1%
West Kelowna	11.0%	5.2%	2.13	na	na
West Vancouver	6.0%	2.4%	2.48	2.21	11.9%
Whistler	30.0%	8.7%	3.46	2.61	32.7%
White Rock	10.0%	3.8%	2.60	2.51	3.4%
Williams Lake	27.0%	22.1%	1.22	1.05	16.0%
Zeballos	10.0%	7.0%	1.43	1.46	-2.1%



## Appendix 3: Municipal Tax Gap, sorted alphabetically

Municipality	2018 Commercial Mill rate	2018 Residential Mill rate	2018 Tax Gap	2008 Tax Gap	Ten Year Change (2008 to 2018)
100 Mile House	10.03	4.47	2.25	2.18	2.9%
Abbotsford	10.05	3.36	2.99	2.91	3.0%
Alert Bay	20.72	8.97	2.31	2.45	-5.7%
Anmore	1.32	1.32	1.00	1.00	0.0%
Armstrong	8.18	2.89	2.83	3.24	-12.8%
Ashcroft	18.81	5.05	3.72	3.65	2.1%
Barriere	8.98	3.59	2.50	2.45	2.0%
Belcarra	2.53	1.03	2.45	2.45	0.1%
Bowen Island	2.14	2.14	1.00	1.00	0.0%
Burnaby	6.31	1.51	4.19	3.98	5.1%
Burns Lake	15.38	7.52	2.05	2.24	-8.6%
Cache Creek	5.92	2.89	2.05	2.18	-5.9%
Campbell River	12.92	5.22	2.47	3.26	-24.1%
Canal Flats	7.43	4.13	1.80	2.20	-18.2%
Castlegar	11.37	3.48	3.26	5.48	-40.5%
Central Saanich	6.15	2.86	2.15	2.41	-10.9%
Chase	11.49	4.42	2.60	3.26	-20.2%
Chetwynd	10.99	4.44	2.47	3.32	-25.6%
Chilliwack	7.81	3.25	2.40	2.48	-3.1%
Clearwater	15.41	4.71	3.27	3.25	0.7%
Clinton	19.60	8.91	2.20	2.28	-3.5%
Coldstream	5.85	2.44	2.40	2.67	-10.3%
Colwood	13.34	3.04	4.39	3.66	20.1%
Comox	11.65	2.84	4.11	4.20	-2.1%
Coquitlam	8.87	2.02	4.38	4.99	-12.1%
Courtenay	11.01	3.62	3.04	3.35	-9.3%
Cranbrook	19.25	7.54	2.55	3.30	-22.7%
Creston	10.72	5.56	1.93	2.00	-3.5%
Cumberland	9.34	3.84	2.44	1.94	25.8%
Dawson Creek	17.10	6.31	2.71	3.27	-17.1%
Delta	7.80	2.32	3.37	3.25	3.5%
Duncan	10.24	4.06	2.52	3.44	-26.7%
Elkford	9.66	4.90	1.97	2.60	-24.2%
Enderby	6.78	3.49	1.94	2.45	-20.7%
Esquimalt	11.88	3.70	3.21	2.97	8.3%
Fernie	11.86	4.33	2.74	2.23	22.7%
Fort St. James	14.27	4.45	3.21	2.78	15.4%
Fort St. John	13.68	4.86	2.81	2.85	-1.2%
Fraser Lake	22.58	7.00	3.23	2.91	10.8%
Fruitvale	7.37	3.35	2.20	2.20	0.0%
Gibsons	5.46	1.66	3.29	3.92	-15.9%
Gold River	14.59	6.13	2.38	2.27	4.7%
Golden	13.91	5.67	2.46	2.85	-13.8%
Grand Forks	11.70	4.90	2.39	3.84	-37.8%
Granisle	74.90	24.00	3.12	2.45	27.4%
Greenwood	17.22	7.03	2.45	2.05	19.5%
Harrison Hot Springs	8.63	2.71	3.18	3.10	2.6%
Hazelton	21.95	8.96	2.45	2.45	0.0%
Highlands	10.27	2.39	4.30	3.70	16.3%
Hope	11.88	4.39	2.70	2.71	-0.1%
Houston	21.03	7.15	2.94	2.93	0.5%
Hudson's Hope	9.70	3.50	2.77	3.67	-24.4%
Invermere	9.46	3.77	2.51	3.25	-22.8%
Kamloops	13.21	5.19	2.55	3.34	-23.7%
Kaslo	8.18	3.51	2.33	2.70	-13.7%
Kelowna	7.72	3.24	2.38	2.71	-12.2%
Kent	10.51	2.98	3.52	3.29	6.9%
Keremeos	8.02	3.94	2.03	2.36	-13.8%
Kimberley	22.39	8.11	2.76	2.99	-7.7%
Kitimat	14.70	5.08	2.89	2.31	25.5%
Ladysmith	12.95	4.31	3.00	3.96	-24.2%
Lake Country	7.40	2.90	2.55	3.53	-27.6%
Lake Cowichan	11.17	4.14	2.70	3.45	-21.7%
Langford	7.14	2.46	2.90	3.06	-5.2%
City of Langley	7.68	2.49	3.09	2.30	34.5%
Township of Langley	8.15	2.17	3.75	3.14	19.5%
Lantzville	6.90	1.72	4.00	4.00	0.0%
Lillooet	17.17	5.05	3.40	2.55	33.3%
Lions Bay	4.57	1.44	3.16	3.50	-9.6%
Logan Lake	8.19	3.23	2.54	4.28	-40.7%
Lumby	5.20	3.13	1.66	2.21	-24.8%
Lytton	15.95	5.88	2.71	2.40	12.9%
Mackenzie	7.31	5.41	1.35	2.34	-42.2%
Maple Ridge	9.84	3.00	3.29	3.29	-0.1%
Masset	16.57	6.76	2.45	2.45	0.0%
McBride	14.22	5.87	2.42	2.50	-3.2%
Merritt	16.12	5.32	3.03	3.35	-9.6%
Metchosin	7.96	1.77	4.50	4.42	1.9%
Midway	9.79	4.32	2.27	2.10	7.9%
Mission	12.90	3.22	4.00	3.45	16.0%
Montrose	3.85	1.93	2.00	2.00	0.0%
Nakusp	9.49	4.33	2.19	2.73	-19.8%

## Appendix 3 cont'd: Municipal tax gap, sorted alphabetically

Municipality	2018 Commercial Mill rate	2018 Residential Mill rate	2018 Tax Gap	2008 Tax Gap	Ten Year Change (2008 to 2018)
Nanaimo	12.94	4.48	2.89	2.98	-3.2%
Nelson	9.03	4.30	2.10	2.61	-19.4%
New Denver	6.96	3.48	2.00	2.00	0.0%
New Hazelton	22.59	9.22	2.45	2.45	0.0%
New Westminster	10.43	2.51	4.16	3.78	10.1%
North Cowichan	9.18	4.03	2.28	4.21	-45.9%
North Saanich	8.67	1.44	6.03	7.27	-17.1%
City of North Vancouver	6.48	1.68	3.85	4.11	-6.3%
District of North Vancouver	5.60	1.59	3.52	3.67	-4.1%
Northern Rockies	14.59	5.03	2.90	3.50	na
Oak Bay	6.29	2.47	2.54	1.79	42.0%
Oliver	4.09	1.67	2.45	2.90	-15.6%
Osoyoos	3.48	2.18	1.60	1.59	0.6%
Parksville	9.96	3.82	2.61	2.62	-0.3%
Peachland	5.78	3.04	1.90	2.00	-5.0%
Pemberton	4.24	1.88	2.25	2.45	-8.2%
Penticton	6.53	3.93	1.66	2.01	-17.1%
Pitt Meadows	9.33	2.75	3.40	3.67	-7.5%
Port Alberni	14.61	7.77	1.88	3.06	-38.7%
Port Alice	10.18	5.99	1.70	1.84	-7.6%
Port Clements	11.18	4.56	2.45	2.00	22.5%
Port Coquitlam	9.16	2.44	3.76	3.59	4.6%
Port Edward	14.27	3.91	3.65	2.50	46.0%
Port Hardy	20.41	6.13	3.33	3.61	-7.8%
Port McNeill	9.83	5.75	1.71	1.50	13.9%
Port Moody	6.93	2.47	2.80	3.35	-16.3%
Pouce Coupe	7.04	2.92	2.41	2.45	-1.7%
Powell River	18.58	7.51	2.47	3.60	-31.3%
Prince George	17.50	7.60	2.30	2.28	1.1%
Prince Rupert	25.28	6.19	4.08	3.50	16.7%
Princeton	8.68	3.61	2.41	4.33	-44.4%
Qualicum Beach	7.61	3.14	2.42	3.07	-21.2%
Queen Charlotte	6.54	2.54	2.57	3.00	-14.4%
Quesnel	15.31	4.93	3.11	2.69	15.5%
Radium Hot Springs	6.29	2.87	2.19	2.66	-17.7%
Revelstoke	20.05	4.32	4.64	6.60	-29.6%
Richmond	4.83	1.52	3.19	3.49	-8.7%
Rosland	12.58	7.08	1.78	1.71	3.9%
Saanich	12.57	2.95	4.26	3.82	11.4%
Salmo	6.28	3.22	1.95	2.20	-11.3%
Salmon Arm	11.83	4.21	2.81	3.01	-6.7%
Sayward	22.25	8.80	2.53	2.45	3.3%
Sechelt	5.39	2.27	2.37	2.05	15.6%
Sechelt Indian Government	6.32	2.58	2.45	2.45	0.0%
Sicamous	10.40	5.03	2.07	2.45	-15.6%
Sidney	1.87	0.66	2.85	2.89	-1.4%
Silverton	6.48	3.24	2.00	1.78	12.4%
Slocan	4.43	4.18	1.06	1.54	-31.4%
Smithers	16.93	4.75	3.56	3.66	-2.5%
Sooke	7.50	2.74	2.74	3.50	-21.7%
Spallumcheen	12.09	4.07	2.97	3.10	-4.2%
Sparwood	10.72	3.90	2.75	3.48	-21.1%
Squamish	8.68	3.18	2.73	2.67	2.1%
Stewart	11.58	7.72	1.50	1.74	-13.7%
Summerland	6.79	3.02	2.25	3.36	-33.1%
Sun Peaks	7.22	2.62	2.75	na	na
Surrey	5.95	1.81	3.30	3.23	2.0%
Tahsis	36.88	14.75	2.50	2.18	14.8%
Taylor	5.55	3.40	1.63	1.39	17.7%
Telkwa	12.11	5.96	2.03	2.47	-17.8%
Terrace	21.59	5.10	4.23	3.85	9.8%
Tofino	9.25	3.16	2.93	3.12	-6.2%
Trail	9.04	5.25	1.72	1.46	17.6%
Tumbler Ridge	14.67	6.68	2.20	5.41	-59.4%
Ucluelet	13.84	4.25	3.26	3.17	2.8%
Valemount	8.92	3.48	2.56	1.70	50.7%
Vancouver	5.03	1.24	4.04	5.08	-20.3%
Vanderhoof	15.12	4.99	3.03	3.03	0.0%
Vernon	9.69	3.40	2.85	3.09	-7.9%
Victoria	11.63	3.29	3.53	3.67	-3.7%
View Royal	8.58	2.38	3.60	4.00	-10.0%
Warfield	4.20	4.30	0.98	1.00	-2.2%
Wells	10.54	3.55	2.97	2.90	2.4%
West Kelowna	7.51	3.22	2.33	2.45	-4.9%
West Vancouver	3.43	1.25	2.74	2.32	17.9%
Whistler	8.18	1.77	4.63	3.50	32.2%
White Rock	6.01	2.26	2.66	2.73	-2.6%
Williams Lake	13.29	5.90	2.25	1.96	14.8%
Zeballos	26.30	12.53	2.10	2.45	-14.3%