



The Corporation of the Town of Milton

Report To:	Council
From:	Glen Cowan, Chief Financial Officer/Treasurer
Date:	December 16, 2019
Report No:	CORS-075-19
Subject:	2020 Interim Tax Levy By-law
Recommendation:	<p>THAT the necessary by-law, included on the December 16, 2019 Council meeting agenda to provide for the due dates and collection of year 2020 Interim Taxes, be considered for approval;</p> <p>AND THAT staff be delegated the authority to bring all future Interim Tax payment by-laws to Council for consideration without the need for a staff report.</p>

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, 50% 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% 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 2020 taxation year as authorized under the authority of Section 317 of the *Municipal Act S.O. 2001*.



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Discussion

In January 2020, staff will prepare the initiation of the billing process for the 2020 interim taxes. To be consistent with prior years, the installment due dates for the interim levy for property taxes should be set as follows:

February 28, 2020 and April 30, 2020

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 October of 2019.

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 the spring of 2020. The interim levy is expected to raise approximately \$101 million, of which \$32 million is the estimated Town share (including BIA).

Respectfully submitted,

Troy McHarg
Commissioner, Corporate Services / Town Clerk

For questions, please contact: Lesley Payton

Phone: Ext. 2141



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Attachments
None

CAO Approval
Andrew M. Siltala
Acting Chief Administrative Officer