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City of Penticton welcomes report on tax rate ratios

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PENTICTON — The City of Penticton welcomed this week's release of the Canadian Federation of Independent Business' 2012 Municipal Tax Property Report, which finds Penticton among municipal leaders pursuing property tax fairness for small business owners.

The CFIB's findings this year show small business owners face average payments that are 2.78 times the rate of tax residential owners pay for the same value property on average in B.C. The difference in residential property tax and small business property tax ratios is known as the property tax gap.

The City of Penticton's calculation is 1.83, and is among a select few municipalities to post a year-over-year decrease in the property tax gap.

"The City of Penticton is open for business, and that means creating a competitive tax structure that can help established enterprises flourish and upstart ventures take root," said Mayor Dan Ashton. "The City has taken a hard look all costs associated with doing business locally, and that's why we have implemented robust economic investment zones and levelled the playing field in terms of utility rates as well."

The City of Penticton is one of 25 municipalities that have a property tax gap ratio of two or less out of 161 municipalities in B.C. Last year, that total was 24, and also included Penticton.

Across the Thompson-Okanagan region, 14 communities achieved a gap of 2.5 or less. The CFIB is calling on municipalities to commit to narrowing the property tax gap until it reaches a ratio of 2:1. The City of Penticton was below this level for two years in a row: the 2011 ratio was 1.83, and the 2010 ratio was calculated at 1.9.

The full report and regional rankings are available at: www.cfib.ca/bc.

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