

# TAXATION

## VALUE STATEMENT

*I expect my tax bill to be accurate, easy to understand, and that I am treated fairly and provided with convenient payment options.*

*I expect all tax services will be delivered in a cost-effective manner while meeting legislative and financial requirements for the municipality.*

## Taxation (Revenue Services)

### What is this Service?

Taxation services provide the efficient and effective collection of all taxes owing to the municipality. Municipalities are mandated by provincial legislation to levy and collect property taxes for municipal and/or education purposes. It is the municipal portion of the property tax bill that provides municipalities with the major source of revenue they require to operate on a day-to-day basis.

Property tax revenue is based on the total assessed value of all properties within the municipality. Municipal tax rates are set by municipal Council each year based on their budgetary requirements while the province sets the education tax rates.

### Influencing Factors:

1. **Economic Conditions:** Local economic conditions and the strength of a local economy may influence tax arrears, collections, penalties and interest charges, along with the costs associated with the administration, billing and collection of these amounts.
2. **Government Policy:** Ministry required standardized billing and changes in capping methodology requires municipalities to continually upgrade software systems to maintain compliance with legislation. In addition, different levels of services between provinces and jurisdictions may impact results (i.e. vacancy rebate programs), as each administer and provide varying programs.
3. **Policies and Practices:** Differences in how each municipality defines a bill, the number of installments made available which are not part of a pre-authorized payment plan, administration of pre-authorized payment plans, internet-based payment options, collection processes; and the number and treatment of Payment in Lieu (PIL) accounts, may influence results.

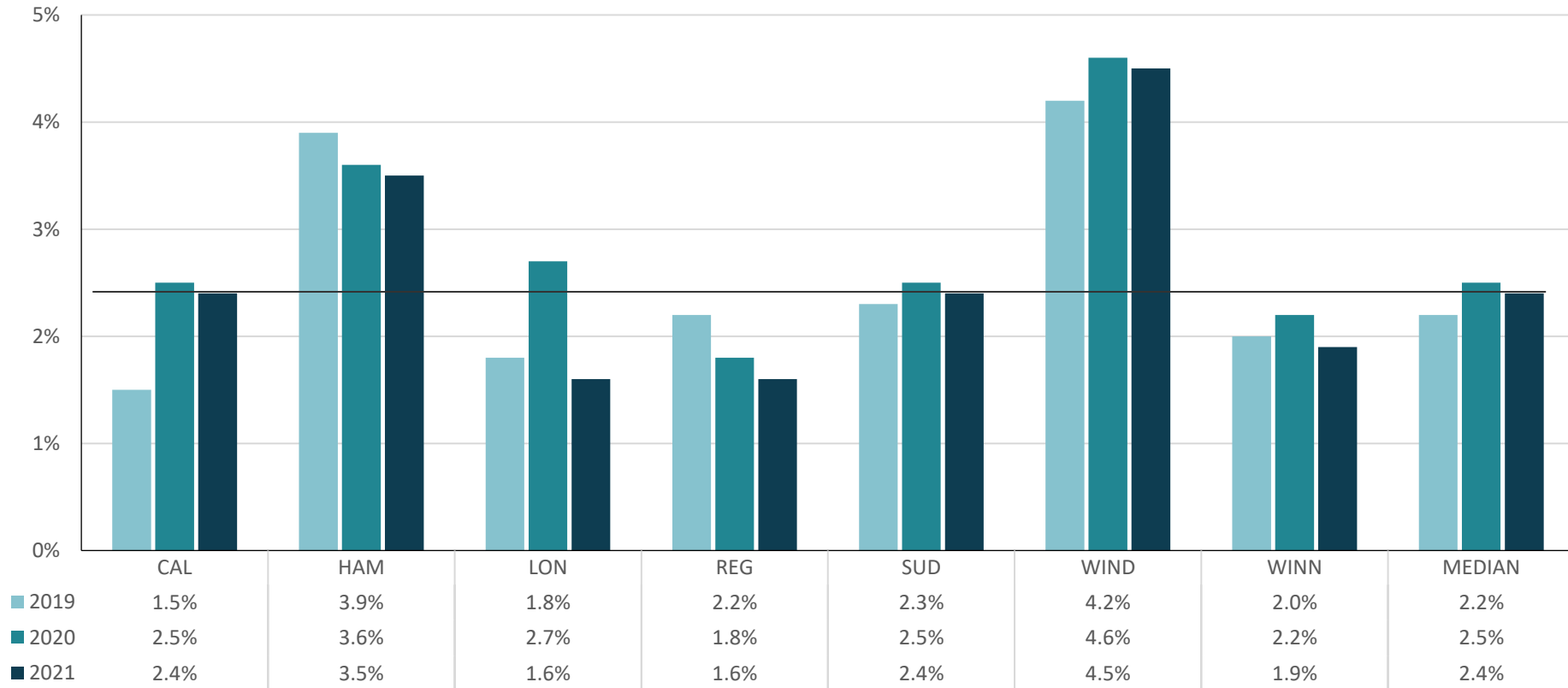
### Extenuating Circumstances:

- **COVID-19 Pandemic:** In 2020, municipal pandemic plans developed in response to local economic conditions and customers' needs had an impact on tax and collection policies. Some municipalities continued to provide COVID-19 supports in 2021 and some saw a return to normal municipal collection practices.

## Taxation (Revenue Services)

### TXRS135 - Current Year's Tax Arrears as a Percent of Current Year Levy

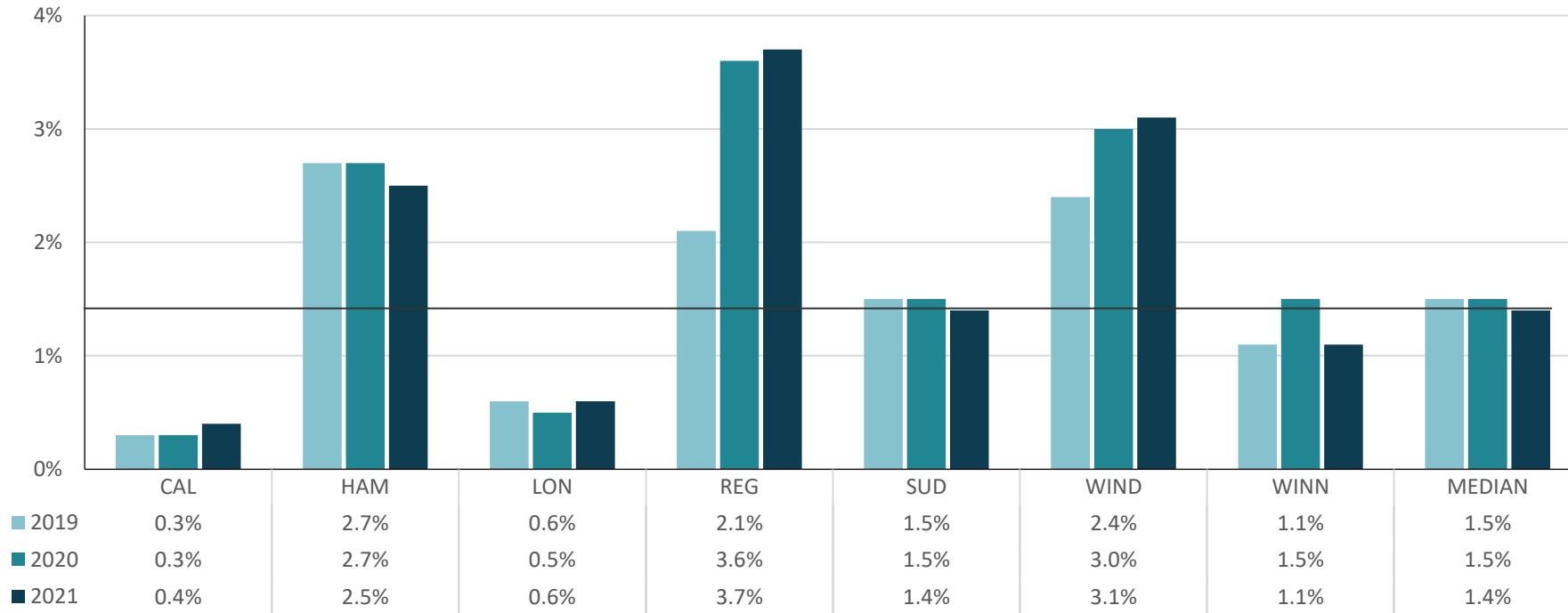
This measure shows the proportion of the current year levy not collected as of the year end. Tax arrears can include more than just taxes as some municipalities may add additional items such as water arrears, property standards charges and eligible Provincial Offences fines to the tax bill. Additionally, the timing of supplemental and omit bills, which are typically issued in the second half of the year, can also increase the level of arrears. In 2020 and 2021, local response to economic conditions due to COVID-19 impacted local municipal tax levy and collection practices.



## Taxation (Revenue Services)

### TXRS140 - Prior Years' Tax Arrears Not Collected in the Current Year as a Percent of the Current Year Levy

This measure shows the proportion of prior years' tax arrears not collected as of the year end. Tax arrears can include more than just taxes as some municipalities may add additional items such as water arrears, property standards charges and eligible Provincial Offences fines to the tax bill. Additionally, economic conditions and the strength of a local economy, as well as the collection practices employed in each municipality, may impact tax arrears, collections and penalty and interest charges.

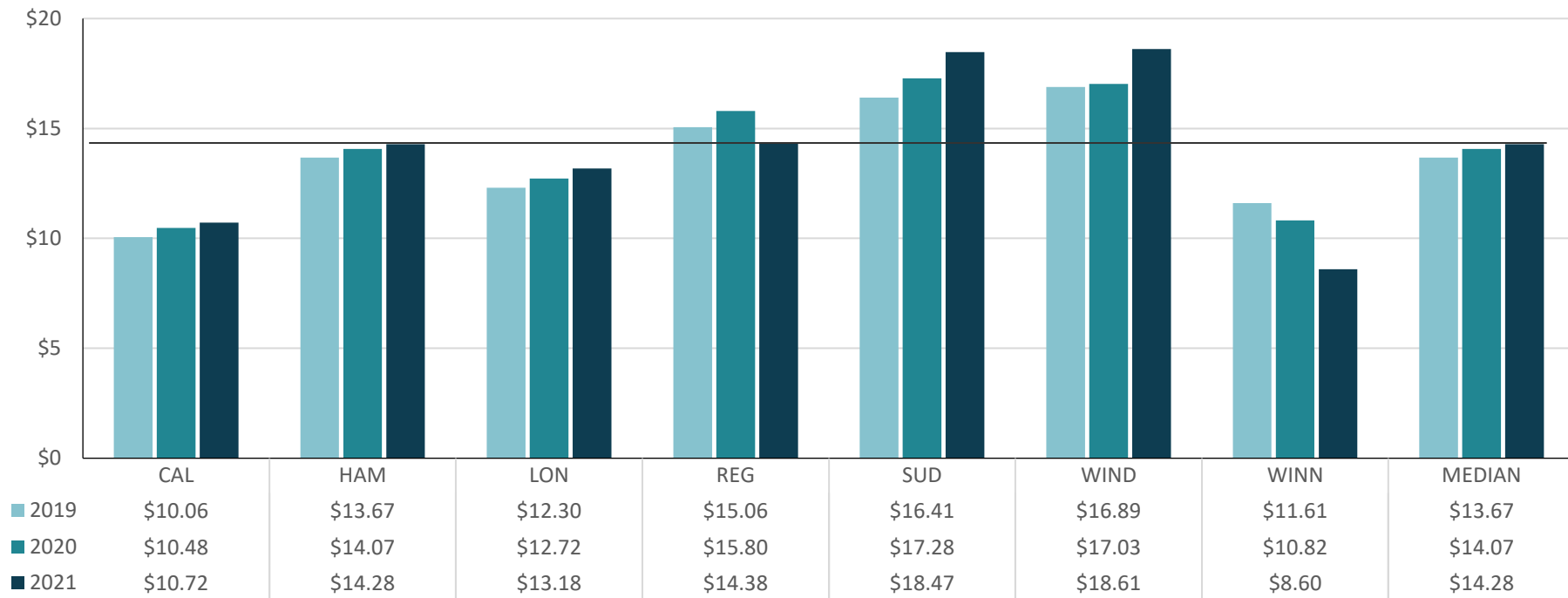


Regina: The increase in 2020 is due to a single property with significant charges rolling into arrears prior to a payment.

## Taxation (Revenue Services)

### TXRS310 - Operating Cost to Maintain Property Tax Accounts per Tax and PIL Account Maintained/Serviced Annually

This measure reflects the costs related to the preparation and mailing of all billings including interim, final and supplementary bills. Payment processing and collection are also included in this calculation. Local economic conditions affecting the level of arrears, Council billing and collection policies, and collection efforts, vary in each municipality and will impact the overall cost of the service. Results may also be impacted by the extent to which processes are automated.



## Taxation (Revenue Services)

### TXRS405 - Percent of Accounts (All Classes) Enrolled in a Pre-Authorized Payment Plan

The number of installments and/or due dates offered by a municipality may impact the enrollment in a pre-authorized payment plan.

