

# TLTI Q&A

## PROPERTY TAXES

### Q. CAN THE TOWNSHIP REDUCE 2020 PROPERTY TAXES?

A. The Township continues to provide core municipal services such as solid waste, road maintenance, fire services and other essential administrative services which require funding. As directed by Council, there are operational and capital costs that are being reduced and/or deferred to try to offset reduced revenues expected for the 2020 year. The Township continues to monitor the situation and financial impacts in an attempt to balance community expectations with budget constraints. A one-time reduction to the 2020 tax rate would erode the tax base and have future impacts on funding and service levels and could result in significant tax rate increases in future years.

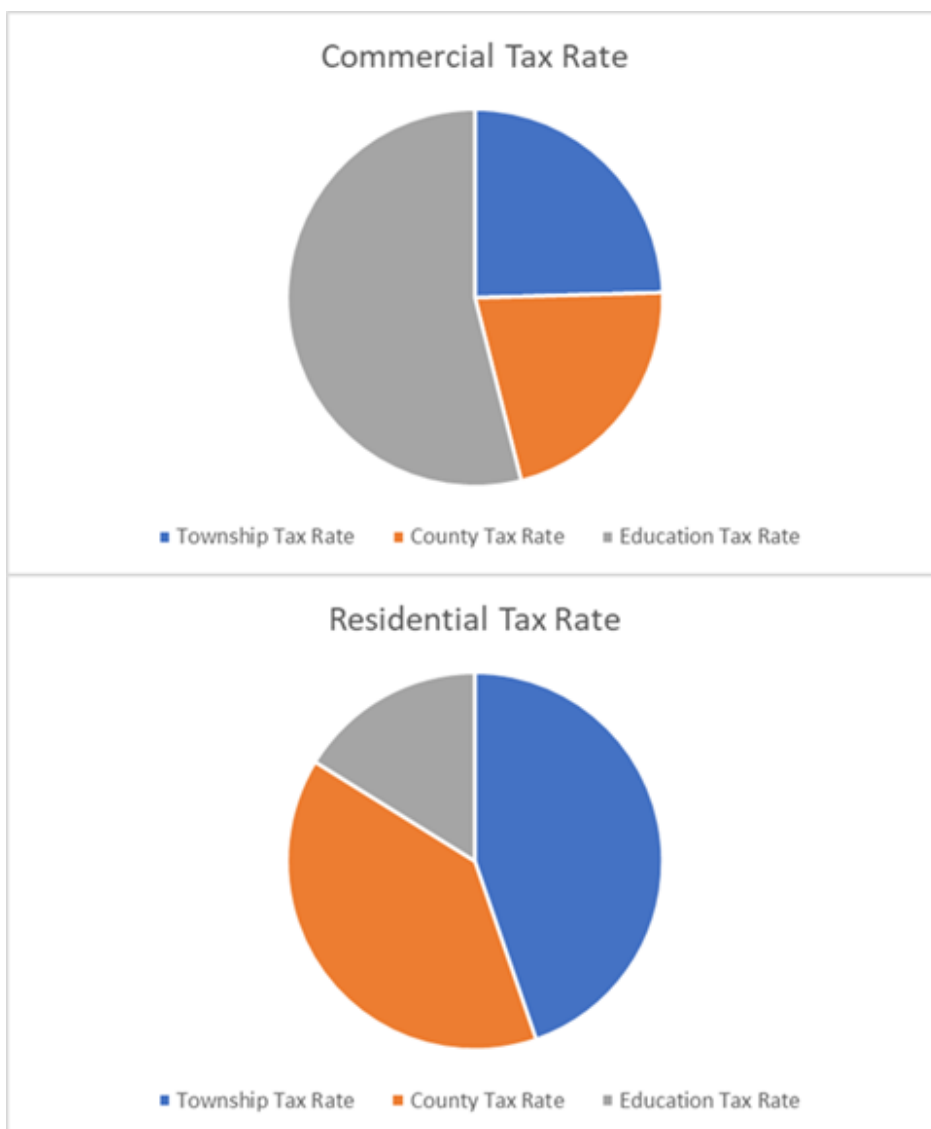
### Q. HOW ARE MUNICIPAL PROPERTY TAXES CALCULATED?

A. Property taxes = Property Assessment X Tax Rate.

The tax rate is the total of three rates:

- The United Counties of Leeds and Grenville tax rate based on their municipal approved budget.
- The education rate as authorized through legislation by the Province of Ontario.
- The Township tax rate based on the Council approved annual municipal budget.

The property assessment is determined by the Municipal Property Assessment Corporation in accordance with the Assessment Act. The Township budget is passed annually by Council with the main funding source being property tax revenue. Under the Municipal Act, the Township is not permitted to incur an operating deficit, and therefore must manage expenditures within available revenue sources.



### Q. CAN INDIVIDUALS OBTAIN TAX RELIEF IF THEY CANNOT PAY THEIR MUNICIPAL PROPERTY TAXES?

A. The United Counties of Leeds and Grenville provide social assistance programs to Township residents. More information regarding available assistance including the Social Services Relief Fund (SSRF) can be found on their website:

<https://www.leedsgrenville.com/en/services/covid19.aspx>.

The Township is not able to provide tax deferrals for financial hardship; the Municipal Act is very restrictive in providing a municipality with limited circumstances under which taxes can be cancelled, reduced or refunded. The Township encourages residents struggling financially to contact staff at: [taxutilities@townshipleeds.on.ca](mailto:taxutilities@townshipleeds.on.ca) to discuss possible payment arrangements.

### Q. HOW IS THE TOWNSHIP HELPING BUSINESSES WITH FINANCIAL RELIEF DURING THE PANDEMIC?

A. The Municipal Act is very clear in that property taxes must be levied in a fair and equitable manner. Section 106 (2)(d) of the Act states “the Municipality shall not grant assistance by giving a total or partial exemption from any levy, charge or fee” for any manufacturing business, commercial or industrial enterprise. There is no way for the Township to grant tax relief for individual businesses; any change would affect the entire property class. Affecting commercial properties in 2020 would mean that the residential tax payers and/or future tax payers would have to make up this shortfall. The Township encourages businesses struggling financially to contact staff at [taxutilities@townshipleeds.on.ca](mailto:taxutilities@townshipleeds.on.ca) to discuss possible payment arrangements.