



STAFF REPORT

Title: Bylaw No. 662-FN-20 - 2020 Tax Payment Deferral Bylaw

Meeting Date: March 24, 2020

Executive Summary:

Many residents and Businesses are struggling to pay all their debts during this time of unrest. Many businesses as well as City services have had to shut their operations to the public for an indefinite period. In order to assist and take some pressure of the rate payers and City's businesses Council may consider the following bylaw which will allow rate payers to defer tax payments for 90 days that are being made under the provisions of Bylaw 003-FN-96 the Tax Installment Payments Plan (TIPPS).

Background:

The TIPPS bylaw allows tax payers of the City to make equal monthly installments for their taxes from January to December of any year without being subject to a tax penalty. Administration has had several requests to defer these payments for a period of time due to financial restraints.

Under the current bylaw Rate payers can miss 2 installments without losing the privilege of being on the TIPPS program. Administration is suggesting Council may want to consider a three month deferral which requires a bylaw. A three month deferral is timed with our tax year and the monthly payments could be adjusted to include the total amount outstanding inclusive of the deferral for the remainder of the 2020 year.

The City also has been faced with financial challenges this year due to not receiving the funding from the ID349 taxation revenue for 2019 or 2020. The City collects \$516,000 monthly from tax payers on this program. We have had several tax payers already withdraw from the program but the City does not anticipate all rate payers on this program to defer their taxes for the 90 day suggested period. As per the bylaw if you pull from the program your total taxes outstanding are due June 30, 2020 or they are subject to penalties. Once the 2020 tax rate is set in May and tax notices are finalized the City would adjust the remaining balances inclusive of any deferrals to equal installments due monthly so that the total tax bill is collected by December 31, 2020. Any outstanding amounts as per the Bylaw will be subject to penalty.



Alternatives:

Council may consider the following options.

1. Council may give 3 readings to Bylaw 662-FN-20 to allow rate payers to defer monthly installment for the months of April, May and June 2020.
2. Council may consider allowing 2 month deferral
3. Council may choose not to provide any deferral.

Recommended Action:

Administration recommends Council give 3 reading to Bylaw 662-FN-20 the 2020 Tax Payment Deferral Bylaw

Budget Implications (Yes or No):

No

Submitted by:

Kevin Nagoya, Chief Administrative Officer