



**Mike Mayes, Director
Financial Services/Treasurer**

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December 5, 2013

CORPORATE SERVICES REPORT - FINANCIAL SERVICES – 2014-02

TO: Mayor Tony Van Bynen and Members of Council
Committee of the Whole

SUBJECT: 2014 Interim Tax Billing and Bylaw

ORIGIN: Supervisor, Property Taxes

RECOMMENDATIONS

THAT Corporate Services Report - Financial Services – 2014-02 dated December 5, 2013 regarding the 2014 Interim Tax Billing be received and the following recommendation be adopted:

**THAT Council enact a by-law for the levy and collection of the 2014 Interim Tax Levy.
(Attached hereto as Appendix A)**

COMMENTS

Purpose

To enable billing of the 2014 Interim Taxes and to provide the authority to charge penalty/interest on non-payment of taxes.

Budget Impact

The Town's portion of the Interim billing will be approximately \$24,132,000.

Summary

With approval of the 2014 Interim Tax Billing by-law the Town will have the funding required to meet municipal service obligations.

Under the provisions of the *Municipal Act, 2001* as amended, a municipality may charge penalties/interest on overdue taxes levied. The rate charged is 1.25% per month (15% per year), which is the legal maximum a municipality may charge.

The 2014 Interim due dates will be February 20th, March 20th, April 17th, 2014 for both Residential and Commercial/Industrial and Multi-Residential taxpayers. The Final due dates are scheduled for July, August and September for Residential taxpayers and September and October for Commercial/Industrial and Multi-Residential taxpayers.

Background

2014 Interim Taxes

Section 317 of the *Municipal Act 2001*, provides municipalities with the ability to levy interim taxes in an amount not to exceed 50% of the previous years total taxes.

If any taxes were levied on a property for only part of 2013 due to an assessment increase during the year, an amount shall be added equal to the additional taxes that would have been levied on the property if the taxes had been levied for the entire year.

The interim levy will be payable in 3 installments, due February 20th, 2014, March 20th 2014, and April 17th, 2014.

When the Region sets their budget and the Province sets the education tax rates, the final tax rates for the year will be set and final tax bills will be levied. The amount of the 2014 Interim bill will be deducted from the total levied for the year, with the balance being the Final Tax Bill.

The 2014 Final Tax Billing due dates are scheduled for July, August and September for Residential taxpayers and September and October for Commercial/Industrial and Multi-Residential taxpayers.

Penalties and Interest

Under the provisions of the *Municipal Act, 2001* as amended, a municipality may charge penalties/interest on overdue taxes levied. Penalty charges are for delinquent payments on the current year's property taxes, and interest is applied to prior year(s) taxes. In both cases, the rate charged is 1.25% per month (15% per year), which is the legal maximum a municipality may charge. No penalty/interest added to overdue payments shall be compounded.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being Well Managed through fiscal responsibility.

CONSULTATION

Not applicable to this report.

HUMAN RESOURCE CONSIDERATIONS

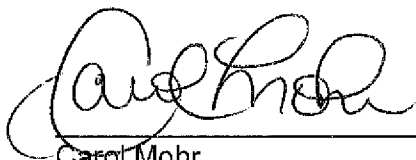
Not applicable to this report.

BUDGET IMPACT

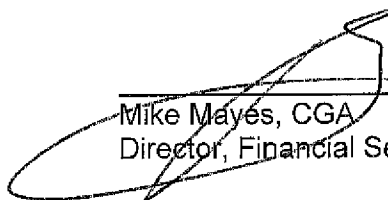
The Town also collects taxes on behalf of the Region and School Boards. The overall interim billing will be approximately \$71,000,000. Of this amount, the Town's portion will be approximately \$24,132,000.

CONTACT

For more information on this report, contact: Carol Mohr at 905-953-5300, ext. 2143 or via e-mail at cmohr@newmarket.ca



Carol Mohr
Supervisor, Property Taxes



Mike Mayes, CGA
Director, Financial Services/Treasurer



Anita Moore, AMCT
Commissioner, Corporate Services

MM/nh
Attachment



CORPORATION OF THE TOWN OF NEWMARKET

BY-LAW NUMBER -

WHEREAS the Council of the Corporation of the Town of Newmarket has adopted estimates for the year 2014 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 Newmarket wishes to impose an interim levy as authorized by the *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;

THEREFORE BE IT ENACTED by the Municipal Council of the Corporation of the Town of Newmarket as follows:

1. THAT the Council of the Corporation of the Town of Newmarket is hereby authorized to levy in 2014 an amount equal to fifty percent (50%) of the prior year annualized taxes on property that is rateable for local municipality purposes;
2. AND THAT taxes may be levied under this by-law on a property that is rateable for local municipality purposes for the current tax year, but which was not rateable for local municipality purposes for the prior tax year, including assessment of property that is added to the assessment roll after the by-law is passed;
3. AND THAT the Treasurer of the Corporation of the Town of Newmarket shall send to each person so taxed a printed bill specifying the amounts and due dates of taxes payable by the taxpayer;
4. AND THAT the Treasurer of the Corporation of the Town of Newmarket shall send the tax bill to the taxpayer's residence or place of business unless the taxpayer directs the Treasurer, in writing, to send the bill to another address, in which case it shall be sent to that address. This direction will continue until revoked by the taxpayer in writing;
5. AND THAT the realty taxes levied by this by-law shall be due and payable in instalments on February 20, 2014, March 20, 2014 and April 17, 2014 and be paid to the Treasurer, Town of Newmarket at the Municipal Offices, 395 Mulock Drive, Newmarket or to a financial institution to the credit of the Treasurer, Town of Newmarket;

6. AND THAT Council directs that all payments, including partial payments, shall be applied to accounts on a consistent basis;
7. AND THAT this by-law shall come into effect January 1, 2014.

ENACTED THIS DAY OF

Tony Van Bynen, Mayor

Andrew Brouwer, Town Clerk