

Town of Whitby Staff Report

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Report Title: 2024 Interim Property Tax Billing

Report to: Committee of the Whole

Date of meeting: December 11, 2023

Report Number: FS 29-23

Department(s) Responsible:

Financial Services Department

Submitted by:

Fuwing Wong, Commissioner of
Financial Services / Treasurer, x4314

**Acknowledged by M. Gaskell, Chief
Administrative Officer**

For additional information, contact:

Crystal Doucette, Manager of Revenue
and Taxation

1. Recommendation:

1. That a by-law be brought forward to allow for the Interim Tax Billing for the 2024 taxation year as outlined in Report FS 29-23.

2. Highlights:

- On an annual basis, municipalities levy interim taxes to provide funding for Local Municipal, Regional and Education purposes, until the final budgets and levies of these governing bodies are determined.
- The interim property taxes collected represent about 50% of the previous year's (2023) taxes and provide cash flow for the respective organizations to continue to provide services to the community until their budgets and levies are finalized.
- This report recommends that a by-law be brought forward to allow for the Interim Property Tax Billing for the 2024 taxation year.

3. Background:

In accordance with Section 317 of the Municipal Act, 2001, a local municipality, before the adoption of the estimates for the year, may pass a by-law levying

amounts on the assessment of property in the local municipality rateable for local municipal purposes

4. Discussion:

- For all property classes and for those properties for which payments-in-lieu of taxes are received, the interim taxes are based on 50% of the annualized taxes from the previous year for Municipal, Regional and Education purposes.
- The tax rates for these properties will have an interim tax rate based on 50% of the 2023 applicable final tax rate.
- The 2024 Interim Tax Levy for all property classes will be payable in two installments due on February 23, 2024, and April 23, 2024.
- With the Town's 2024 budget expected to be approved by Council in February 2024, the Region of Durham's budget approval expected in March 2024, and Education property tax rates expected to be set in quarter 1, 2024, interim property taxes provide cash flow/funding to the Town, Region of Durham, and School Boards within Durham to continue to provide services to the community uninterrupted.
- After budgets are approved and tax rates set, the Town will issue final 2024 property tax bills (for Town, Region, and Education purposes) that will consider interim property taxes already paid.

5. Financial Considerations:

- For the average home assessed at \$503,000 (for the 2023 taxation year), the amount of the Interim Tax Levy will be \$3,016 (Town, Region, and Education) or approximately \$599 for each \$100,000 of residential assessment.
- The 2024 Interim Tax Billing will total approximately \$179,000,000. Of this total billing, approximately \$59,000,000 is for local municipal (i.e., Town of Whitby) purposes. The balance will be forwarded to the Region of Durham and respective school boards within Durham.

6. Communication and Public Engagement:

- Bills will be mailed to property owners at least 21 days prior to the first due date as required by the Municipal Act. As a reminder, an advertisement will be placed in the local paper prior to each residential due date and also on the Town's website and social media.

7. Input from Departments/Sources:

N/A

8. Strategic Priorities:

N/A

9. Attachments:

Attachment 1 – Draft By-Law XXXX-23