



## **Staff Report for Council Meeting**

**Date of Meeting:** May 27, 2020  
**Report Number:** SRCFS.20.012

**Department:** Corporate and Financial Services  
**Division:** Financial Services

**Subject:** SRCFS.20.012 Final Levy By-law and Tax Rates

### **Purpose:**

The purpose of this report is to adopt tax rates for the 2020 tax levies and to authorize the billing and collection of taxes, special assessments and fees. This report also sets the tax installment due dates for both residential and non-residential properties.

### **Recommendation(s):**

- a) That By-law No. 63-20 be enacted in the form of the draft By-law attached to SRCFS.20.012 to establish and adopt tax rates for 2020 on the assessment in each property class;
- b) That the billing and collection of taxes, special assessments, defaulted fines and fees including the tax installment due dates for residential and non-residential properties be authorized, and
- c) That the Mayor and Clerk be authorized to execute an agreement with the Regional Municipality of York with respect to the addition of defaulted fines for the Provincial Offences Act, to the tax roll, upon the recommendation of the Treasurer.

### **Contact Person:**

Cedric Stone, Manager, Revenue Services, ext. 5432,

### **Report Approval:**

**Submitted by:** Sherry Adams, Interim Commissioner of Corporate and Financial Services

**Approved by:** Mary-Anne Dempster, Interim City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager.

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### **Background:**

Richmond Hill must establish its tax rates through a By-law, on an annual basis, to raise the requisite levy set out in the approved budget. The total levy, for Richmond Hill purposes, to be raised by the tax rates is \$122,286,898. This total levy includes \$5,392,100 which will be used specifically for Capital Asset Sustainability.

Council is only responsible for establishing the tax rates for Richmond Hill tax levies. These rates are set out in Schedule 1 of draft By-law 63-20 attached as Appendix A. The calculations for Richmond Hill tax rates are based on Richmond Hill's levy requirements. Tax ratios and percent reductions for prescribed classes are established by the Region of York and Ontario Regulations 387/98 and 392/98 as amended for Railway Rights of Way and Electrical Corridors. Tax rates have been established for all property tax classes and subclasses for which Richmond Hill currently has assessment.

### **Tax Due Dates**

The administration of Municipal Act, 2001, Section 329 has made it necessary to separate tax billings for residential and non-residential properties. The residential bills will be issued in late June in accordance with the usual practice. The bills for non-residential properties will be issued in August. The installment due dates for 2020 are proposed as follows:

Residential, Farmland, Managed Forest, Pipelines August 4, 2020 and October 1, 2020.

Multi-residential, Commercial, and Industrial October 1, 2020 and November 2, 2020

### **Region and School Board Taxes**

The Region of York 2020 Tax Rate By-law will provide for upper tier tax rates representing a 2.96% tax levy increase. The tax rate change from the prior year reflects the budget requirement and offsets the impact of phase-in reassessment.

Ontario Regulation 400/98 as amended under the Education Act prescribes the education tax rates representing a 0% tax levy increase. The tax rate change from the prior year reflects the budget requirement and offsets the impact of phase-in reassessment.

For your reference, a schedule including City, Region and School Board rates has been included in Appendix B.

### **Special Assessment and Fees**

There are no new local improvement projects for billing in 2020. Tax Rate By-law No. 63-20 provides the necessary authorization to add the local improvement special assessment annual charges for all local improvement projects, including those approved in past years, to the final property tax bills of the applicable properties.

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Tax Rate By-law No. 63-20 provides the necessary authorization to add the Capital Asset Sustainability Fee to the final property tax bill of each property, as a percentage of the City Levy.

Tax Rate By-law No. 63-20 provides for a 2020 BIA levy of \$129,940. The portion of the BIA levy on the 2020 interim property tax bills issued in January 2020 will be reversed on the 2020 final property tax bills.

Tax Rate By-law No. 63-20 does not provide for penalty or interest fees on late payment of tax installments. By-law No. 49-20 enacts Council motions passed March 25 and April 1, waiving late payment fees from April 1 2020 to January 1 2021.

### **Financial/Staffing/Other Implications:**

Tax Rate By-law must be established to set a tax rate and installment dates for Richmond Hill for each assessment class for raising the local municipal levy and Capital Sustainability Special Levy as approved in the 2020 Operating Budget.

### **Relationship to the Strategic Plan:**

The report is required to meet the statutory obligations of Richmond Hill under the Municipal Act, 2001. The final billing of property tax accounts in a timely manner and with clear application of procedures, meets the Strategic Plan goal of Wise Management of Resources through the commitment to maintain sound fiscal management.

### **Conclusion:**

Tax Rate By-law No. 63-20 is required to set the 2020 tax rates for Richmond Hill and to authorize the issuance of the 2020 final bills. It is also required to set the due dates for tax installments.

### **Attachments:**

The following attached documents may include scanned images of appendixes, maps and photographs. If you require an alternative format please call the contact person listed in this document.

- Appendix A – 2020 Tax Rate By-law No. 63-20
- Appendix B – Summary of 2020 Tax Rates

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### Report Approval Details

Document Title:	SRCFS.20.012 Final Levy By-law and Tax Rates.docx
Attachments:	- 2020 Rate Calculator with CAS.pdf - SRCFS.20.012 Appendix A - 2020 Final Levy By-law 63-20 and Tax Rates.docx
Final Approval Date:	May 19, 2020

This report and all of its attachments were approved and signed as outlined below:

**David Dexter - May 19, 2020 - 8:49 AM**

**Sherry Adams - May 19, 2020 - 9:08 AM**

**MaryAnne Dempster - May 19, 2020 - 10:50 AM**