

# Business Tax Consolidation and your Business Tax Bill



## **Understanding the business tax consolidation process.**

The City is phasing out business tax through a gradual transfer of business tax revenues to non-residential property tax. Each year business tax will decrease and non-residential property tax will increase, with business tax being eliminated in 2019.

Business tax consolidation does not increase the amount of revenue collected by The City and does not impact your business assessment.

## Business Tax Consolidation – tax change

Year	Business tax change	Non-residential property tax changes
2013	0%	0%
2014	-10%	2.3%
2015	-10%	2.3%
2016	-20%	4.6%
2017	-20%	4.6%
<b>2018</b>	<b>-20%</b>	<b>4.6%</b>
2019	-20%	4.6%
<b>Total</b>	<b>-100%</b>	<b>23.0%</b>

## 2018 tax impacts

Business owners will see an approximate 20% decrease in the 2018 business tax rate. The tax change from business tax consolidation will be reflected in the taxes owing – meaning your business tax will decrease.\*

The tax rate consolidation process reduces the 2018 business tax rate, while increasing the 2018 non-residential property tax rate by an additional 4.6%. When the 2018 property tax bills are mailed at the end of May, non-residential property owners will see an increase to their property tax.\*\*

**If you are a tenant**, you may see the increase in the property tax being passed onto you by your landlord. It is important to remember that your business tax reduction in March may offset the increase in June.

\* Annual business tax implications will vary based on changes to your business premises.

\*\* Non-residential property taxes are affected by annual re-assessment shifts and annual municipal and provincial tax rate adjustments.

## Learn more

A variety of tools and resources are available at [calgary.ca/btc](http://calgary.ca/btc) or call **403-268-2888**.