Agenda – Council – August 31, 2020

Executive Policy Committee - Reports

Item No. 2 Extension of Temporary Waiver of Penalties and Administrative Fees on Business and Property Taxes and Financial Implications to the City

The following motion is being submitted to Council for approval:

Moved by Councillor Gillingham,
Seconded by His Worship Mayor Bowman,

WHEREAS the ongoing global pandemic continues to have a detrimental economic impact on numerous sectors of the economy;

AND WHEREAS on August 24th the Conference Board of Canada predicted that economic activity will not return to pre-COVID-19 levels until the second half of 2021.

AND WHEREAS some property and business owners continue to feel the economic strain due the global pandemic;

AND WHERAS the business and property tax penalty waiver expire September 1, 2020 and October 1, 2020 respectively, and there is merit to extending both the business and property tax deferral programs until the end of November to address the negative economic impact of COVID-19.

AND WHEREAS the cost of extending both the business and property tax penalty waiver to the end of November is estimated at $1,577,000.

THEREFORE BE IT RESOLVED:

1. That Council enact amendments to the Tax Penalty By-law No. 5796/91, that will be in effect for taxes imposed in 2020 to extend the previous waiver of penalties on unpaid 2020 property and business taxes:

    A. For an additional two months from September 30 to November 30, 2020 for property taxes.

    B. For an additional three months from August 31 to November 30,2020 for business taxes.

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2. That Council enact amendments to the Tax Installment Payment Plan (TIPP) By-law No. 194/2004, to:

    A. Extend the previous waiver of the TIPP enrolment fee for the period between April 1, 2020 and September 30, 2020 to November 30, 2020.

    B. Where TIPP payments are rejected due to insufficient funds between April 1, 2020 and November 30, 2020, allow taxpayers to remain enrolled in the TIPP program and do so without any late payment fees, penalties or NSF fees being charged.

3. That any administrative fees otherwise charged for late or missed property and business tax payments be waived for the period April 1, 2020 through November 30, 2020.

4. That the Public Service communicate clearly that the intent of the foregoing recommendations is to help those who are in financial need during this unprecedented event, and that this is not intended to waive requirements for residents to continue to pay for City services.

5. That Director of Legal Services and City Solicitor be directed to submit the by-law amendments necessary to implement the foregoing directly to Council for enactment by way of a communication through the Office of the City Clerk, and that the City Assessor and Director of Assessment and Taxation be directed to withhold any collection measures with respect to penalties pending enactment of the necessary by-law amendments.

6. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.