

What you need to know: The basics

- The Municipal Property Assessment Corporation (MPAC) values more than 3,200 pit and quarry properties in Ontario.
- A pit or quarry is where aggregate (i.e., sand, stone and gravel) is extracted.

How we assess pit and quarry properties

- Pit and quarry properties are assessed using the cost approach (<https://www.mpac.ca/en/UnderstandingYourAssessment/threeapproachesvalue>).
- In this approach, value is determined by two key components: the replacement cost new less depreciation for any structures and the land value.
- If you'd like to learn more about how we assess pit and quarry properties, our Methodology Guide for Pit and Quarry Properties (/sites/default/files/docs/pdf/PitsandQuarries_MethodologyGuide.pdf) provides greater detail.

Pit and Quarry assessments for the 2025 property tax year and beyond

- MPAC has updated the assessments of more than 3,200 pit and quarry properties in Ontario to reflect the methodology established in the Assessment Review Board's (ARB) Wellington County appeal decision.
- Property owners received a Property Assessment Notice in November 2023 updating their property's assessed value and/or classification for the 2024 property tax year. The Notices continue to reflect the value of the property as of January 1, 2016.
- The updated assessments move several areas of the pits and quarries from the Residential Tax Class to the Industrial Tax Class and update values to reflect the methodology and approach outlined in the ARB's decision.
- In July 2024, the Ministry of Finance amended the regulation to introduce a new industrial subclass for eligible land used for aggregate extraction.
- On September 25, 2024, the Ministry of Finance filed Ontario Regulation 370/24 to amend Ontario Regulation 282/92 establishing a new property class called the Aggregate Extraction property class.

- MPAC is implementing the new property class for eligible land used in aggregate extraction, like gravel pits. Property owners will receive an updated Property Assessment Notice from MPAC as part of year-end Notice mailing for the 2025 tax year.
- We are closely monitoring the implementation of these new regulations and are committed to keeping our partners informed.
- We have been working with stakeholders throughout the appeal process and continue to engage with affected property owners, municipalities and other stakeholders to ensure they are aware of the changes.

About MPAC

The Municipal Property Assessment Corporation (MPAC) is an independent, not-for-profit corporation funded by all Ontario municipalities and is accountable to the Province, municipalities and property owners. Our role is to value and classify all properties in Ontario in compliance with the Assessment Act (<https://www.ontario.ca/laws/statute/90a31>) and regulations set by the Government of Ontario.

- We are the largest assessment jurisdiction in North America, assessing more than 5.6 million properties in Ontario, representing more than \$3.1 trillion in property value.
- Our assessments provide the foundation municipalities use to calculate the property taxes needed to pay for community services.
- Our assessors are trained experts in the field of valuation and apply appraisal industry standards and best practices.
- Our assessments and data have met international standards of accuracy and are relied upon by banks, insurance companies and the real estate industry.

Note: The applicable law prevails to the extent there is any conflict between this information and the current law. This information is not intended to provide legal advice and should not be relied upon as such.

(<https://www.mpac.ca>)