

Type of Decision									
Meeting Date	Friday, February 5, 2010				Report Date	Wednesday, February 3, 2010			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	x	Information Only			Type of Meeting	X	Open		Closed
REPORT TITLE									
Interim Tax By-Law Report 05/02/10/203-A									

Subject: Rationale for approving Interim Taxing By-law.

RECOMMENDATION: That the by-law be passed allowing the Treasurer to collect taxes in March based on last years taxes owing.

**BACKGROUND/EXECUTIVE SUMMARY:**

An interim tax by-law is necessary to collect taxes for expenditures for the first of the year. Without it, our coffers would run low/dry. We have the authority to tax. We will not know levels necessary to set our rates for 2010 until some weeks yet after our budget process is finalized and the County and the Province set their rates. In order to operate, an interim tax levy by-law authorizes the collection of tax based on 50% of last year's assessed value. Adjustment will then be made to individual tax bills once rates are set later in the year and collected in two equal (nearly) instalments due usually in July and October.

Options/Discussion: none really. This is a necessity.

Financial Considerations/Budget Impact: - Under the *Municipal Act*, a quarterly payment is due March 31<sup>st</sup> to Renfrew County and all school boards at the rate of the previous payment (made Dec 15<sup>th</sup> 2009) and another payment June 30<sup>th</sup> (based on reconciliation of 2009 and new calculations for 2010 using the assessment roll). This adds up to a large amount owing which, without the input of new money, (a large portion of which is collected for these entities), will significantly drain municipal resources.

It should also be taken into account that the tax rates cannot be set until input from the province and county has been received. In the recent past, this has been done at various times, often late in the year.

Policy Impact: according to policy and legislation. The spring interim levy has been utilized within the municipality for over 15 years and many residents have become accustomed to the March 31<sup>st</sup> due date.

Others Consulted: Ruth Morin, Treasurer

Approved and Recommended by the Clerk

Melinda Reith,  
Municipal Clerk

*Melinda Reith*