

COMMITTEE OF THE WHOLE – APRIL 10, 2001

RESOLUTION & PROPERTY TAX POLICY UPDATE - 2001

Recommendation

The Director of Finance in consultation with the Property Tax Manager recommends that Council pass the following resolution:

Whereas the current deadline for most tax policy decisions is April 30th, 2001; and

Whereas tax policy impact analysis cannot begin until certain vital information is received from the Province of Ontario; and

Whereas York Region Council have adopted a staff recommendation to request an extension to the tax policy deadlines;

Now therefore be it resolved that Council of the City of Vaughan support the Region of York with their request to extend the tax policy deadlines to a date of 12 weeks following the receipt of the required information, and

That a copy of this resolution be forwarded to The Honourable Michael Harris, Premier of Ontario, The Honourable Jim Flaherty, Minister of Finance and The Honourable Chris Hodgson, Minister of Municipal Affairs and Housing.

Background

Regional Council must make a number of property tax policy decisions in 2001, prior to the issuance of final tax bills. A technical committee comprised of staff from the Region and each of the nine area municipalities, including Vaughan, was struck to facilitate local municipal review prior to tax policy being established. This group has identified the policies, the current deadlines and the information required as shown in the following table:

Tax Policy Decision	Deadline	Prerequisite
1. Delegation of tax ratio setting authority	April 30 *	<ul style="list-style-type: none">• Provincial regulation prescribing transition ratios• market change analysis (OPAC)• 2000 tax base data adjusted for changes in legislation
2. Set Tax ratios	April 30	<ul style="list-style-type: none">• All of the above-noted decisions
3. Municipal tax reductions (formerly tax rebates)	April 30	<ul style="list-style-type: none">• All of the above-noted decisions• Provincial regulation prescribing education tax rates
4. Graduated tax rates	April 30	
5. Optional property classes	April 30	
6. Phase-In	December 31	
7. Discount for Farmland Awaiting Development	-	
8. Set Tax rates	April 30	<ul style="list-style-type: none">• All of the above-noted decisions• Method of funding mandatory 5% cap on business properties• Provincial regulation for calculation of municipal budgetary change factors• Provincial regulation for calculation of the 5% cap• Provincial regulation for calculation of mandatory tax rebates for vacant business

		units.
9. Tax Rebates for Organizations Similar to Registered Charities	-	• All of the above-noted decisions
<i>* The Minister of Finance has agreed to extend this deadline from February 28 to April 30 as requested.</i>		

We have been advised that the Province will be releasing a package of information early in April that will include some of the required items. As the table shows, most tax policy decisions are required by April 30th, therefore this will leave less than 3 weeks to analyze the data, make recommendations to Local and Regional Councils, receive direction from Council and pass the required by-laws.

Region of York Council have adopted a staff recommendation to request an extension to the tax policy deadline to a date 12 weeks following the receipt of the information. This will be the second request for deadline extensions. In February Council supported the Region's request for an extension in the delegation deadline from February 28th to April 30th. Staff are recommending that Vaughan Council continue to support the Region of York's efforts through the resolution above.

Respectfully submitted,

Barry E. Jackson, CGA
Director of Finance