

INTERIM PROPERTY TAX LEVY FOR 2006

Recommendation

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

That a by-law be prepared to levy interim property taxes for 2006, 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 2006, under the authority of section 317 of the *Municipal Act, 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 levy will be due in three equal installments in March, April and May. Taxpayers 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% of the total taxes levied on the property for the previous year, subject to an adjustment, should it appear the levy would be too high or too low in relation to an estimate of the total taxes that will be levied for 2006.
2. A calculated notional tax rate applied to the 2006 assessment will be used to calculate the levy.
3. For the purpose of calculating the total amount of property taxes for the previous year, any amount levied for only part of the year will be annualized.
4. For new property assessments added to the roll for the 2006 taxation year, the levy will be calculated by applying the notional tax rate to the 2006 assessment.
5. The interim levy for properties in the commercial, industrial and multi-residential classes (capped classes) will include an amount equal to 50% of the 2005 capping adjustment.

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 \$242 Million based on taxable assessment of \$38 Billion. These funds are raised for City, Region of York and School Board purposes.

Attachments

None

Report prepared by:

John De Santo, Acting Manager of Property Tax & Assessment
Ext. 8406

Respectfully submitted,

Barry E. Jackson, CGA
Director of Finance