



Report to: General Committee

Report Date: October 23, 2012

SUBJECT:	2013 Interim Tax Levy and Bylaw
PREPARED BY:	Paul Wealleans, Director, Taxation

RECOMMENDATIONS:

1. THAT Council authorize an interim tax levy for 2013;
2. AND THAT the attached by-law be passed to authorize the 2013 interim tax levy;
3. AND THAT staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Not applicable.

PURPOSE:

This report is to provide the authority for the City of Markham to levy an interim property tax levy for the 2013 tax year.

BACKGROUND:

The *Municipal Act, 2001* authorizes the council of a lower tier municipality to pass a by-law to levy interim taxes against rateable properties in the municipality.

OPTIONS/ DISCUSSION:

Under the provisions of the *Municipal Act, 2001* municipalities may pass a by-law to levy an interim amount against rateable properties such that the interim amount raised does not exceed 50% of the amount raised for all purposes in the previous year.

The *Act* provides that interim taxes are to be based on 50% of the annualized taxes levied on a property in the previous year. Annualized taxes reflect taxes levied against the property at final billing as well as adjustments due to supplementary assessments and assessment appeals. For new properties that were not assessed in 2012 but are on the assessment roll for 2013, 50% of the 2012 tax rate for that class will be applied to the property's assessed value to generate an interim levy.

The *Municipal Act, 2001* requires that an interim tax levy by-law be passed in the year to which it applies or in December of the previous year if the by-law provides that it does not come into force until a specified day in the following year. The City of Markham has a policy of passing its interim levy by-law in December of the year prior to the taxation year. The interim tax levy is required to ensure cash flow in order to meet the financial obligations of the City prior to the final 2013 tax levy bylaw that will incorporate the budget requirements of the Region and the school boards. The interim levy also provides the Region of York and the school boards with their interim cash requirements before the final bills are sent later in 2013.

On May 1, 2012, Markham Council approved changing the number of the interim and final tax instalments from six to four effective for the 2013 taxation year. The two interim instalment dates for 2013 as included in the attached by-law are February 5th and March 5th.

The 2013 final tax rates will be established following the approval of the budgets of York Region and the school boards. The interim levy will be deducted from the final levy.

FINANCIAL CONSIDERATIONS:

The interim levy bylaw is required to provide for the revenue requirements of the City prior to the final tax bylaw that will incorporate the budgets of the Region of York and the school boards.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

Legal Services Department

RECOMMENDED BY:

30/10/2012

X 

Joel Lustig
Treasurer

30/10/2012

X 

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A, "2013 Interim Levy Bylaw"

APPENDIX A: 2013 Interim Levy Bylaw

A By-law to Levy Interim Property Taxes

WHEREAS the Council of The Corporation of the City of Markham has adopted the estimates for the year 2013 as authorized by Section 312 of the *Municipal Act, 2001*, S. O. 2001, c. 25, as amended;

AND WHEREAS the Council of The Corporation of the City of Markham wishes to impose an interim levy as authorized by *Municipal Act, 2001*, S. O. 2001, c. 25, as amended;

AND WHEREAS section 342 of the *Municipal Act, 2001* authorizes a council to pass by-laws for the payment of taxes by instalments and the date or dates in the year for which the taxes are imposed on which the taxes or instalments are due;

AND WHEREAS section 345 of the *Municipal Act, 2001* authorizes a local municipality to pass by-laws to impose late payment charges for the non-payment of taxes or any instalment by the due date;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF MARKHAM ENACTS THE FOLLOWING:

1. The Council of The Corporation of The City of Markham hereby imposes an interim levy in 2013 in an amount of 50% of the total annualized taxes for municipal and school purposes levied on the property in the previous year.
2. The Treasurer of The Corporation of The City of Markham shall give to each person so taxed a printed notice specifying the amount of taxes payable. The Treasurer is authorized to mail the notice, or cause it to be mailed.
3. Taxes may be levied under this By-law on a property that is rateable for local municipality purposes for 2013 even if the property was not rateable for local municipality purposes for 2012, including assessment of property that is added to the assessment roll after the by-law is passed at a rate not to exceed 50% of the 2012 tax rate for the property class in which the property is assessed.
4. Taxes levied by this by-law shall be due and payable in equal instalments as per the schedule following and shall be paid to the Treasurer at the Municipal Offices, 101 Town Centre Boulevard, Markham, Ontario, L3R 9W3. Upon payment of any applicable fee, and if paid on or before the

due date imprinted on the bill, taxes may also be paid at most chartered banks in the Province of Ontario. The schedule is as follows:

MONTHLY RESIDENTIAL PRE-AUTHORIZED PAYMENT BILLS

Due in five (5) equal instalments on the 1st day in each of the months of February, March, April, May and June 2013.

INSTALMENT PRE-AUTHORIZED PAYMENT BILLS

Due in three (3) equal instalments on the 5th day of February 2013, 5th day of March, and the 5th day of April, 2013; or

Due in two (2) equal instalments on the 5th day of February 2013, and 5th day of March.

NON PRE-AUTHORIZED, RESIDENTIAL FARMLAND AND PIPELINE BILLS

Due in two (2) equal instalments on the 5th day of February 2013, and the 5th day of March, 2013.

NON PRE-AUTHORIZED, MULTI-RESIDENTIAL, ALL COMMERCIAL AND ALL INDUSTRIAL BILLS

Due in two (2) equal instalments on the 5th day of February 2013, and the 5th day of March, 2013.

5. If the taxes of any class or instalment thereof so levied in accordance with this By-law remain unpaid on the due date, a penalty of one and one quarter per cent (1 $\frac{1}{4}$ %) (or 15% per annum) of the taxes remaining unpaid shall be levied on the first day of default and shall continue to accrue until paid in full.
6. On the first day of the calendar month following the due date and every month thereafter for as long as there are taxes remaining unpaid, interest at the rate of one and one quarter per cent (1 $\frac{1}{4}$ %) (or 15% per annum) of the unpaid taxes shall be levied and shall continue to accrue until paid in full.
7. This By-law shall not take effect until January 1, 2013.