

Staff Memorandum



To	Mayor A. Nuttall and Members of Council
Subject	2026 Interim Tax Billing
Date	December 3, 2025
Ward	All
From	C. Smith, Interim Director of Finance
Executive Member Approval	J. Schmidt, General Manager of Community and Corporate Services
CAO Approval	M. Prowse, Chief Administrative Officer

The purpose of this memorandum is to provide members of Council with information on the issuance of the 2026 interim property tax bills.

Staff will prepare the 2026 interim property tax bills in January 2026, for all property classes, calculated at no more than 50 percent of the 2025 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* (the Act) 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, property tax rates and ratios are updated, and the Province provides the Education tax rates.

Section 317(3) of the Act sets out the rules relating to the amount that can be levied as follows:

- a) The amount levied on a property shall not exceed the prescribed percentage, or 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) With respect to any taxes for municipal and school purposes that were levied on a property for only part of 2025 because assessment was added to the property part way through the year, the interim property tax bill for 2026 will be calculated as 50 percent of the property taxes for 2025, as if they had been levied for the entire year.

In accordance with our standard practice, the 2026 interim taxes will be due in two instalments. The first instalment will be due on February 27, 2026 and the second instalment will be due on April 30, 2026.

Late payment fees (penalty and/or interest) are 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 who do not pay on a timely basis. Payments received are applied first to all outstanding late payment fees, then to the oldest outstanding principal amount(s).

The City's Pre-Authorized Payment Plan authorizes the City to automatically withdraw funds from bank accounts designated by eligible and participating taxpayers in order to make property tax payments. For interim tax billing, these payments are withdrawn monthly over the first five months (January to May) of the year and will be due on the last business day of each month.

Appendix: Not Applicable

Memo Author:

M. Mifsud, Interim Senior Manager of Accounting and Revenue, Finance Department
K. Jylha, Manager of Taxation and Revenue, Finance Department

Pending #: Not Applicable