3
2005 INTERIM TAX LEVY

The Finance and Administration Committee recommends the adoption of the recommendations contained in the following report, December 3, 2004, from the Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. An amount not exceeding 50% of the estimated 2004 levy for local municipalities be the 2005 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 29, 2005 and the balance due on or before June 30, 2005.

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 2005 interim tax levy for the local municipalities in the Region of York.

3. BACKGROUND

Until the 2005 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 levy made by Regional Council 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.

In previous years the interim tax levy has been established in 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 2004, Regional Council approved an estimated net tax levy of $512,751,000. An interim levy of $256,375,500 which equates to 50% of the approved 2004 tax levy is being requisitioned from the local municipalities to provide the Region with sufficient revenues to fund its operations prior to the establishment of a tax rating by-law for 2005.

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	2004 Net Tax Levy $	2005 Interim Tax Levy $
Aurora	24,611,536	12,305,768
East Gwillimbury	10,554,889	5,277,444
Georgina	16,127,244	8,063,622
King	13,951,871	6,975,935
Markham	146,080,963	73,040,481
Newmarket	34,115,820	17,057,910
Richmond Hill	92,006,469	46,003,235
Vaughan	160,518,839	80,259,420
Whitchurch-Stouffville	14,783,369	7,391,685
Total	512,751,000	256,375,500

6. CONCLUSION

This report recommends that $256,375,500 be requisitioned from the local municipalities for the 2005 interim levy.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the agenda for the January 6, 2005 Committee meeting.)