



Attachment 3

Car Valuation Increase

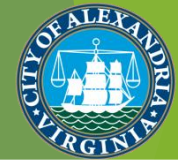
- ▶ Car values continue to increase
 - ▶ 15% of the vehicle tax base increased 5% in 2021 (Average)
 - ▶ 87% of the vehicle tax base increased 26% in 2022 (Average)
- ▶ Unprecedented situation
- ▶ Proposed solution to provide tax relief
- ▶ Additional adjustment to increase relief to lower valued cars

Vehicle Appreciation Proposal



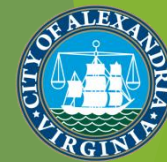
	<\$1,000	\$1,001 - \$20,000	\$20,001 - \$25,000	Over \$25,000
2021 (100% Fair Market Value)				
Current PPTRA Structure	100%	52%	41%	31%
Max Relief	\$53	\$554	\$437	\$330
2022 (100% FMV = 25% Increase, Revenue Surplus = \$21M)				
PPTRA Rate	100%	40%	32%	24%
Max Relief	\$53	\$426	\$341	\$256
# of Vehicles	4,331	64,394	8,896	20,401
2022 (77% FMV, Revenue Surplus = \$2.0M)				
PPTRA Rate	100%	45%	34%	24%
Max Relief	\$53	\$480	\$362	\$256
# of Vehicles	6,136	72,905	7,655	11,326

PPTRA Relief Proposal



	<\$5,000	\$5,001 - \$20,000	\$20,001 - \$25,000	Over \$25,000
2022 (77% FMV, Revenue Surplus = \$2.0M)				
New PPTRA Rates	100%	43%	25%	15%
Max Relief	\$267	\$458	\$267	\$160
# of Vehicles	32,214	46,827	7,655	11,326

- ▶ Raises 100% relief from \$1,000 to \$5,000
- ▶ Provides 100% tax relief to 32,214 vehicles
- ▶ Eliminates personal property tax for 1/3 of January vehicle tax base
- ▶ Provides higher tax relief to lowest valued cars
- ▶ All vehicle owners get tax relief



Recommendation

- ▶ Apply the PPTRA Tax Relief Proposal for this fiscal year
- ▶ Place the \$2 million into contingency reserve for Climate Change Actions
 - ▶ Staff will bring a proposal to Council in the fall for the use of the funds
 - ▶ Proposal allows for additional focus on climate change with feedback and input from the community