



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Lisa Gatto, Manager of Revenue

DATE: October 30, 2023

REPORT NO.: CS-2023-031

SUBJECT: 2024 Interim Property Tax Levy

RECOMMENDATION:

THAT Report No. CS-2023-031 dated October 30, 2023 regarding the 2024 Interim Property Tax Levy be received;

AND FURTHER THAT a by-law be enacted authorizing Council to provide for an Interim Tax Levy for 2024 (Appendix A);

AND FURTHER THAT taxes be due and payable on February 29 and April 30, 2024;

AND FURTHER THAT the payment of taxes for (portions of) properties having a farm designation (FT) as identified by the Municipal Property Assessment Corporation be deferred until September 30, 2024.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Each year the Town requires revenue to meet financial costs prior to approving the final tax rates.
- To ensure sufficient revenue is generated to meet these obligations, the Town is authorized to levy interim taxes pursuant to Section 317 (1) of the *Municipal Act, 2001*

BACKGROUND AND DISCUSSION:

Under Section 317 (1) of the *Municipal Act, 2001*, S.O. 2001 c.25, as amended (the *Municipal Act, 2001*), municipalities are permitted to pass a by-law levying amounts based on property assessments for local municipal purposes.

The interim levy for the year 2024 be set at 50% of the final taxes levied in 2023. The interim tax amount levied for all new roll numbers, which were not on the assessment roll in the previous year, will be calculated based on 50% of the applicable tax rate for the previous year, multiplied by the assessment of the current year.

The Interim by-law provides for the levy of interim taxes as authorized by Section 317 of the *Municipal Act, 2001*. Due to the limited time available between receiving the year-end final tax roll and the legislative timing of mailing tax bills to property owners, rate schedules are not included with the interim by-law.

The interim taxes will be due in two installments, except for properties registered for the ten (10) payment pre-authorized tax payment plan, which offers five installments from January to May of 2024. These installments were included in the 2023 Final Tax Rate By-law.

The Interim by-law also sets the 2024 interest and penalty rate at 1.25% per month which is the maximum rate permitted under the *Municipal Act, 2001*.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Internal Consultation was not required for this report.

FINANCIAL IMPLICATIONS:

The interim property tax levy by-law permits the Town to collect property-related taxes prior to the setting of the final tax rates in May. This is done for the Town's own purposes as well as on behalf of Halton Region, the four school boards, and the Acton and Georgetown BIAs. Interim taxes provide funds for all these organizations earlier in the fiscal year to administer their respective projects, programs, facilities, and services. This also allows property owners to spread out the payment of property taxes over most of the year.

Reviewed and approved by,

Joseph Vandermeer, Deputy Treasurer & Senior Manager of Accounting and Taxation

Moya Jane Leighton, Director of Finance & Town Treasurer

Laura Lancaster, Commissioner of Corporate Services

Chris Mills, Chief Administrative Officer