



SUBJECT:	2012 Interim Tax Levy and Bylaw
PREPARED BY:	Paul Wealleans, Director, Taxation

RECOMMENDATIONS:

1. THAT Council authorize an interim tax levy for 2012;
2. AND THAT the attached by-law be passed to authorize the 2012 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 Town of Markham to levy an interim property tax levy for the 2012 tax year.

BACKGROUND:

Section 317 of the *Municipal Act, 2001* (the “Act”) 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 *Act* 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 2011 but are on the assessment roll for 2012, 50% of the 2011 tax rate for that class will be applied to the property’s assessed value to generate an interim levy.

The *Act* 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 Town 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 Town prior to the final 2012 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 2012.

The three interim instalment dates for 2012 as included in the attached by-law are February 6th, March 5th, and April 5th. Although Markham Council approved changing instalment due dates to the 5th of the month in 2011 for all subsequent years, in February the 5th is a Sunday, so it is recommended the date be moved to the following Monday, the 6th.

The 2012 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 Town 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:

X 

Joel Lustig
Treasurer

X 

Joel Lustig
Acting Commissioner, Corporate Services

ATTACHMENTS:

Appendix A, "2012 Interim Levy Bylaw"

APPENDIX A: 2012 Interim Levy Bylaw

A By-law to Levy Interim Property Taxes

WHEREAS the Council of The Corporation of the Town of Markham has adopted the estimates for the year 2012 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 Town 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 TOWN OF MARKHAM ENACTS THE FOLLOWING:

1. The Council of The Corporation of The Town of Markham hereby imposes an interim levy in 2012 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 Town 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 2012 even if the property was not rateable for local municipality purposes for 2011, 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 2011 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 2012.

RESIDENTIAL NON PRE-AUTHORIZED, FARMLAND AND PIPELINE BILLS

Due in three (3) equal instalments on the 6th day of February 2012, the 5th day of March, 2012, and the 5th day of April, 2012.

MULTI-RESIDENTIAL, ALL COMMERCIAL AND ALL INDUSTRIAL BILLS

Due in three (3) equal instalments on the 6th day of February 2012, the 5th day of March, 2012, and the 5th day of April, 2012.

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, 2012.