FINANCE DEPARTMENT MEMORANDUM

TO:	**MAYOR J. LEHMAN, AND MEMBERS OF COUNCIL**
FROM:	**M. MASLIWEC, SENIOR MANAGER OF ACCOUNTING AND REVENUE (ACTING)**
	C. MILLAR, DIRECTOR OF FINANCE AND TREASURER
NOTED:	**D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES**
	M. PROWSE, CHIEF ADMINISTRATIVE OFFICER
RE:	**2018 INTERIM TAX BILLING**
DATE:	**DECEMBER 11, 2017**

The purpose of the memorandum is to provide members of Council with information regarding the issuance of the 2018 Interim Property Tax Bills.

Staff will prepare the 2018 interim property tax bills in January 2018, for all property classes, calculated at no more than 50 percent of the 2017 annualized property tax amount. These bills will include any special charges (i.e. local improvements for water and sewer) levied on the property.

Section 317 of the *Municipal Act, 2001* allows municipalities to issue interim tax bills in order to provide the cash flow required to pay ongoing expenses until the annual business plan is approved. Section 317 (3) of the *Municipal Act, 2001* sets out the rules relating to the amount that can be levied.

a) The amount levied on a property shall not exceed the prescribed percentage of 50 percent if no percentage is prescribed, of the total amount of taxes for municipal and school purposes levied on the property for the previous year;
b) The percentage under (a) may be different for different property classes, but shall be the same for all properties in a property class; and,
c) Any taxes for municipal and school purposes that were levied on a property for only part of 2017 because the assessment was added to the property part way through the year, the interim property tax bill for 2018 will be calculated as 50 percent of the property taxes for 2017, as if they had been levied for the entire year.

In accordance with our standard practice, the 2018 interim taxes will be due in two instalments. The first instalment will be due on February 26, 2018 and the second instalment will be due on April 26, 2018.

Penalty and interest is applied to all unpaid accounts the 1st of each month at the rate of 1.25% (15% annually) to encourage prompt payment, and to ensure all other taxpayers are not financing those that do not pay on a timely basis. Payments received are applied first to all outstanding penalties and interest, and then to the oldest outstanding principal amount(s).

As in the past, notices will continue to be placed in the weekly City Page prior to each due date as a reminder to taxpayers. Information is also provided on the City's website. The City Clerk will prepare all necessary by-laws to formally establish the interim tax levy on all property classes, for each year.