

## **FAQ: Special Service Levy (SSL) for Policing Services – Town of The Pas (2025-2028)**

### **1. What is the Special Service Levy (SSL)?**

A Special Service Levy (SSL) is a municipal tax tool authorized by provincial legislation that allows a municipality to recover the cost of specific services by applying a fixed charge to designated properties. Unlike general taxation, which is based on assessed property values, an SSL ensures that all properties receiving the service contribute equally and fairly.

In The Pas, the SSL is being introduced to fund RCMP (Policing Service), providing a stable, predictable, and transparent way to distribute costs while supporting economic growth and community development.

### **2. Why is the Town implementing this levy?**

The Town of The Pas must cover **\$3.9 million** in annual policing costs. The SSL is being introduced to:

- Supports a fair and equal funding structure by requiring all residential properties and vacant developable residential and commercial lots under the levy to contribute the same amount for policing services. Since every property equally benefits from police protection, the cost is shared evenly, creating a transparent and predictable way to fund this essential community safety services.
- Promotes new single-family home development by removing concerns about rising assessed property values, ensuring that homeowners can build, upgrade or improve their properties without the fear of significant tax increases. growth.

### **3. How is this fairer than the previous system?**

Presently, policing costs are covered through general taxation, meaning property owners with higher assessed property values pay more even though every property received the same level of service.

- Under a SSL, each affected property contributes equally to the cost of policing, as everyone benefits equally from the service.
- This means a \$50,000 home and a \$250,000 home both receive the same RCMP protection and will pay the same fixed rate instead of being taxed based on property value.

### **4. Who will be affected by the levy?**

All properties within the Town of The Pas will experience a change with the introduction of a special service levy (SSL), except those that are exempt.

The levy applies to:

- Single-family residential properties
- Vacant residential and commercial lots that can be developed.
- Non-commercial institutional properties (e.g., churches, community centers where applicable)

Properties (which will continue to pay based on assessed value):

- Businesses
- Multi-unit residential properties (3+ units)
- Railway properties

## 5. How are businesses and apartment buildings included in the Special Service Levy (SSL)?

Businesses and multi-unit residential buildings (3+ units) are included in the SSL and will continue to pay for policing services through property taxes based on assessed value.

- **Ability to adjust taxes based on revenue:** Commercial and multi-unit residential properties have the ability to appeal their tax assessments if their revenue/profit margins are impacted to ensure fairness in their tax burden.
- By applying the SSL per unit (“per door”) will discourage business investment and rental housing development and will impact potential investment and growth.
- Commercial and multi-unit properties will continue contributing to policing costs through the existing assessed-value tax system as it is done today, no change.
- The Town of The Pas is exploring **Tax Increment Financing (TIF)** to support business growth by offering incentives for commercial expansion and investment in the community.

## 6. How much will I have to pay?

draft

Each eligible property roll number will pay a fixed amount of **\$968.08** in 2025, with an estimated 3% increase per year as follows:

Year	Levy Per Property Roll (\$)
2025	\$968.08
2026	\$997.12
2027	\$1,027.04
2028	\$1,057.85

This charge will appear separately on your property tax bill. **Note this these numbers are based on estimates.**

## 7. How does this compare to my current property tax rate?

Currently, policing costs are funded through general property taxes, which are based on assessed property values.

Under the SSL model:

- A fixed charge will apply to eligible properties instead of a tax based on property value.
- This change will have lower-valued homes will pay more than before, while higher-valued homes will see reductions.

**Example:**

- A **\$150,000** home would pay **\$4,285** for municipal taxes under the current model.
  - Under the SSL, the homeowner will pay **\$4,010 with is a decrease of \$275**. This is made up by an assessed value portion of **\$3,042** and a special service levy of **\$968**.
- A **\$100,000** home would pay **\$2,857** for municipal taxes and policing under the current model.
  - Under the SSL, the homeowner will pay **\$2,996 which is an increase of \$140**. This is made up by an assessed value portion of **\$2,028** and a special service levy of **\$968**.

The chart below provides an estimate of how the Special Service Levy (SSL) may affect different property values. Please note that these figures are subject to minor adjustments as final numbers are confirmed.

**Note: 2025 Mill Rate is based on 2025 Budget Estimates.**

Proposed 2025 Rate with SSL vs Actual for Res <2 units						
Total Assessment	Portioned Assessment	2025 Now Rate 63.480	2025 New Rate 45.068	SSL	2025 New Total	Change
50,000	22,500.00	1,428	1,014	968	1,982	554
75,000	33,750.00	2,142	1,521	968	2,489	347
100,000	45,000.00	2,857	2,028	968	2,996	140
116,800	52,560.00	3,337	2,369	968	3,337	0
125,000	56,250.00	3,571	2,535	968	3,503	- 68
150,000	67,500.00	4,285	3,042	968	4,010	- 275
175,000	78,750.00	4,999	3,549	968	4,517	- 482
200,000	90,000.00	5,713	4,056	968	5,024	- 689
250,000	112,500.00	7,142	5,070	968	6,038	- 1,103
300,000	135,000.00	8,570	6,084	968	7,052	- 1,518
400,000	180,000.00	11,426	8,112	968	9,080	- 2,346
500,000	225,000.00	14,283	10,140	968	11,108	- 3,175

**8. How does this help development in The Pas?**

The SSL aims to:

- Encourage new construction and investment, as developers and homeowners won't be discouraged by large tax increases based solely on assessed value, creating a more predictable and attractive environment for building in The Pas.
- Make property upgrades more appealing by ensuring homeowners won't face major property tax hikes.
- The Special Service Levy (SSL) ensures a fair distribution of costs by charging each eligible property the same fixed amount for services, regardless of property value.

This approach is designed to grow the tax base over time, reducing the burden on all taxpayers in the long run.

### 9. How does this impact developable vacant lot owners?

Vacant residential and commercial lots that can be developed will be subject to the Special Service Levy (SSL), meaning they will pay the flat \$968 policing levy in addition to property taxes based on their assessed value, just like all other taxable properties.

- This approach is designed to encourage development rather than leaving lots vacant.
- Additional development incentives are available, including Bylaw 4560, which provides further support for property investment and growth.

SINGLE FAMILY RESIDENTIAL	
Increase in Assessment	Incentive
\$100,000+	Year 1 – 75% of Municipal Taxes Year 2 – 50% of Municipal Taxes

  

COMMERCIAL AND INDUSTRIAL	
Increase in Assessment	Incentive
\$100,000 - \$249,999	Year 1 – 75% of Municipal Taxes Year 2 – 50% of Municipal Taxes
\$250,000+	Year 1 – 75% Year 2 – 75% Year 3 – 50% Year 4 – 50% Year 5 – 50%

  

MULTI RESIDENTIAL	
Increase in Assessment	Incentive
\$100,000 - \$499,999	Year 1 – 75% of Municipal Taxes Year 2 – 50% of Municipal Taxes
\$500,000+	Year 1 – 75% Year 2 – 75% Year 3 – 50% Year 4 – 50% Year 5 – 50%

### 10. What happens if I don't pay the levy?

The SSL will be collected annually along with property taxes.

- Non-payment will result in the same penalties and collection processes as unpaid property taxes, including potential liens or property tax sales.

### 11. What if I own multiple properties?

The SSL is charged per tax roll number/property.

- If you own multiple properties (e.g., multiple single-family homes, vacant lots, etc.), each property will be charged separately.
- If you own a multi-unit rental property (3+ units) or a commercial building, there is no change in how your taxation is calculated and you will not be subject to the SSL. You will continue paying taxes based on assessed value as previously calculated.

## **12. Will this levy change after 2028?**

The Special Service Levy (SSL) is being proposed for a four-year period (2025-2028), subject to approval from the Manitoba Municipal Board and will be reviewed before the end of the term to assess its impact and future needs.

- At the end of this period, the Town will review its impact on taxation, economic growth, and development.
- Future adjustments could be made based on community feedback and financial needs.

## **13. Will there be other Special Service Levies (SSL) in the future?**

The Town of The Pas will continue to review and assess the community's tax structure to ensure it remains fair, sustainable, and supportive of economic growth. Future Special Service Levies may be considered if they provide a more equitable way to fund essential services while encouraging development and investment in the community.

## **14. Do other communities in Manitoba use Special Service Levies?**

Yes, many municipalities in Manitoba use Special Service Levies (SSLs) to fund essential services. These levies help distribute costs evenly among those who benefit from specific services.

Common examples include:

- Recreation
- Fire Protection / Community Safety
- Recycling
- Waste Management

The RM of Kelsey successfully uses Special Service Levies to fund Recreation, Fire Services, Recycling, and Mobile Equipment (Loader), demonstrating that this approach is an effective and proven method for funding essential municipal services.

Example from other communities

<b>Flin Flon</b>	<b>Swan River</b>	<b>Thompson</b>	<b>The Pas</b>
Municipal Mill Rate <b>48.540</b>	Municipal Mill Rate <b>36.004</b>	Municipal Mill Rate <b>47.351</b>	Municipal Mill Rate <b>45.068</b>
Special Service Levy <b>\$912.04</b> <small>(Fire and protective services, recreation, snow removal and dust control)</small>	Special Service Levy <b>\$315.33</b> <small>(\$860,000 of RCMP costs)</small>	Special Service Levy <b>\$91.91</b> <small>(Water breaks)</small>	Special Service Levy <b>\$968.06</b> <small>(Total RCMP cost)</small>
Taxes on an assessed value of <b>\$150,000 = \$4,188</b>	Taxes on an assessed value of <b>\$150,000 = \$2,746</b>	Taxes on an assessed value of <b>\$150,000 = \$3,288</b>	Taxes on an assessed value of <b>\$150,000 = \$4,010</b>

- Every residential property receives the same service, i.e. policing, independent of the assessed value of your home.
- SSL ensures everyone contributes equally for the same level of service, making the cost distribution fairer.
- New homes or higher-valued homes no longer subsidize policing costs for lower-valued homes through assessed-value-based taxation.

#### 16. How can I learn more or provide feedback?

- Attend a public meeting on April 7<sup>th</sup>, 2025
- Contact Municipal Office for questions for one-on-one discussions.
- Visit the Town of The Pas website (under construction) for updates and detailed documents.

#### 17. The Process - Can I appeal the Special Service Levy?

The Special Service Levy (SSL) cannot be appealed individually, as it is a municipal bylaw applied to designated properties. However, property owners can voice concerns and provide feedback during the public consultation process before the levy is finalized.

If **25 or more** affected taxpayers submit a formal objection, the levy must be reviewed by the Manitoba Municipal Board, which will assess its fairness and determine whether it should proceed.

- **Public Consultation Process:** Before approving an SSL, municipalities must hold public consultation/meeting where property owners can voice concerns.
- **Objection Process:** If at least **2/3 of affected property owners**, representing at least 50% of the assessed value, file formal objections, the municipality cannot proceed with the levy.
- **Council Review:** After the public consultation period, the council reviews feedback and may adjust or confirm the levy before final approval.

- **If at least 25 taxpayers** who would be affected by the Special Service Levy (SSL) submit a formal petition objecting to the levy, the request must be sent to the Manitoba Municipal Board for review and approval.

### **18. What is the objection process for a Special Service Levy?**

If property owners wish to formally object to the Special Service Levy (SSL), they can submit a petition to the municipality. The process follows these steps:

#### **Public Notice & Hearing**

- The Town provides at least 40 day notice before holding a public hearing on the proposed SSL.
- Property owners can ask questions, provide feedback, and express concerns at the public hearing.

#### **Objection Submission Period (14 Days After Hearing)**

- Property owners who oppose the levy will have 14 days after the public hearing to submit a formal written objection to the Town of The Pas.

#### **Threshold for Municipal Board Review**

- If 25 or more affected taxpayers submit written objections, the Town must refer the levy to the Manitoba Municipal Board for review.
- The Municipal Board will assess the fairness and impact of the levy and may hold additional hearings before making a final decision.
- If the Municipal Board approves the levy, it moves forward as planned.
- If the Board rejects or modifies it, the municipality may need to revise the proposal or consider alternative funding approaches.

#### **Timeline**

In Manitoba, the consultation period for a Special Service Levy (SSL) follows the public notice requirements under The Municipal Act.

#### **Consultation Timeline:**

#### **Public Notice (21 Days Before the Hearing) – Wednesday, February 26, 2025**

The Town of The Pas must publish a public notice at least **40 days** before the scheduled public hearing.

The notice must include details about the proposed levy, affected properties, and how residents can provide feedback.

#### **Public Hearing – Monday, April 7, 2025**

Town of The Pas will hold a public hearing, 81 Edwards Ave, 5 pm, where residents can ask questions, express concerns, or support the levy.

#### **Objection Period Ends – April 22, 2025**

Affected property owners have 14 days after the public hearing to submit formal objections.

*If 25 or more taxpayers file objections, the matter is referred to the Manitoba Municipal Board for review.*

**Council review feedback and decides next steps**

draft