

**INTERIM PROPERTY TAX LEVY FOR 2004****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 2004, 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 2004, 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. A calculated "notional" tax rate will be used to ensure the 50% limit on all classes of property.
3. 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.
4. For new assessments added to the roll for the 2004 taxation year, the levy shall be 50% of the 2003 notional tax rate applied to the 2004 assessment.
5. The interim levies for properties in the commercial, industrial and multi-residential classes (capped classes) include an amount equal to 50% of the 2003 capping adjustment.

2004 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 raising approximately 50% of the taxes levied last year, regardless of the properties assessment change.

**Relationship to Vaughan Vision 2007**

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

**Conclusion**

The interim levy will produce total property tax revenue of approximately \$205 Million based on taxable assessment of \$31 Billion. These funds provide for the City's, Region of York and School Board purposes.

**Attachments**

None

**Report prepared by:**

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Respectfully submitted,

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