

2007 ADOPTION OF RATES AND THE ISSUANCE OF PROPERTY TAX NOTICES

Recommendation

The Deputy City Manager/Commissioner of Finance & Corporate Services and the Director of Financial Services, in consultation with the Manager of Property Tax & Assessment recommends:

That a by-law be enacted for the adoption of Municipal, Regional and Education property tax rates and tax ratios, as attached, and for the levy and collection of property tax levies and to provide for the issuance of tax notices requiring payment of property taxes for the year 2007.

Economic Impact

The efficient and timely issuance of the final property tax levy provides a positive economic impact to the City, as it provides the necessary cash flow to meet the City's own needs and its financial obligations to the Region of York and the Province of Ontario for education purposes.

Communications Plan

Advertised notices for the final property tax notices for residential, farm, managed forest and pipeline (uncapped classes) will be posted in all local papers in late June and in July/August for commercial, industrial and multi-residential properties (capped classes).

Purpose

The purpose of this report is to provide the background to a by-law as required under Section 312 of the *Municipal Act 2001, S.O. 2001*, to levy and collect property taxes for the City of Vaughan, the Regional Municipality of York and the Province of Ontario for education purposes.

Additional information regarding the City of Vaughan tax rates for 2007 will be provided prior to the Committee of the Whole meeting of June 18, 2007 once the Special Council of June 14 has approved the 2007 budgets.

Background - Analysis and Options

The City property tax rates are based on the approved 2007 operating budget. Additional information will be provided to the Committee of the Whole outlining these tax rates once the Special Council on June 14 has approved that 2007 budget.

The Region of York has approved region wide tax ratios, their operating budget and uniform tax rates across the municipalities in the Region. The sum of \$205,784,572 shall be levied and collected for the City of Vaughan's share of the 2007 Regional Municipality of York Budget.

The Province of Ontario determines education tax rates and has passed Ontario Regulation 177/07 to prescribe the tax rates for 2007. There is no increase in the rates from 2006. The sum of \$222,458,445 shall be levied and collected for Ontario Education Support purposes.

It is expected that residential, farm, managed forest and pipeline (uncapped classes) property tax bills will be mailed in late June, due in three monthly installments or through the pre-authorized payment plan.

Due to the ongoing capping protection for the commercial, industrial and multi-residential property classes, these bills will be produced following the residential bills. Staff expect to be mailing the commercial bills in July with due dates also in three monthly installments.

The City collects property taxes on behalf of the Region of York and the school boards, therefore installment due dates are generally set to accommodate the legislated payment dates to these other levying bodies. However, for the convenience of the ratepayers, approximately one month between each installment is given. Due dates are usually the same day of each month, set near the middle of the month, except where weekends or holidays interfere.

The ratios, passed by the Region of York on May 24, 2007, will remain the same as 2006, as follows:

PROPERTY CLASS	2007 TAX RATIO
Residential	1.0000
Multi-Residential	1.0000
New Multi-Residential	1.0000
Commercial	1.2070
Industrial	1.3737
Pipelines	0.9190
Farm	0.2500
Managed Forest	0.2500

The tax rates for both the Region of York and Education, shown on Attachment A, have been established using the above noted levies, tax ratios and the final assessment roll as returned for 2007 taxation.

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.

Regional Implications

The City of Vaughan will be collecting \$205,784,572 in property taxes on behalf of the Region of York.

Conclusion

A by-law enacted to adopt the Municipal, Regional and Education tax rates and levies for 2007 will permit staff to proceed with the issuance of the final property tax bills.

Attachments

Attachment A – 2007 Property Tax Rates, Region of York and Education

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Respectfully submitted,

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C I T Y O F V A U G H A N

2007 Tax Rates

ASSESSMENT CATEGORY	TAX CODES	TAX RATES			
		Municipal	Regional	Education	Total
Residential Taxable Full Taxable: Shared Payment-In-Lieu	RT RH	****pending**** Additional information to be provided after the June 14 Special Council	0.00495729 0.00495729	0.00264000 0.00264000	****pending**** Additional information to be provided after the June 14 Special Council
Multi Residential Taxable Full Taxable: Farmland I	MT M1		0.00495729 0.00123932	0.00264000 0.00066000	
Commercial Taxable Full Taxable: Shared Payment-In-Lieu Taxable: Excess Land Taxable: Vacant Land Taxable Vacant Land: Shared Payment-In-Lieu Taxable: Farmland I	CT,DT,ST CH CU,DU,SU CX CJ C1		0.00598345 0.00598345 0.00418842 0.00418842 0.00418842 0.00123932	0.01492897 0.01492897 0.01045028 0.01045028 0.01045028 0.00066000	
Industrial Taxable Full Taxable: Shared Payment-In-Lieu Taxable: Excess Land Taxable Excess Land: Shared Payment-In-Lieu Taxable: Vacant Land Taxable: Farmland I	IT,LT IH IU,LU IK IX I1		0.00680983 0.00680983 0.00442639 0.00442639 0.00442639 0.00123932	0.01658072 0.01658072 0.01077747 0.01077747 0.01077747 0.00066000	
Pipeline Taxable Full	PT		0.00455575	0.01756056	
Farm Taxable Full	FT		0.00123932	0.00066000	
Managed Forest Taxable Full	TT		0.00123932	0.00066000	