



**SUBJECT: 2021 Interim Tax Levy By-Law**

**TO: Corporate Services, Strategy, Risk & Accountability Cttee.**

**FROM: Finance Department**

Report Number: F-40-20

Wards Affected: All

File Numbers: 415-02-01

Date to Committee: December 10, 2020

Date to Council: December 14, 2020

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**Recommendation:**

Approve by-law XX-2020 attached as Appendix A to finance department report F-40-20 which provides for the levy of the 2021 Interim taxes.

**PURPOSE:**

An Engaging City

- Good Governance

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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-2020, attached as Appendix A, provides for the levy of interim taxes for the 2021 taxation year as authorized under the *Municipal Act, section 317*.

### **Strategy/process**

The Ontario government announced that the 2020 Assessment Update has been postponed. The province has indicated that property assessments for the 2021 taxation year will continue to be based on the fully phased-in January 1, 2016 current values (i.e., the same valuation date in use for the 2020 taxation year).

The proposed Interim Tax By-law provides for the levy of interim taxes for the 2021 taxation year as authorized under the authority of Section 317 of the *Municipal Act* S.O. 2001. The maximum allowable interim levy is 50 per cent of the total final taxes levied on a property for the previous year (including tax adjustments such as supplementary assessments and assessment appeals). The interim levy is calculated based on the assessments provided in December by the Municipal Property Assessment Corporation multiplied by 50% of the applicable tax rate (2020) (shown on Schedule “A” of the By-law).

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 22, 2021

April 22, 2021

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### **Financial Matters:**

The interim tax levy is required to provide the necessary cash flow to meet the obligations of the City including payments to the Region of Halton and the Boards of Education until the final tax rates are established.

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### **Engagement Matters:**

Interim tax bills will be mailed to property owners in January 2021. Advertisements will be placed in the local newspaper to remind taxpayers of the tax due dates.

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### **Conclusion:**

By-law XX-2020 provides for interim taxes for the 2021 taxation year as authorized under the authority of the *Municipal Act, 2001*.

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Respectfully submitted,

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**Appendices:**

- A. Appendix A: By-law XX-2020, A By-law to Levy 2021 Interim Taxes and Establish Penalty and Interest Rates
- B. Schedule A: Interim Tax Levy Bylaw Schedule

**Report Approval:**

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Counsel.