



The Corporation of the Town of Milton

Report To:	Council
From:	Glen Cowan, Chief Financial Officer/Treasurer
Date:	January 21, 2019
Report No:	CORS-004-19
Subject:	2019 Interim Tax Levy By-law

Recommendation: **THAT staff be authorized to bring forward the appropriate by-law(s) for consideration to provide for the due dates and collection of year 2019 Interim Taxes as outlined in CORS-004-19, subject to any minor technical amendments that may be required.**

REPORT

Background

The *Municipal Act, Section 317*, allows a municipality to levy, on all rateable properties, an interim tax levy. The maximum allowable interim levy is 50% of the prior year's adjusted taxes. The adjusted taxes reflect taxes levied against the property at final billing, including all tax adjustments due to supplementary assessment and resulting from assessment appeals. For properties that are new to the assessment roll for the current year, and were not assessed in the prior year, fifty per cent of the previous year's tax rate for the properties applicable tax class will be applied to the property's assessed value to generate an interim levy. These adjustments ensure that the interim levy reflects, as nearly as possible, 50 per cent of the taxes that will be levied in the coming year.

In addition, the *Municipal Act* also specifies that interim billings for properties in the multi-residential, commercial and industrial property classes be adjusted by 50% of the capping adjustment determined for the prior year.

The proposed Interim Tax By-law provides for the levy of interim taxes for the 2019 taxation year as authorized under the authority of *Section 317* of the *Municipal Act S.O. 2001*.

Discussion

In January 2019, staff will prepare the initiation of the billing process for the 2019 interim taxes. To be consistent with prior years, the installment due dates for the interim levy for property taxes should be set as follows:



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February 28, 2019 and April 30, 2019.

The Town offers three separate automatic withdrawal payment programs:

1. Monthly Plan
 - The withdrawals are spread out over a twelve-month period commencing on the last business day of November to October. A levy by-law for this program was approved by Council in September of 2018.
2. Installment Plan
 - The withdrawals occur on each of the four regularly scheduled installments (February, April, June, and September).
3. Arrears Plan
 - The withdrawals occur on the first business day of each month for a pre-arranged payment amount, agreed to by tax staff and the ratepayer.

Financial Impact

The interim levy is required to provide the necessary cash flow to meet the obligations of the Town including interim payments to the Region of Halton and the School Boards until the annual tax rate can be set and the final notices are prepared in May or June of 2019. The interim levy is expected to raise approximately \$95 million, of which \$29 million is the estimated Town share (including BIA).

Respectfully submitted,

Troy McHarg
Interim Commissioner, Corporate Services

For questions, please contact:

Name: Lesley Payton ext. 2141

Attachments

Schedule "A" – Draft By-law No. XXX-2019

CAO Approval
William Mann, MCIP, RPP, OALA, CSLA, MCIF, RPF
Chief Administrative Officer