1
2007 INTERIM TAX LEVY

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, November 2, 2006, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. An amount not exceeding 50% of the estimated 2006 levy for local municipalities be the 2007 interim tax levy as indicated in Table 1.

2. The interim tax levy be payable in two equal installments, the first installment due on or before April 27, 2007 and the balance due on or before June 29, 2007.

3. The Regional Solicitor be authorized to prepare the necessary by-law to give effect to these recommendations.

2. PURPOSE

The purpose of this report is to establish the 2007 interim tax levy for the local municipalities in the Region of York

3. BACKGROUND

Until the 2007 Regional budget has been approved and a final tax rating by-law established, the Region must requisition sufficient funds to meet its day-to-day operations.

Section 316(1) of the *Municipal Act 2001* provides that the Region may pass an interim tax levy for an amount not exceeding 50% of the estimated tax levy as prescribed in the Regional tax levy by-law in the preceding year for each of the local municipalities. Section 316(2) states that the corresponding by-law issued for interim tax levy purposes may require specified portions of the sum to be paid to the Treasurer of the Regional Corporation on or before specified dates.

Council previously approved that the interim tax levy be structured in two equal instalments on or before the last business day of April and on or before the last business day of June.

4. FINANCIAL IMPLICATIONS

In 2006, Regional Council approved an estimated net tax levy of $605,341,000. An interim levy of $302,670,500, which equates to 50% of the approved 2006 tax levy, will be requisitioned from the local municipalities through a by-law in order to provide the Region with sufficient revenues to fund its operations prior to the establishment of the tax rating by-law for 2007.

5. LOCAL MUNICIPAL IMPACT

The impact on the local municipalities will be amounts requisitioned as indicated on Table 1.

Table 1
Regional Tax Burden by Local Municipality

Municipality	2006 Net Tax Levy $	2007 Interim Tax Levy $
Aurora	29,489,727.00	14,744,863.50
East Gwillimbury	12,400,658.00	6,200,329.00
Georgina	19,095,396.00	9,547,698.00
King	16,114,227.00	8,057,113.50
Markham	170,322,847.00	85,161,423.50
Newmarket	40,056,523.00	20,028,261.50
Richmond Hill	109,703,297.00	54,851,648.50
Vaughan	190,254,269.00	95,127,134.50
Whitchurch-Stouffville	17,904,056.00	8,952,028.00
Total	**605,341,000.00**	**302,670,500.00**

6. CONCLUSION

This report recommends that $302,670,500 be requisitioned from the local municipalities for the 2007 interim levy. It is also recommended that the payments be remitted in two equal instalments on or before the last business day of April and on or before the last business day of June.

The Senior Management Group has reviewed this report.