



**FINANCE DEPARTMENT  
MEMORANDUM**

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**TO: MAYOR, A. NUTTALL AND MEMBERS OF COUNCIL**

**FROM: C. SMITH, SENIOR MANAGER, ACCOUNTING AND REVENUE**

**NOTED: C. MILLAR, TREASURER AND CHIEF FINANCIAL OFFICER**  
**M. PROWSE, CHIEF ADMINISTRATIVE OFFICER**

**RE: 2023 INTERIM TAX BILLING**

**DATE: NOVEMBER 30, 2022**

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The purpose of this Memorandum is to provide members of Council with information regarding the issuance of the 2023 interim property tax bills.

**Interim property tax bills**

Staff will prepare the 2023 interim property tax bills in January 2023, for all property classes, calculated at no more than 50 percent of the 2022 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 2022 because assessment was added to the property part way through the year, the interim property tax bill for 2023 will be calculated as 50 percent of the property taxes for 2022, as if they had been levied for the entire year.



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In accordance with our standard practice, the 2023 interim taxes will be due in two instalments. The first instalment will be due on February 28, 2023, and the second instalment will be due on April 28, 2023.

Late payment fees (penalty and/or interest) are applied to all unpaid accounts the 1<sup>st</sup> 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).

**Property Tax Billing Due Dates – Monthly Pre-Authorized Payment (PAP) Plan**

The City's PAP Plan authorizes the City to automatically withdraw funds from bank accounts designated by eligible and participating taxpayers in order to make property tax payments. These payments are withdrawn monthly over the 10 month period from January to October each year.