## Why a Special Service Levy?

Currently the total funds required to perform the current garbage & recycling collection services in Gladstone and Langruth are collected based on assessed value and paid for by everyone including rural properties through the General At Large Mill Rate. In the L.U.D. of Plumas, these expenses were paid from the L.U.D. mill rate.

Those whose assessed value is higher than the average is charged more than a property with lesser assessed value for the same service rendered.

## What is a Special Service Levy?

Special Service Levies are unfamiliar and are more complex to execute. Rolls/parcels are taxed based on services received. It is a tax that reflects the actual cost of providing the service. Special service levies can be taxed by mill rate based on assessment or a flat rate per parcel.

Council is proposing to use a flat rate levy for Special Service Proposal No. 2021-01, meaning that every property will pay the same rate and only properties with a dwelling or business in urban areas will be taxed. If it were based on assessment (how it currently is), properties with a higher assessed value would pay more than those with a lower assessed value for the same service.

## So why now?

After 2022, the Amalgamation Act no longer allows for differential mill rates (ex. R.M. of Lakeview, Town of Gladstone, etc.). Without differential mill rates, ALL properties in the Municipality, regardless of location have one General Mill rate. If we do not start introducing special service levies for the services you receive (directly or indirectly), rural property taxes contribute to the garbage pickup & recycling in urban areas and urban property taxes contribute to drainage in the rural area.

\*\*The province just recently granted a two year extension to comply with the Amalgamation Act, we now have until 2024 to move to either a general mill or combo of general mill & special service levies.

## But it's just going to increase my taxes...

Not necessarily.... taxes currently levied for garbage & recycling pickup through the General Mill Rate would be removed and instead shown on your tax bill as a "Special Service Levy". It's not an additional tax, its just re-allocating the method of taxation to receive the funds required to perform this service to the properties who actually receive the service.