



Administration and Operations Committee Report

To: To the Chair and Members of the Administration and Operations Committee
From: Christine Staley, Manager of Taxation & Revenues
Date: December 13, 2022
Report #: RPT-0522-22
Subject: 2023 Interim Tax By-law
Purpose: For Approval

Recommendation

That the 2023 Interim Tax Levy By-law be presented to Council for consideration.

Strategic Plan Priority

Strategic Priority 3 - Economic Resilience

Impacts and Mitigation

Social Impacts

The application of an interim tax levy is necessary to allow for the collection of taxes in advance of budget approval. This benefits both the municipality (consistent revenues throughout the year) and the ratepayer (who can spread tax payments over installments).

Environmental Impacts

No environmental impacts are anticipated as a result of this report.

Economic Impacts

The interim levy is approximately \$38.6 million of revenue, \$31 million municipal revenue to assist the County until the budget is passed.

Report

Background

Section 317 of The *Municipal Act, 2001* allows a municipality to bill an interim levy before the adoption of tax rates for the new year based on the assessment roll returned for the current year. In accordance with the Assessment Act, this assessment roll is provided by the Municipal Property Assessment Corporation (MPAC) no later than the second Tuesday in December. It is expected that MPAC will return the roll prior to December 13th, 2022 for the taxation year 2023.

A by-law must establish the classes to be billed, payment dates (installment dates) and penalties charged if the taxes are in default. As such, the municipality must pass a by-law to levy interim taxes based on the new assessment and 50% of the 2022 tax rates.

Analysis

Staff has prepared the attached draft Interim Levy By-law for Council's consideration.

Interim billing allows the municipality to have revenue before the budget is established to improve cash flow and meet their financial requirements. The due dates are set to ensure that the municipality has the funds to pay the quarterly school board payments and to spread out the yearly tax payments to ensure that the amount payable is more manageable for the taxpayer.

The proposed by-law provides for interim taxes to be levied based on 50% of the 2022 tax rates multiplied by the 2023 assessment values received in December. The by-law must be passed by January 16 to meet billing notice requirements. Final billing will occur in June, 2023. Proposed 2023 installment due dates are as follows:

- February 28, 2023
- April 29, 2023
- July 31, 2023
- September 29, 2023

The Province of Ontario has announced that assessment will remain at the current valuation for the 2023 tax year. The July and September tax dates will be based on the tax levy as approved to meet the 2023 County of Brant approved budget.

Summary and Recommendations

That the Interim Tax Levy By-Law be approved.

Attachments

1. Interim Tax Levy By-law

Reviewed By

1. Heather Mifflin, Director of Finance, Treasurer
2. Heather Boyd, General Manager of Corporate Services

By-law and/or Agreement

By-law Required	Yes
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No