

Education Property Tax



Facts and Information- 2020

Facts...

An accessible, quality education system is a priority for this government, and for all Albertans. Funding to the K -12 education system incorporates two revenue sources – general provincial revenues and education property taxes. Using two revenue streams provides stability for education funding. In 1994, the Government of Alberta established the Alberta School Foundation Fund (ASFF). This fund makes certain that the education property tax is accounted for separately from general revenues.

F.A.Q.s

What does the Education Property Tax pay for?

The education property tax supports all public and separate school students. The education property tax helps pay for instructional costs including teacher salaries, textbooks, and other classroom resources.

How is my share of the education property tax calculated?

Your share is based on the assessment value of your property and the local education property tax rate. A decrease in the local education property tax rate can help lessen the impact of assessment value increases on your individual tax bill.

Where does the education property tax go?

The money collected from the education property tax goes to fund Albertans' priorities in education. The education property tax is pooled into the ASFF and then distributed among Alberta's public and separate school boards on an equal per-student basis.

All separate school boards in the province have opted-out of the ASFF, which means they requisition and collect property tax money from the municipalities directly. Any difference between what an opted-out board collects and what they are entitled to receive is adjusted for so there is no financial gain to a school jurisdiction that opts out of the ASFF.

How does the province collect the education property tax?

Every year the province calculates, based on assessment value, the amount each municipality must contribute towards the public education system.

Municipalities collect the education property tax from ratepayers and then forward it to the province for deposit into the ASFF.

Why is education partially funded through property tax?

The education property tax provides Alberta's education system with a stable and sustainable source of revenue. Pooling the education property tax in the ASFF ensures that students receive a quality education regardless of their municipality's assessment wealth.

Does everyone pay the education property tax?

All property owners pay the education property tax (with some exceptions, such as some non-profit organizations and seniors' lodge facilities). People who rent or lease property may also contribute indirectly through their monthly rent or lease payments. As the education system benefits all Albertans, people without children in school also pay the education property tax.

Every Albertan benefits from a quality education system. The education property tax supports an education system that is producing the workforce of tomorrow.

Do seniors have to pay the education property tax?

The education tax is a tax on property assessment; therefore, seniors who own property must pay the education property tax. The Government of Alberta has implemented programs to assist seniors.

Seniors Property Tax Deferral Program:

The Seniors Property Tax Deferral Program allows eligible senior homeowners to defer all or part of their property taxes through a low- interest home equity loan with the Alberta government. The government then pays the property taxes on behalf of the eligible homeowner. The loan does not have to be repaid until the property is sold or sooner if they so choose. For more information, please visit www.alberta.ca/seniors-property-tax-deferral-program.aspx

F.A.Q.s continued.....



Alberta Seniors Benefit: This program provides monthly cash benefits for eligible seniors with low income. It provides support in addition to the federal benefits received including Old Age Security and Guaranteed Income Supplement.

Learn more about this program and find out if you are eligible at: [https:// www.alberta.ca/seniors-and-housing.aspx](https://www.alberta.ca/seniors-and-housing.aspx) or call the Alberta Supports Contact Centre at 1-877-644-9992.

Can I direct my education property tax to a private school?

No. By provincial law, money collected through the education property tax can only be used to fund the public education system, which includes public and separate schools. Private school funding comes from three sources: provincial general revenues, tuition or instruction fees paid by parents, and private fundraising.

Why are property owners asked to declare their faith?

In Alberta, the Constitution guarantees Roman Catholic citizens' minority rights to a separate education system. In communities with separate school jurisdictions, property owners can declare they are of the Roman Catholic faith so their education property tax dollars can be directed to those separate school jurisdictions.

For more information...

Contact your municipality regarding:

- the assessed value of your property;
- market value assessment;
- **declaration of school board support; or**
- monthly tax installment plans.

Seniors - Contact Alberta Supports Contact Centre: toll-free at 1-877-644-9992, or visit the website at <https://www.alberta.ca/seniors-and-housing.aspx> for more information on:

- the Seniors Property Tax Deferral Program;
- **the Alberta Seniors Benefit; or**
- other provincial programs and services for seniors.

Contact the Government of Alberta Education Property Tax Line:

780-422-7125 (toll-free in Alberta by first dialing 310-0000)

Education Funding Information: Details of the Alberta School Foundation Fund are published in the Alberta Education Annual Report, available online at: <https://www.alberta.ca/government-and-ministry-annual-reports.aspx>

Overall Education funding information can be found online at: <https://www.alberta.ca/k-to-12-education-funding-model.aspx>

2020 Non-Residential Education Property Tax

The Government of Alberta is doing everything it can to support businesses through the COVID-19 pandemic.

On March 23, 2020, the government announced property tax changes to assist businesses and keep the economy running.

To help businesses remain solvent, the government is deferring six months' worth of education property tax for all non-residential properties in Alberta.

What this means for you

Businesses will see their 2020 education property tax amount deferred this year. Education property tax amounts will not begin to be collected until October 2020.

We encourage you pay the full amount of your taxes now if you are able to. Property owners are strongly encouraged to immediately pass on the benefits of any tax deferrals to their business tenants.

While deferred taxes are still due in 2020, we are also encouraging municipalities to implement flexible payment plans for non-residential property owners unable to pay fully in 2020.

For further information about your municipality's specific approach, please contact your municipal administration using the contact information provided on the tax notice.