



Meeting Date: April 14, 2021
Submitted by: Tiffany Farrell, Director of Corporate Services
Report No: CPS-18-2021
Subject: Property Tax Billing and Collection Policy

Recommendation:

THAT Report CPS-18-2021, re: Property Tax Billing and Collection Policy be received;
AND THAT Policy appended to Report CPS-18-2021 be approved.

Purpose:

This policy has been created for the purpose of providing guidance to Council and staff and provides a basis for decision-making relating to property tax billing and property tax collection procedures for all ratepayers in the municipality. It is designed to be implemented in accordance with the governing legislation and will assist with the ongoing success of administration; specifically, it will ensure prompt, efficient, courteous and consistent service to all ratepayers of the municipality.

Background:

The existing property tax billing and collection policy was last updated November 15, 2017. The existing policy has been reviewed and updated to reflect current billing and collection practices.

This policy takes its authority from Section 286 of the Municipal Act, 2001, which states that the Treasurer is responsible for invoicing, collection and reconciliation of all accounts receivable in the Town: "A municipality shall appoint a treasurer who is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality, including,

- a) collecting money payable to the municipality and issuing receipts for those payments;
- b) depositing all money received on behalf of the municipality in a financial institution designated by the municipality;
- c) paying all debts of the municipality and other expenditures authorized by the municipality;

- d) maintaining accurate records and accounts of the financial affairs of the municipality.

The Municipality of Middlesex Centre will follow a prescribed policy for the billing and collection of property taxes. This policy will conform to current legislation and the Municipal Act, 2001. Where this policy contradicts legislation of the Province of Ontario or the Government of Canada, the legislation shall be followed.

- a) This policy will provide an open, transparent and consistent framework for the annual billing and ongoing collection process. Municipal staff and Council should reference this document when communicating with the public regarding property taxes.
- b) As property tax billing and collection is the primary source of revenue for the Municipality of Middlesex Centre, this policy will help to:
 - I. Establish consistent guidelines to be followed with regard to the billing and collection of property taxes;
 - II. Streamline activities and set out appropriate steps required for collection of past due property taxes; and
 - III. Ensure a clear and consistent written policy for the municipality.
 - IV. Ensure all activities conform to the current legislation. Real property tax is levied on the assessment for real property within the Municipality of Middlesex Centre in accordance with Section 307(1) of the Municipal Act, 2001.
- c) This policy shall be reviewed at least every four years, or more frequently as legislation changes.

Analysis:

Please refer to the attached policy.

Notable changes include:

- Additional definitions added
- Application of payment section added
- Addition of Bailiff Services
- Deemed received section was expanded
- Added authority of the Deputy Treasurer (mirroring that of the Treasurer), specifically with respect to waiving or altering penalty and/or interest charges if the amount does not exceed \$100.00

- Changes to when past-due statements will be sent by adding a minimum outstanding amount of \$25 for monthly statements. However, one statement will be sent to all accounts annually.

Financial Implications:

The purpose of this policy is to ensure that the municipality is in a position to manage its accounts receivable effectively and to ensure timely collection to minimize outstanding amounts owing to the municipality.

Strategic Plan:

This matter aligns with following strategic priorities:

- Responsive Municipal Government

This report responds directly to Objective 5.3 – Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing our timely and effective communication to the public.

Attachments:

A1 Property Tax Billing and Collection Policy