

# Minimum Tax Levy will be in effect for the Village of Alix come 2024 tax year



## Calculating Minimum Tax Levy

Your municipal taxes will be the greater of the minimum tax or the *ad valorem* tax calculation. In other words, you will pay either the minimum tax or the *ad valorem* tax. For example, let's assume that the municipality has implemented a minimum tax of \$400. The mill rate is 10.0 mills, and we have two properties - Property "A" has an assessed value of \$81,700 and Property "B" is assessed at \$13,000.

- Using the *ad valorem* tax calculation, the municipal tax levy relative to Property "A" is  $\$81,700 \times 10.0 / 1,000 = \$817$ . As this amount is greater than \$400, the municipal portion of property taxes for Property "A" will be \$817.
- Using the *ad valorem* tax calculation, the municipal tax levy relative to Property "B" is  $\$13,000 \times 10.0 / 1,000 = \$130$ . As this amount is less than \$400, the municipal portion of property taxes for Property "B" will be \$400.

### Frequently asked questions:

**Q:** What is a minimum tax levy?

**A:** A minimum tax levy may be established by bylaw to increase the amount of taxation revenue generated from lower assessed properties within one or more property classifications. Minimum tax will generally be a specified value or amount; however, it may also be expressed in a formula.

**Q:** Who will be affected by this?

**A:** Approximately 8.5% of properties within municipal limits will be affected by the tax levy. Vacant landowners will be most affected.

**Q:** Can a municipality impose a minimum tax levy?

**A:** Yes. A municipality may set a minimum tax on each property. The minimum tax levy is not a fixed surcharge; it is a tax floor amount. The minimum tax only applies if the calculated tax rate multiplied by the assessed value of the property is lower than the amount set as the minimum tax.

### Villages with populations of 500-1000 and their minimum tax levy

Place	Min. Tax Levy
Spring Lake	\$1000
Barnwell	\$1000
Delburne	\$300
Kitscoty	\$550
Clive	\$0
Irma	\$850
Beiseker	\$853
Boyle	\$500
Marwayne	\$850
Rycroft	\$750
Breton	\$625
Forestburg	\$800
Linden	\$0
<b>Alix</b>	<b>\$400</b>
Consort	\$700
Berwyn	\$500
Foremost	\$0
Acme	\$0
Mannville	\$1050
Caroline	\$300

**Council will be implementing a minimum municipal tax of \$400 for the 2024 year. This means the lowest amount of taxes that will be charged for the municipal portion of your bill will be \$400 per tax roll – this does not include the Senior Foundation or Alberta School Foundation Taxes.**

**If you have any questions or concerns on how this may affect your property. Please contact the Village Office at 403-747-2495**

**The Village of Alix tax year runs from January to December. Tax/Assessment notices are mailed out in May of each year.**

### How do they determine my assessment value?

Property assessments are prepared using mass appraisal and reflect a value for July 1 (valuation date) the previous year and a physical condition on December 31 (condition date). Up to 3 years of sales are compiled and adjusted to determine the assessments. Since your property assessment is based on market value, it is affected by market changes caused by supply and demand. The age, size, condition, and improvements done to the property will also affect the assessed value.