

Bylaw 17692

Tax Penalty, Interest and Monthly Payment Bylaw Amendment 15

Purpose

To amend Bylaw 12914, to establish the 2017 due dates for payment of taxes, the rates of penalty to be imposed for late payment, the rate of interest to be applied on overpayments, and the terms under which taxes may be paid in monthly installments.

Readings

Bylaw 17692 is ready for three readings.

Three readings are required by October 31, 2016, to provide for penalty and interest rates which become effective January 1, 2017.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree "That Bylaw 17692 be considered for third reading."

Advertising and Signing

No advertising is required.

Position of Administration

Administration supports this Bylaw.

Report Summary

The penalty rates and due dates established by this bylaw are unchanged from the existing bylaw.

Report

The due dates for payment of annual Business Improvement Area and property taxes are unchanged from previous years. In 2017, the due dates for annual Business Improvement Area and property taxes are March 31 and June 30 respectively.

Penalty rates are comparable to those charged by other municipalities, totaling 14% per annum for unpaid current taxes and 15% per annum for arrears of taxes.

Any overpayment of taxes will earn interest at the rate of 0.06% per month based on the minimum monthly credit balance.

A monthly payment program by automatic bank withdrawal has been in place since 1993, and allows taxpayers to pay their taxes in monthly installments without penalty.

Enrolment in this program has increased on average 3 - 4% annually over the past five years to approximately 116,000 tax accounts as of July 2016.

Policy

This bylaw is authorized by sections 340, 344 and 345 of the *Municipal Government Act*.

Corporate Outcomes

This bylaw contributes to the corporate outcome "The City has a resilient financial position" by establishing penalties and interest as authorized under the *Municipal Government Act*.

Legal Implications

Metrics	Targets	Outcomes
Approximately 116,000 property tax accounts are enrolled in the City's Monthly Payment Program which represents about 1/3 of the total accounts.	Maintain enrolment levels at 30% of the property tax accounts base.	By increasing the number of accounts on the Monthly Payment Program, the City improves its financial position by evening out its revenue stream. The existence of this program also supports property owners who prefer automated and predictable withdraws. Support corporation in the three year budget cycle.

Attachment

1. Bylaw 17692

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services