Winnipeg

Legal Services Department • Services juridiques

INTER-OFFICE MEMORANDUM

TO:	**Marc Lemoine** City Clerks	**FROM:**	**Harold Dick** Legal Services
FILE:	G.1/2020(307)	**DATE:**	January 27, 2021

RE: Tax Penalty By-Law re: Penalty Waiver 2021

Please find attached a by-law which amends the Tax Penalty By-Law No. 5796/91.

This By-law is being provided for direct submission to Council by way of a communication pursuant to Recommendations H and U of the budget approved by Council on December 16, 2020.

I want to bring to Council's attention that the attached amending by-law implements Recommendation H in two ways which may not be consistent with Council's intent:

1. Although the Recommendation does not specifically mention supplementary taxes as being included in the three-month waiver of tax penalties, they have been included in the attached amending By-Law. This is because the reference in the Recommendation to "taxes imposed in 2021" would on its face include supplementary taxes imposed in 2021 in respect of previous years. In addition, similar wording was used in the resolutions adopted by Council to approve tax penalty waiver in 2020 and the by-law amendments enacted by Council that implemented those waivers specifically identified supplementary taxes as being included. Accordingly, I considered that the inclusion of supplementary taxes best reflected Council's intent as expressed in Recommendation H.

2. The Recommendation refers to a three-month 90-day waiver of tax penalties following the due date for those taxes. Applied to supplementary taxes, which are issued throughout the year, this would require the suspension of penalties for three months following each notice of supplementary taxes. Unfortunately, the computerized tax billing process employed by the Assessment and Taxation Department does not permit this level of individualization. Accordingly, the attached amending by-law adopts the same approach that was used to implement the waiver of tax penalties approved in 2020 – which simply imposes a waiver on all business taxes (annual and supplementary) for three months after the due date for annual business taxes (May 31, 2021). The same approach is used for real and personal property taxes; a three-month waiver period is imposed for the period following the due date for annual property taxes (June 30, 2021). Again, this is based on my conclusion that this best reflected Council's intent as expressed in Recommendation H.

If the attached amending by-law fails to accurately reflect the intention of Recommendation H, it would be helpful if Council could approve an amendment to Recommendation H that would clarify matters.

Should you have any questions, please feel free to contact me.

_____

HAROLD DICK
Solicitor

HD/mr

Enclosure