



# WHISTLER

## REPORT | ADMINISTRATIVE REPORT TO COUNCIL

**PRESENTED:** May 5, 2020

**REPORT:** 20-046

**FROM:** Corporate and Community Services

**FILE:** 4350

**SUBJECT:** ALTERNATIVE MUNICIPAL TAX COLLECTION SCHEME BYLAW

### COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

**That** the recommendation of the General Manager of Corporate and Community Services be endorsed.

### RECOMMENDATION

**That** Council consider giving first, second, third and final readings to the “Alternative Municipal Tax Collection Scheme Bylaw No. 2282, 2020”.

### REFERENCES

Alternative Municipal Tax Collection Scheme Bylaw No. 2282, 2020. (Not attached)

### PURPOSE OF REPORT

The purpose of this report is to seek Council's approval of the “Alternative Municipal Tax Collection Scheme Bylaw No. 2282, 2020”.

### DISCUSSION

The rapid outbreak of the coronavirus (COVID-19) has resulted in economic hardship for many businesses and residents of Whistler due to the closure of businesses and associated job losses. Governments at all levels are looking to lessen the financial burden on their residents during this difficult time.

The Province of BC announced an extension of the interest penalty date for commercial classes (classes 4,5,6,7 and 8) on all municipal taxes and utility user fees. As such, there will be no penalties imposed on these classes for property tax payments made on or before September 30. The province did not make any late payment provisions for class 1 – residential or class 2 – utilities.

Consistent with s. 235 of the *Community Charter*, the Resort Municipality of Whistler (RMOW) can adopt an Alternative Municipal Tax Collection Scheme. The proposed Alternative Municipal Tax Collection Scheme will add to the unpaid balance of the current year's taxes, in respect of each parcel of land and the improvements as shown on the tax roll, a penalty of ten per cent to be applied in relation to payments made more than 90 days after the tax due date of July 2, 2020. This approach will align the penalty date for all classes of properties in Whistler for the 2020 tax year to October 1, 2020. The due date for property taxes and utilities **will remain July 2, 2020**, however, penalties will not be applied until October 1, 2020 on all unpaid taxes for the current taxation year. This will give all Whistler taxpayers an additional three months to make their property tax payments without incurring the 10 per cent penalty currently required under s.234 of the *Community Charter*.

The RMOW has adequate cash flows and access to reserve funds, if required. The future cash flows have been reviewed under a number of scenarios and the ability of the RMOW to meet its liabilities during this three month window will not be unacceptably compromised if payment of property taxes or utility bills are delayed until September 30.

Deferring the collection of property taxes will result in some lost interest revenue to the RMOW as well as require the outlay of cash to other governments prior to local collection. Under legislation, the Regional District, Regional Hospital District, BC Assessment and Municipal Finance Authority must be paid the amounts we collect on their behalf by August 1 of each year. As per above, while this does introduce additional complexity in the management of required cash flows, staff believe that the RMOW will be able to manage these payments with existing, available financial tools.

## **OTHER POLICY CONSIDERATIONS**

The *Community Charter* section 235 allows a municipality to establish an alternative municipal tax collection scheme to alter the penalties and interest to be applied in relation to payments made after a tax due date established within the bylaw.

## **BUDGET CONSIDERATIONS**

All property and parcel taxes are due and payable in the 2020 tax year. A three month delay in the collection in this revenue will not impact the total in-year tax revenue of the municipality,

## **COMMUNITY ENGAGEMENT AND CONSULTATION**

The “Alternative Municipal Collection Tax Scheme Bylaw No. 2282, 2020” was presented at an open meeting of Council on May 5, 2020.

## **SUMMARY**

The Alternative Municipal Collection Tax Scheme Bylaw will align the penalty date for all property tax classes in Whistler to October 1, 2020 and provide an additional three months for Whistler taxpayers to pay their property and utility taxes prior to incurring a 10 per cent late payment penalty.

Respectfully submitted,

Maureen Peatfield  
MANAGER OF FINANCIAL SERVICES

for  
Carlee Price  
DIRECTOR OF FINANCE

for  
Ted Battiston  
GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES