

INTERIM PROPERTY TAX LEVY FOR 2003

Recommendation

The Director of Finance, in consultation with the Manager of Property Tax & Assessment recommends:

That a by-law be prepared to levy interim property taxes for 2003, with three installments due in March, April and May, for all property classes.

Purpose

The purpose of this report is to inform Council on the issuance of the interim property tax levy for 2003, under the authority of Section 317 the Municipal Act, S.O. 2001, as amended.

Background - Analysis and Options

The issuance of an interim property tax levy provides funds for the City to meet its day-to-day operating and capital financial obligations.

As noted above the interim property tax levy will be due in three equal installments in March, April and May. Ratepayers enrolled in the pre-authorized payment plan, will have withdrawals made on the first banking day of each month from January to November.

In accordance with current Provincial legislation, the amount levied be subject to the following rules:

1. The amount levied on a property shall not exceed 50 percent of the total taxes levied on the property for the previous year.
2. For the purpose of calculating the total amount of taxes for the previous year, any amount levied for only part of the year shall be annualized.
3. For new assessments added to the roll for the 2003 taxation year, the levy shall be 50% of the 2002 rate applied to the 2003 assessment.
4. The interim levies for properties in the commercial, industrial and multi-residential classes (capped classes) include an amount equal to 50% of the 2002 capping adjustment.

2003 is a reassessment year; however, the Municipal Act prohibits the inclusion of any reassessment increase or decrease in the interim levy. Therefore the interim levy will be based on the same assessment as last year.

The tax rates to be used for this interim levy will be 50% of the 2002 tax rate for each property class, including commercial, industrial and multi-residential properties. The rates are shown on Appendix "A" attached.

Conclusion

The interim levy will produce total property tax revenue of approximately \$184 Million based on last year's total levy of \$369 Million, and an assessment total of \$25 Billion. These funds provide for the City's, Region of York and school board purposes.

Attachments

Appendix "A" - 2003 Interim Tax Rates

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Respectfully submitted,

Barry E. Jackson, CGA
Director of Finance

APPENDIX 'A'

2002 INTERIM TAX RATES

<u>CLASS</u>		<u>RATE</u>
Residential		0.00601915
Farm/Managed Forest		0.00150478
Multi-Residential		0.00726540
Commercial	Includes: Office Building Parking Lot Shopping Centre	0.01457964
Commercial Excess Land		0.01020575
Industrial	Includes: Large Industrial	0.01791601
Industrial Excess Land		0.01164541
Pipelines		0.01297115