



## **OBCM Motion on Education Tax Reform**

**Moved by Mayor David West - Richmond Hill**

**Seconded by Mayor Dorothy McCabe - Waterloo**

**February 6, 2026**

**Whereas** the property tax is applied to all properties calculated from the assessed value of the property regardless of the property owners' income and ability to pay, leading to lower-income individuals and families paying a larger percentage of their income in property taxes than higher-income families, impacting affordability; and diminishing tax fairness

**And whereas** the property tax was originally intended to support primary core municipal functions and services, notably community infrastructure such as water, wastewater, stormwater, transportation and other municipal services, infrastructure and programs that have a direct relationship to property value and the community one lives in;

**And whereas**, over the past 100 plus years since the property tax system was implemented, upper level governments have downloaded many different non-core responsibilities onto municipalities thus increasing pressures on the property tax. This increased downloading has added more unfairness to municipal resident's tax bill. Combined with the already regressive nature of property taxes;

**And whereas** municipalities are currently experiencing significant challenges in achieving long-term financial sustainability, including funding the increasing costs of providing municipal services and building and maintaining the infrastructure on which their communities rely, while balancing the affordability needs of their residents and property owners;

**And whereas** the education portion of property taxes is established and regulated by the Province of Ontario under the *Education Act*, and municipalities, including the City of Richmond Hill, act solely as the collection agent for this levy;

**And whereas** education is not a municipal responsibility and the collection of this education levy on property tax adds unfairly to municipal taxpayers burden;

**And whereas** municipalities across Ontario and Canada, the Association of Municipalities of Ontario (AMO) and the Federation of Canadian Municipalities (FCM) have called for a review and reconsideration of municipal revenue sources as part of a larger effort to better match municipal mandates with resources to fund these;

**And whereas** the Province of Ontario funds a portion of education, a provincial responsibility, via a tax levied based on the assessed value of the property and collected by municipalities, which in Richmond Hill represents 20% of the average property tax bill;

**And whereas** the Province of Ontario has acknowledged that there should be no relationship between property values and education by ensuring that the base rate of per student funding is provided to all students in the Province, regardless of what municipality they attend school in;



— **OBCM** —  
Ontario's Big City Mayors

**And whereas** removing the education levy from the property tax would increase tax fairness and increase affordability and is consistent with AMO and FCMs calls for reform.

**Therefore be it resolved** that Ontario's Big City Mayors calls on the Province of Ontario to remove the residential property-based education tax as a source of funding for schools, so that municipalities can align their taxing authority with their legislative mandates.

**And** that the Ontario's Big City Mayors reiterate our call for a new municipal fiscal framework.