




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	June 7, 2024
SUBJECT:	Vacant Unit Tax – June Mailout (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Kirk Weaver, Acting Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

Following Council's approval of the Vacant Unit Tax By-law on April 24, 2024, the City has developed a communications plan to inform property owners of the details of the program. The purpose of this Communication Update is to advise Council that, as part of that communications plan, property owners will receive the attached buck slip with information on the Vacant Unit Tax with the property tax bill in June 2024.

Throughout 2024, the City will conduct a communication campaign through various channels such as direct mail, neighbourhood mail and social media, to inform property owners of the details of the upcoming program. The City will mail a letter to property owners in December 2024 with instructions on how to complete the mandatory occupancy declaration, which can be submitted online, by phone or by mail.

The Vacant Unit Tax is one of the multiple measures that Council has approved to address the City's housing crisis. By discouraging property owners from leaving units vacant, the City aims to increase housing availability at a time when housing is greatly needed.

Beginning in 2025, all residential property owners must submit a mandatory occupancy declaration annually to determine if their property is subject to the tax. A principal residence will not be subject to the Vacant Unit Tax but is still required to submit an occupancy declaration annually. Properties that have been vacant for more than 183 days in a year will be subject to a tax of one percent of the assessed value of the property. Net revenues resulting from this tax will be reinvested in housing initiatives.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Vacant Unit Tax – June Mailout (City Wide) – Page 2 of 2

There are some instances where a vacant property may be exempt from the Vacant Unit Tax (VUT):

- Death of an owner (exemption applies to year of death plus one subsequent year only).
- Major renovations provided a building permit has been issued.
- Sale of the property (the exemption applies in the year of the sale if the transfer is to an unrelated individual or corporation).
- Principal resident is in a hospital or long-term care facility.
- A court order that prohibits the occupancy of the unit.
- The residential unit is a non-profit housing unit.

City Staff estimate that 99% of properties, with completed annual declarations, will not be charged with the VUT, resulting in approximately 1,135 properties, or 1 %, subject to the VUT.

Key Dates

December 2024:	Instructions to make the declaration will be mailed
March 31, 2025:	Mandatory declaration deadline
April 1-30, 2025:	Late mandatory declarations will be accepted with a fee
First week of June 2025:	VUT bills are mailed out with Final Property Tax bills
June 30, 2025:	First VUT payment due
July 2, 2025:	Complaint/appeal period begins
September 30, 2025:	Second VUT payment due

For more information about the Vacant Unit Tax, visit www.hamilton.ca/VacantUnitTax or contact vacantunittax@hamilton.ca.

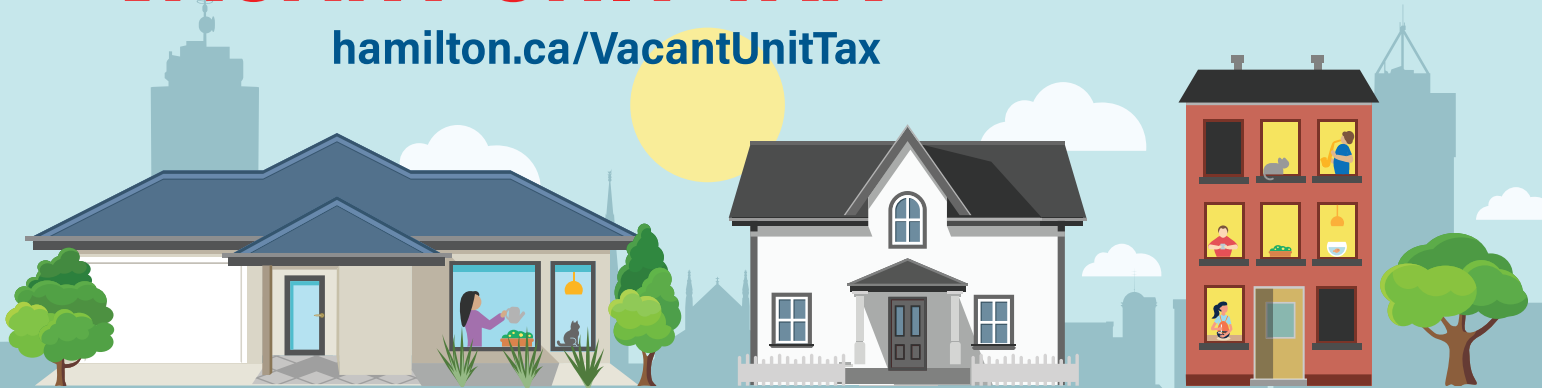
APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Communication Update – June Buck Slip

Coming January 2025

VACANT UNIT TAX

hamilton.ca/VacantUnitTax



Coming January 2025

VACANT UNIT TAX



The City of Hamilton is implementing a Vacant Unit Tax starting in 2025.

The Vacant Unit Tax is intended to support the City's housing efforts by encouraging owners to rent out or sell vacant properties.

What residential property owners need to know

- The Vacant Unit Tax (VUT) is an annual tax on residential units that have been vacant for more than 183 days in the previous calendar year.
- **All residential property owners must submit a mandatory occupancy declaration annually starting in January 2025 to determine if their property is subject to the tax.**
- Residential property owners will be able to submit declarations online, by phone, or by mail.
- If an occupancy declaration is not submitted, the property will be considered vacant and the VUT will be charged.
- A principal residence will not be subject to the VUT but is still required to submit an occupancy declaration annually.
- The tax rate of 1% of the property's assessed value will be charged to properties considered vacant.

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