



Administration and Operations Committee Report

To: The Chair and Members of the Administration and Operations Committee
From: Dustin van Engen, Manager of Taxation and Revenues
Date: December 10, 2024
Report #: RPT-0537-24
Subject: Interim Tax Levy Bylaw
Purpose: For Approval

Recommendation

That RPT-0537-24 Interim Tax Levy Bylaw, be received as information;
And that the Interim Tax Levy Bylaw be forwarded to Council for consideration.

Strategic Plan Priority

Strategic Priority 6 - Stable and Responsive Governance

Impacts and Mitigation

Social Impacts

The collection of interim taxes is essential to ensure that the municipality has sufficient cash flow to meet financial requirements and continue operations, services and programs provided to its residents.

Environmental Impacts

There are no environmental impacts anticipated as a result of this recommendation.

Economic Impacts

The interim levy is approximately \$48.2 million of revenue, \$40.1 million municipal revenue to assist the County until the Budget is passed and final billing occurs in June 2025.

Report

Background

Under Section 317 of *Municipal Act*, 2001, the municipality may bill an interim tax levy prior to the adoption of tax rates for that year. For the 2025 budget year, this interim levy will be applied to the 2025 assessment roll, which is expected to be delivered to the County by

December 10, 2024. The collection of interim taxes, which is based on 2024 tax rates, provides the municipality with stable funding for the period between January 1 and the finalization of the budget (which would have to be followed by approval of tax rates, notifications and billing before funds could be collected).

Analysis

Interim billing is a common practice and is typically undertaken any year that a Council does not intend to have their budgets finalized prior to end of year. To undertake this billing, a by-law is needed to establish the classes to be billed, payment dates (installment dates) and penalties charged if the taxes are in default. *The Municipal Act* requires the municipality to pass a bylaw to levy interim taxes based on the new assessment and 50% of the 2024 tax rate.

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 school board payments due in March, May, September and December. Municipalities also use the interim billing to spread out the yearly tax payments to ensure that the amount payable is more manageable to the taxpayer.

The County of Brant will bill interim taxes based on 50% of the 2024 tax rates multiplied by the 2025 assessment values. The bylaw must be passed prior to the billing. The bylaw must pass before January 13 to meet the deadlines for a February 28 due date.

The Province of Ontario has announced that assessment will remain at the current valuation for the 2025 tax year.

Summary and Recommendations

That the Committee forward the Interim tax levy bylaw to Council, to approve the interim bylaw to meet deadlines for a February 28, 2025, due date.

Attachments

Interim Levy Bylaw

Reviewed By

- 1. H. Boyd, General Manager of Corporate Services
- 2. H. Mifflin, Director of Finance
- 3. C. Staley, Manager of Taxation & Revenues

Bylaw and/or Agreement

Bylaw Required	No
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No