



SUBJECT: 2022 Interim Tax Levy By-Law

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

FROM: Finance Department

Report Number: F-43-21

Wards Affected: All

File Numbers: 415-02-01

Date to Committee: December 6, 2021

Date to Council: December 14, 2021

Recommendation:

Approve By-law XX-2021 attached as appendix A to finance department report F-43-21 which provides for the levy of the 2022 interim taxes.

PURPOSE:

Vision to Focus Alignment:

- Deliver customer centric services with a focus on efficiency and technology transformation

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-2021, attached as Appendix A, provides for the levy of interim taxes for the 2022 taxation year as authorized under the *Municipal Act, section 317*.

Strategy/process

In 2020, the Ontario government announced that the four year assessment update had been postponed. As a result, property assessments for the 2021 taxation year were based on the fully phased-in January 1, 2016 current values (i.e., the same valuation date used for the 2020 taxation year). In March 2021, the Provincial government announced a further postponement of the reassessment. For the 2022 taxation year, property assessment values will be the same as in 2020 and 2021 (unless there have been changes to a property).

As permitted under Section 317 of the *Municipal Act*, the maximum allowable interim levy is 50 per cent of the total 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 2021 tax rate (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, 2022

April 22, 2022

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.

Engagement Matters:

Interim tax bills will be mailed to property owners in January 2022. Advertisements will be placed in the local newspaper to remind taxpayers of the tax due dates

Conclusion:

By-law XX-2021 provides for interim taxes for the 2022 taxation year as authorized under the authority of the *Municipal Act, 2001*.

Respectfully submitted,

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Appendices:

- A. By-law XX-2021, A By-law to Levy 2022 Interim Taxes and Establish Penalty and Interest Rates

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.