

## **BYLAW 16-21 - TAX PENALTY BYLAW AMENDMENT**

### **Purpose**

The purpose of Bylaw 16-21 is to amend the Tax Penalty Bylaw for the 2021 year to provide financial penalty relief to Town property taxpayers due to the COVID-19 pandemic.

### **Readings**

This Bylaw is ready for three readings.

### **Report, Analysis and Financial Implications**

The COVID-19 pandemic has placed financial constraints on many Okotoks taxpayers and in order to provide financial relief, Bylaw 16-21 proposes to provide a reduction of penalties on any unpaid property taxes for the months of July through December 2021 of 50%.

Bylaw 10-20 was passed on January 13, 2020 to permit penalties imposed on unpaid current taxes and previous years' arrears taxes.

Draft Bylaw 16-21 amends sections 3.1, 3.2, 3.3 and 3.4 of Bylaw 10-20 to allow for a reduction of penalties until December 31, 2021 on current 2021 taxes, due June 30, 2021. Unpaid current taxes will receive a penalty of 2.0% July 01, 2021; 2.25% August 01, 2021; 2.5% September 01, 2021; and 0.75% October 01, 2021, November 01, 2021 and December 01, 2021, respectively.

Draft Bylaw 16-21 further amends section 3.5 of Bylaw 10-20 in the event of any unpaid taxes from previous years, there shall be imposed by way of penalty an amount equal to 0.75% on each of the first days of July through December 2021 on the balance unpaid at the end of the previous month.

The Finance and Audit Committee reviewed this item at the May 5, 2021 meeting and recommended adoption of Bylaw 16-21 by Council.

### **Strategic Plan Goals**

<input type="checkbox"/>	Manage Community Growth	<input checked="" type="checkbox"/>	Provide Strong Governance
<input type="checkbox"/>	Provide Quality Community Infrastructure	<input type="checkbox"/>	Healthy and Safe Community
<input type="checkbox"/>	Enhance Organizational Excellence	<input checked="" type="checkbox"/>	Foster Economic Vitality
		<input type="checkbox"/>	Promote Environmental Excellence

### **Public Hearing / Participation Strategy**

n/a

**Alternatives for Consideration**

Council could put in the same provisions as it did last year which results in the calculation of taxes being deferred from July 1 to September 1.

**CAO Comments**

There is a financial impact to this decision. While the Town currently has not seen an impact on the volume of accounts in tax arrears, the long term impacts of COVID-19 on personal finances are not known. Passing Bylaw 16-21 is one way that the municipality can help minimize the financial impact on its residents.

**Attachment(s)**

1. Draft Bylaw 16-21
2. Bylaw 10-20 Red Lined Version

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