

Date: 2020-10-02

Subject: **2021 Interim Tax Levy**

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Report Number: Corporate Support Services-2020-245

Recommendations:

1. That the report from Yvonne Kwiecien, Manager, Taxation and Assessment, Corporate Support Services, dated October 2, 2020 to the Committee of Council Meeting of November 18, 2020 re: **2021 Interim Tax Levy**, be received; and
2. That a By-law be passed for the levy and collection of the 2021 Interim Tax Levy.

Overview:

- **To authorize the annual issuance of Interim Tax bills for 2021 with the enactment of a By-law, effective January 1, 2021.**

Background:

The *Municipal Act, 2001* provides municipalities with the ability to levy interim taxes in an amount not exceeding 50% of the previous year's total taxes. This allows the municipality to meet its ongoing financial obligations including tax payments to the Region of Peel, School Boards, and the Downtown Brampton Business Improvement Area prior to the issuance of the Final Tax Bills. The estimated levy amount for interim billing is \$602 Million which includes the City portion of @ \$244 Million. The exact total will not be known until the final assessment roll is returned by the Municipal Property Assessment Corporation (MPAC) in December.

Current Situation:

To enable billing of interim taxes for 2021, a By-law is required to establish the levy, due dates, and other administrative needs regarding the interim tax amounts.

As has been our practice in previous years, the 2021 interim levy will be payable in three (3) instalments due February 17, March 24, and April 21, 2021. Properties enrolled in the City of Brampton's monthly Pre-authorized Tax Payment program (PTP) will be paid in six (6) instalments based on the taxpayer's withdrawal day being the 1st or 15th or the next business day in the months of January through June.

After the 2021 budget is approved by Council and the Regional requisition is received, the Final City and Region Tax Rates for the year will be set. The Educational Tax Rates are set by the Province. The amount of the 2021 Interim bill will be deducted from the total levied with the balance being the Final Tax Bill.

It is anticipated that the 2021 Final Tax billing for Residential, Commercial, Industrial and Multi-Residential properties will occur by end of June 2021. A report regarding Final Billing will be presented to Committee of Council, as is the usual practice.

Corporate Implications:

Financial Implications:

The approval of this report and By-law is essential to support the budget requirements of the City, Region of Peel, and the Province for education. An information brochure will accompany the bills. In addition, the City will place notices in the local press and on our website www.brampton.ca advising residents of the instalment due dates for the 2021 interim billing. As required by the *Municipal Act, 2001*, a By-law is necessary to accompany this report. As such, the City's Legal Services Division has reviewed and approved the 2021 By-law for the levy and collection of interim realty taxes.

Other Implications:

N/A

Strategic Plan:

This report achieves the Strategic Plan Priority of Good Government by contributing to the Strategic Initiative of Continued Financial Stability and it promotes transparency in the reporting of the City's financial affairs.

Term of Council Priorities:

This report fulfils the Council Priority of a Well-Run City through strict adherence to effective financial management policies and supports Brampton's 2040 Vision by ensuring sustainable financial revenues.

Conclusion:

The 2021 interim tax levy By-law is necessary to ensure the City can continue to meet its financial obligations including payments to the Region of Peel and School Boards.

Authored by:

Reviewed by:

Yvonne Kwiecien, Manager, Taxation
and Assessment

Mark Medeiros, Interim Treasurer

Approved by:

Submitted by:

Michael Davidson, Commissioner
Corporate Support Services

David Barrick, Chief Administrative Officer

Attachments:

Appendix A: By-law to Provide for the Levy and Collection of Interim Taxes for the Year
2021