



**SUBJECT: 2018 Interim Tax Levy By-Law**

**TO: Committee of the Whole**

**FROM: Finance Department**

Report Number: F-46-17

Wards Affected: All

File Numbers: 415-02-01

Date to Committee: November 27, 2017

Date to Council: December 11, 2017

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### **Recommendation:**

Approve By-law XX-2017 attached as Appendix A to finance department report F-46-17 which provides for the levy of the 2018 Interim taxes.

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### **Background and Discussion:**

The City bills property taxes twice a year; first at the beginning of the year with installment due dates in February and April. This is known as interim billing. The second billing, known as final billing, is completed upon the approval of the city and region's budgets and receipt of the education tax rates from the province. The final billing installment due dates are in the months of June and September. A by-law approved by Council is required for each of the billings.

By-law XX-2017, attached as Appendix A, provides for the levy of interim taxes for the 2018 taxation year as authorized under the authority of the Municipal Act, 2001.

### **Strategy/process**

The interim levy is calculated based on the assessments provided in December by the Municipal Property Assessment Corporation multiplied by 50% of the applicable notional tax rate (2017). At the time of writing this report, notional tax rates, used to raise approximately one-half of approved 2017 budgets, are not available as the City is not in receipt of the 2018 assessment roll. Once received, notional rates will be calculated to apply to the 2018 interim levy. The rates will restate the 2017 tax rate to

an amount that when applied to the new assessment values will generate one-half of the tax revenue as per the approved 2017 budget.

For properties in the commercial, industrial and multi-residential classes (known as the capped classes) the capping and clawbacks will be adjusted such that the interim bill will equal 50% of the annualized 2017 taxes. With the exception of the capped classes, this may result in some properties interim taxes exceeding 50% of prior year's taxes.

Once approved by Council, Finance staff will generate the interim tax bills to be forwarded to property owners in order to meet the legislative time requirement for the initial interim tax due date.

The interim taxes will be due in two installments as follows:

February 20, 2018

April 20, 2018

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### **Financial Matters:**

Taxes are being levied on behalf of the Region and Boards of Education. These amounts will be paid to the appropriate bodies in accordance with legislated payment schedules.

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### **Public Engagement Matters:**

Interim tax bills will be mailed to property owners in January 2018. Advertisements will be placed in the local newspaper to remind taxpayers of the tax due dates.

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### **Conclusion:**

By-law XX-2017 provides for the interim taxes for 2018 taxation year as authorized under the authority of the Municipal Act, 2001.

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Respectfully submitted,

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**Appendices:**

- A. By-law XX-2017, A by-law to levy 2018 interim taxes

**Report Approval:**

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.