

INTERIM PROPERTY TAX LEVY FOR 2008

Recommendation

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

That a by-law be prepared to levy interim property taxes for 2008, with three installments due in March, April and May for all property classes.

Economic Impact

The issuance of an interim property tax levy 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 interim property tax notices will be posted in all local papers in late February and early March.

Purpose

The purpose of this report is to inform Council on the issuance of the interim property tax bills for 2008 to all property classes, 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 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 by property is 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.
2. A tax rate, based on 50% of the 2007 rates, will be used to calculate the levy.
3. For the purpose of calculating the total amount of 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 2008 taxation year, the levy will be 50% of the 2007 tax rate applied to the 2008 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 2007 capping adjustment.

The 2008 tax year continues to be a non-reassessment year. At this point in time, the next reassessment is still on schedule for the 2009 tax year, based on a January 1, 2008 valuation date.

Relationship to Vaughan Vision 2020

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 an amount of approximately \$103 million in interim property taxes on behalf of the Region of York.

Conclusion

The interim levy will produce total property tax revenue of approximately \$276 Million based on taxable assessment of approximately \$43 Billion. These interim funds are raised for the City's, Region of York's and School Boards' operational purposes.

Attachments

None

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Respectfully submitted,

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