



Staff Report

Finance – Revenue

Report To: Committee of the Whole
Meeting Date: June 15, 2021
Report Number: FAF.21.093
Title: 2021 Tax Rates
Prepared by: Kris Couture, Manager of Revenue

A. Recommendations

THAT Council receive Staff Report FAF.21.093, entitled “2021 Tax Rates”;

AND THAT Council enact a By-law to establish tax rates to raise the levy required for 2021 local Municipal, County and Education purposes, and to provide for penalty and interest in default of payment thereof.

B. Overview

This report provides Council with information on tax ratio and provincial regulation updates impacting the setting of the 2021 tax rates for the Municipal and Education taxation.

C. Background

The tax rates for Municipal (Town and County) and Education levies are established annually by the Town, County and Ontario Ministry of Finance, respectively.

To set Municipal tax rates, tax ratios are required which are determined by the County within the allowable ranges for tax ratios set by the province by regulation under the Municipal Act. Tax ratios determine the relative tax proportion on each property class compared to the residential class. For 2021, the Commercial and Industrial tax ratios have been reduced. The balance of the tax ratios are the same as 2020.

The traditional vacant reductions of 30% and 35% respectively for commercial and industrial property tax rates have been discontinued.

In 1998, the province legislated limitations on taxes for business property classes (aka capping). The eligibility to end these limitations has been met and the County has opted to end the limitations.

The Ontario Ministry of Finance enacts regulations annually for prescribed Education tax rates.

The 2021 annual tax bill instalment due dates will be August 26 and October 26.

Tax penalty/interest of 1¼ % per month (15% per annum) is added monthly on the first day each month to unpaid tax amounts. [Penalty for current year unpaid tax and interest for previous years’ tax arrears.]

D. Analysis

The draft of the 2021 Tax Rate By-Law is attached to this report. Information on the changes to the tax rate structure for 2021 is provided as follows:

Grey County By-Law 5115-21 to establish tax policy and levy taxes for 2021 was passed May 13, 2021. The commercial and industrial tax ratios have been reduced: commercial from 1.306940

to 1.296900; industrial from 1.858187 to 1.831000. The traditional vacant reductions of 30% and 35% respectively for commercial and industrial property tax rates have been discontinued. All other tax ratios remain the same as 2020.

Grey County By-Law 5114-21 to end limitations on commercial classes was passed May 13, 2021. The eligibility to end these limitations has been met and the County has opted to end the limitations (aka capping).

The Ontario Ministry of Finance by Regulation 46/21 enacted the 2021 Education rates.

The 2021 annual tax bill instalment due dates will be August 26 and October 26.

Tax penalty/interest of 1¼ % per month (15% per annum) is added monthly on the first day each month to unpaid tax amounts. [Penalty for current year unpaid tax and interest for previous years' tax arrears.]

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

None

G. Financial Impacts

This report provides Council with information on tax ratio and provincial regulation updates impacting the setting of the 2021 tax rates for the Municipal and Education taxation.

H. In Consultation With

Ruth Prince, Director of Finance & IT Services / Treasurer
Mary Lou Spicer, Director of Finance, Grey County

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Kris Couture, Manager of Revenue, at fitrevenue@thebluemountains.ca.

J. Attached

1. Draft 2021 Tax Rate By-law

Respectfully submitted,

Kris Couture
Manager of Revenue

Ruth Prince
Director Finance & Information Technology Services

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The Corporation of The Town of The Blue Mountains

By-law Number 2021 –

Being a By-law to establish tax rates to raise the levy required for 2021 municipal and education purposes, and to provide for penalty and interest in default of payment thereof

Whereas the Council of The Corporation of The Town of The Blue Mountains has by By-law No. 2021-19 adopted the estimates of all sums required during the year for the purposes of the municipality in accordance with Section 290 (1) of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended;

And Whereas Section 307 of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended, requires that all taxes shall, unless expressly provided otherwise, be levied upon the whole of the assessment for real property or other assessments made under the *Assessment Act* according to the amounts assessed and not upon one or more kinds of property or assessment or in different proportions;

And Whereas Section 312 of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended, provides that for the purposes of raising the general local municipality levy, a local municipality shall, each year, pass a By-law levying a separate tax rate, as specified in the By-law, on the assessment in each property class in the local municipality rateable for local municipality purposes;

And Whereas Section 307 and Section 308 of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended, requires tax rates to be established in the same proportion to each other as the tax ratios established for the property classes are to each other;

And Whereas the Corporation of the County of Grey has by By-law 5115-21 established tax ratios for prescribed property classes and levied tax rates for Upper Tier purposes for 2021 as required respectively by Sections 289 and 308 of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended;

And Whereas the Ministry of Finance has by Ontario Regulation 46/21 under the *Education Act* amended O. Reg. 400/98 to establish Tax Rates for School Purposes for 2021;

And Whereas Section 342(1) (a) of the *Municipal Act 2001*, S.O. 2001, c.25, as amended, allows a local municipality to provide for the payment of taxes in one amount or by instalments and the date or dates in the year for which the taxes are imposed on which the taxes or instalments are due;

And Whereas Section 342 (1) (b) of the *Municipal Act 2001*, S.O. 2001, c.25, as amended allows a local municipality to provide for alternative instalments and due dates in the year for which the taxes are imposed other than those established under clause 342 (1) (a) to allow taxpayers to spread the payment of taxes more evenly over the year;

And Whereas Section 345 of the *Municipal Act 2001*, S.O. 2001, c. 25, as amended, allows for a percentage charge, not to exceed 1.25 per cent of the amount of taxes due and unpaid, to be imposed as a penalty for the non-payment of taxes, and allows for an interest charge, not to exceed 1.25 per cent each month of the amount of taxes due and unpaid, to be imposed for the non-payment of taxes;

Now Therefore the Council of The Corporation of The Town of The Blue Mountains hereby enacts as follows:

1. That there shall be levied and collected upon the whole assessment for real property according to the last certified assessment roll the tax rates as set out in Schedule “A” to this By-law and forming part of this By-law, which shall produce the general local

municipal Town levy of Seventeen Million, Three Hundred and Ninety-Six Thousand, Seven Hundred and Sixty-Three Dollars (\$17,396,763).

2. That the Tax Collector may mail or cause the same to be mailed to the residence or place of business of such person indicated on the last revised assessment roll, a written or printed notice specifying the amount of taxes payable.
3. That the final taxes shall be due in two instalments, Thursday, August 26, 2021, and Tuesday, October 26, 2021.
4. That alternative due dates in the year be allowed, under the provisions of the pre-authorized payment plan.
5. That a percentage charge of 1.25 per cent of the amount of taxes due and unpaid shall be imposed as a penalty for the non-payment of taxes on the first day of the month following the date the taxes were due.
6. That interest charges in the amount of 1.25 per cent shall be imposed on the amount of taxes due and unpaid on the first day of each and every month the default continues.
7. All taxes shall be paid into the FINANCE office of the Town, 32 Mill Street in Thornbury, Ontario; at most financial institutions; by telephone banking; or by internet banking.
8. If an article of this By-law is for any reason held to be invalid, the remaining articles shall remain in effect until repealed.

And Further that this By-law shall come into force and take effect upon the enactment thereof.

Enacted and passed on this 28th day of June 2021.

Alar Soever, Mayor

Corrina Giles, Clerk

The Corporation of The Town of The Blue Mountains

By-law Number 2021 –

Schedule “A”

2021 Tax Rates

Taxable Assessment/Tax Class	RTC RTQ	CVA Assessment	Tax Ratios	CVA Weighted by Tax Ratios	Town Tax Rates	Town Tax Levy	County Tax Rates	County Tax Levy	Education Tax Rates	Education Tax Levy	Total Tax Rates	Total Tax Levy
Residential Taxable Full	RT	\$ 4,137,745,486	1.000000	\$ 4,137,745,486	0.00368867	\$ 15,262,778	0.00363523	\$ 15,041,657	0.00153000	\$ 6,330,751	0.00885390	\$ 36,635,185
Residential Full Shared PIL	RH	\$ 90,000	1.000000	\$ 90,000	0.00368867	\$ 332	0.00363523	\$ 327	0.00153000	\$ 138	0.00885390	\$ 797
Resort Condominium Taxable Full	OT	\$ 237,943,100	1.000000	\$ 237,943,100	0.00368867	\$ 877,694	0.00363523	\$ 864,978	0.00153000	\$ 364,053	0.00885390	\$ 2,106,724
Multi-Residential Taxable Full	MT	\$ 5,353,000	1.441197	\$ 7,714,728	0.00531610	\$ 28,457	0.00523908	\$ 28,045	0.00153000	\$ 8,190	0.01208518	\$ 64,692
Commercial Taxable Full	CT	\$ 148,702,821	1.296900	\$ 192,852,689	0.00478384	\$ 711,370	0.00471453	\$ 701,064	0.00880000	\$ 1,308,585	0.01829837	\$ 2,721,019
Commercial Small-Scale On-Farm Business	C7	\$ 88,600	1.296900	\$ 114,905	0.00478384	\$ 424	0.00471453	\$ 418	0.00220000	\$ 195	0.01169837	\$ 1,036
Commercial Taxable Full Excess Land [Units]	CU	\$ 641,800	1.296900	\$ 832,350	0.00478384	\$ 3,070	0.00471453	\$ 3,026	0.00880000	\$ 5,648	0.01829837	\$ 11,744
Commercial Taxable Full Vacant Land	CX	\$ 2,074,100	1.296900	\$ 2,689,900	0.00478384	\$ 9,922	0.00471453	\$ 9,778	0.00880000	\$ 18,252	0.01829837	\$ 37,953
Shopping Centre Taxable Full	ST	\$ 285,823	1.296900	\$ 370,684	0.00478384	\$ 1,367	0.00471453	\$ 1,348	0.00880000	\$ 2,515	0.01829837	\$ 5,230
New Construction Commercial Taxable Full	XT	\$ 27,738,000	1.296900	\$ 35,973,412	0.00478384	\$ 132,694	0.00471453	\$ 130,772	0.00880000	\$ 244,094	0.01829837	\$ 507,560
New Construction Com Txbt Full Excess Land [Units]	XU	\$ 5,146,800	1.296900	\$ 6,674,885	0.00478384	\$ 24,621	0.00471453	\$ 24,265	0.00880000	\$ 45,292	0.01829837	\$ 94,178
Industrial Taxable Full	IT	\$ 6,929,972	1.831000	\$ 12,688,779	0.00675395	\$ 46,805	0.00665611	\$ 46,127	0.00880000	\$ 60,984	0.02221006	\$ 153,915
Industrial Small-Scale On-Farm Business	I7	\$ 32,200	1.831000	\$ 58,958	0.00675395	\$ 217	0.00665611	\$ 214	0.00220000	\$ 71	0.01561006	\$ 503
Industrial Full Shared PIL	IH	\$ 417,500	1.831000	\$ 764,443	0.00675395	\$ 2,820	0.00665611	\$ 2,779	0.01250000	\$ 5,219	0.02591006	\$ 10,817
Industrial Taxable Full Excess Land [Units]	IU	\$ 29,300	1.831000	\$ 53,648	0.00675395	\$ 198	0.00665611	\$ 195	0.00880000	\$ 258	0.02221006	\$ 651
Industrial Taxable Full Vacant Land	IX	\$ 554,000	1.831000	\$ 1,014,374	0.00675395	\$ 3,742	0.00665611	\$ 3,687	0.00880000	\$ 4,875	0.02221006	\$ 12,304
New Construction Industrial Taxable Full	JT	\$ 1,622,000	1.831000	\$ 2,969,882	0.00675395	\$ 10,955	0.00665611	\$ 10,796	0.00880000	\$ 14,274	0.02221006	\$ 36,025
Pipeline Taxable Full	PT	\$ 6,940,000	0.906848	\$ 6,293,525	0.00334506	\$ 23,215	0.00329660	\$ 22,878	0.00880000	\$ 61,072	0.01544166	\$ 107,165
Farm Taxable Full	FT	\$ 148,978,509	0.218000	\$ 32,477,315	0.00080413	\$ 119,798	0.00079248	\$ 118,063	0.00038250	\$ 56,984	0.00197911	\$ 294,845
Residential Farmland 1 Awaiting Development	R1	\$ 57,000	0.250000	\$ 14,250	0.00092217	\$ 53	0.00090881	\$ 52	0.00038250	\$ 22	0.00221348	\$ 126
Managed Forest Taxable Full	TT	\$ 17,498,706	0.250000	\$ 4,374,677	0.00092217	\$ 16,137	0.00090881	\$ 15,903	0.00038250	\$ 6,693	0.00221348	\$ 38,733
Total Taxable		\$ 4,748,868,717		\$ 4,683,711,989		\$ 17,276,668		\$ 17,026,370		\$ 8,538,164		\$ 42,841,202

Payment in Lieu of Tax (PIL)	RTC RTQ	CVA Assessment	Tax Ratios	CVA Weighted by Tax Ratios	Town Tax Rates	Town Tax Levy	County Tax Rates	County Tax Levy	Education Tax Rates	Education Tax Levy	Total Tax Rates	Total Tax Levy
Residential PIL General [no Education amount]	RG	\$ 19,252,100	1.000000	\$ 19,252,100	0.00368867	\$ 71,015	0.00363523	\$ 69,986	N/A		0.00732390	\$ 141,000
Residential PIL Full Tenant of Province	RP	\$ 1,206,700	1.000000	\$ 1,206,700	0.00368867	\$ 4,451	0.00363523	\$ 4,387	0.00153000	\$ 1,846	0.00885390	\$ 10,684
Landfill PIL Full	HF	\$ 582,800	1.000000	\$ 582,800	0.00368867	\$ 2,150	0.00363523	\$ 2,119	0.01250000	\$ 7,285	0.01982390	\$ 11,553
Commercial PIL Full	CF	\$ 6,048,100	1.296900	\$ 7,843,781	0.00478384	\$ 28,933	0.00471453	\$ 28,514	0.01250000	\$ 75,601	0.02199837	\$ 133,048
Commercial PIL General [no Education amt]	CG	\$ 2,523,700	1.296900	\$ 3,272,987	0.00478384	\$ 12,073	0.00471453	\$ 11,898	N/A		0.00949837	\$ 23,971
Commercial PIL Full Tenant of Province	CP	\$ 69,000	1.296900	\$ 89,486	0.00478384	\$ 330	0.00471453	\$ 325	0.00880000	\$ 607	0.01829837	\$ 1,263
Comm PIL General Vacant Land [no Education amount]	CZ	\$ 239,000	1.296900	\$ 309,959	0.00478384	\$ 1,143	0.00471453	\$ 1,127	N/A		0.00949837	\$ 2,270
Total Payment In Lieu (PIL)		\$ 29,921,400		\$ 32,557,813		\$ 120,095		\$ 118,355		\$ 85,340		\$ 323,790

Total Taxable and Payment in Lieu of Tax (PIL)		CVA Assessment	Tax Ratios	CVA Weighted by Tax Ratios	Town Tax Rates	Town Tax Levy	County Tax Rates	County Tax Levy	Education Tax Rates	Education Tax Levy	Total Tax Rates	Total Tax Levy
Totals		\$ 4,778,790,117		\$ 4,716,269,802		\$ 17,396,763		\$ 17,144,725		\$ 8,623,503		\$ 43,164,992

Report Approval Details

Document Title:	FAF.21.093 2021 Tax Rates.docx
Attachments:	
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This report and all of its attachments were approved and signed as outlined below:

Ruth Prince - Jun 3, 2021 - 2:22 PM

Shawn Everitt - Jun 7, 2021 - 8:39 AM