

# INFORMATION NOTE

---

<b>Title:</b>	<b>Adoption of the Commercial Property Tax and Vacancy Relief By-Law</b>
<b>Date Prepared:</b>	April 28, 2025
<b>Report To:</b>	<b>Committee of the Whole</b>
<b>Councillor and Role:</b>	Councillor Sandy Hickman, Engineering and Regulatory Services
<b>Ward:</b>	N/A

---

## **Issue:**

That Council adopt the St. John's Commercial Property Tax and Vacancy Relief By-Law

## **Discussion – Background and Current Status:**

Effective January 1, 2013, the City ceased imposing business occupancy tax. So as to ensure tax revenues were not significantly impacted and that the tax burden was equitably shared, the former business occupancy tax was “blended” with the commercial realty (property) tax such that only property owners were billed for taxes, but they could claim “vacancy relief” in those circumstances where the business had been exempt from the former business occupancy tax. Examples of such exemption are where the business is a registered charity, a government department or where a property is actively being renovated such that it cannot be occupied at this time.

The current Commercial Property Tax By-Law was enacted to address the administrative processes related to vacancy relief. Over time, areas where the language could be clarified have been identified by staff and as a result of an internal audit of the process.

The proposed new bylaw, a copy of which is attached to this Decision Note, contains language which is clearer and provides greater certainty to both staff and the owners of commercial properties. The new by-law contains a specific reference to daycares, clarifies what is a “vacancy” and provides improved guidance as to how and when to apply for “vacancy relief”.

While incorporating clearer language so as to address identified issues with the existing by-law, the new by-law maintains the blending formula familiar to property owners and will not in itself result in a change in taxation.

## **Key Considerations/Implications:**

1. Budget/Financial Implications: None – no change in taxation

# ST. JOHN'S

2. Partners or Other Stakeholders: Commercial Property Owners

3. Alignment with Strategic Directions:

A Sustainable City: Facilitate and create the conditions that drive the economy by being business and industry friendly; and being a location of choice for residents, businesses and visitors.

An Effective City: Achieve service excellence through collaboration, innovation and modernization grounded in client needs.

4. Alignment with Adopted Plans: N/a

5. Accessibility and Inclusion: N/A

6. Legal or Policy Implications: The new by-law will have to be adopted. Forms to apply for vacancy relief will need to be updated.

7. Privacy Implications: N/A

8. Engagement and Communications Considerations: Publication of new by-law once adopted.

9. Human Resource Implications: N/A

10. Procurement Implications: N/A

11. Information Technology Implications: N/A

12. Other Implications: N/A

**Conclusion/Next Steps:**

That Council adopt the St. John's Commercial Property Tax and Vacancy Relief By-Law.

### Report Approval Details

Document Title:	Adoption of the Commercial Property Tax and Vacancy Relief By-Law.docx
Attachments:	- By - Law Commercial Property Tax and Vacancy Relief By-Law.docx
Final Approval Date:	Apr 30, 2025

This report and all of its attachments were approved and signed as outlined below:

**Cheryl Mullett - Apr 30, 2025 - 4:34 PM**