

REPORT FROM THE DIRECTOR OF FINANCE AND TREASURER

DESCRIPTION

Re: Interim Tax Levy By-law for 2023

RECOMMENDATION

That the report of the Director of Finance/Treasurer re: Interim Tax Levy By-law for 2023; be received **and that** the By-law to provide for an interim tax levy and to provide for the payment of taxes and to provide for penalty and interest on arrears in accordance with the Municipal Act, 2001 be approved by Council

BACKGROUND

Section 317 of the Municipal Act, 2001 S.O. 2001, c.25, as amended, provides that the council of a local municipality, before the adoption of estimates for the year under section 290, may pass a by-law levying amounts on the assessment of property in the local municipality rateable for local municipality purposes.

ANALYSIS

The first Thursday in each of the months of April, June, September and November are traditionally, established as tax billing installment due dates for the City of Elliot Lake. These dates assist the municipality with cash flow requirements to meet ongoing financial obligations and provide ratepayers with the most balanced installment plan for payment of their annual property taxes. The timing of the required payment of the School Board Levy is also a major consideration.

In keeping with current practices, the tax billing installment dues dates for 2023 are

- April 6, 2023
- June 8, 2023
- September 7, 2023
- November 2, 2023

The 2023 budget process has yet to be completed; therefore, taxation policy decisions and municipal tax rates are not complete.

Therefore, an interim tax levy, provided for by the adoption of the appropriate by-law, is required in order to meet regulatory billing requirements to coincide with the April and June installment due dates.

The interim levy provides for the collection of up to 50% of the total amount of taxes for municipal and school purposes on the property for the previous year. The final levy for the taxation year is adjusted by the amounts raised by the levy imposed by the interim tax levy by-law.

FINANCIAL IMPACT

There is no direct impact on the budget as a result of this by-law.

LINKS TO STRATEGIC PLAN

Consistent and timely tax collection procedures, policies and by-laws are a key element in the City's goal to operate in a fiscally responsible manner.

SUMMARY

To ensure the City's financial obligations continue to be met and that ratepayers are provided with the most balanced installment plan for payment of their annual property taxes, it is recommended that an interim tax levy be authorized, as presented, and further that a by-law to provide for interim tax levy for the year 2023 be adopted.