

# Education Property Tax Fact Sheet

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## Highlights of the 2021/22 provincial education property tax

Alberta's education property tax will be frozen at \$2.5 billion in 2021/2022, for a second consecutive year. In *Budget 2020*, education property tax was originally set to increase to account for population growth and inflation. However, with the onset of the pandemic, the Government of Alberta decided to freeze property tax revenue at 2019/20 levels in order to lessen the burden on Albertans and Alberta businesses. With the pandemic still affecting numerous households and businesses, this revenue amount will continue to be frozen.

Education property taxes provide a stable source of revenue and equitable funding that supports education from kindergarten to Grade 12. This year, education property tax will fund about 30 per cent of the consolidated education operating cost, including teachers' salaries, textbooks and classroom resources. Education property tax is not used to fund government operations, capital costs like school construction or renovation, or teachers' pensions.

Under the provincial funding model, all education property taxes are pooled by Alberta Education through the Alberta School Foundation Fund and distributed to public and separate school boards on an equal per-student basis.

## How education property tax is calculated for municipalities

All municipalities collect an equitable share of the provincial education property tax in proportion to their total taxable property assessments, which are equalized across the province. The equalization process ensures owners of properties of similar value and type across the province pay similar amounts of education property taxes. For more details on this process, refer to the [Guide to Equalized Assessment](#) on the Alberta Government website.

The provincial equalized assessment base used to determine education property taxes this year reflects 2019 property values.

In 2021, the education property tax will be calculated at a rate of \$2.56 per \$1,000 of the total residential/farmland equalized assessment value. The non-residential rate will be set at \$3.76 per \$1,000 of equalized assessment value.

Property owners may see a change to their education tax bill if their assessments change in relation to the provincial average. Individual properties are taxed based on the local education property tax rate set by the municipality.

## How much Calgary and Edmonton contribute to education property tax

Based on this formula, Calgary taxpayers will contribute \$768.9 million in education property tax in 2021. Edmonton taxpayers will contribute \$494 million in education property tax in 2021.

Funding for Calgary and Edmonton school boards will be based on the published profiles expected to be released by the end of March 2021.

## Why property owners are asked to declare their faith

The Canadian 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.

## The education system benefits all Albertans

Alberta's education system supports the development of a skilled workforce, contributes to growth in the economy, and supports the social well-being of individuals and the province as a whole. These benefits reach all Albertans, regardless of their age, marital status or whether they have children.

Questions about financial assistance for seniors or the Seniors Property Tax Deferral program can be directed to the **Alberta Supports Contact Centre at 1-877-644-9992 (in Edmonton - 780-644-9992).**