



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

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Halifax Regional Council
Tuesday April 15, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in cursive script, reading "S. Dale MacLennan", written over a horizontal line.

S. Dale MacLennan, CA Director, Financial Services

DATE: April 7, 2003

SUBJECT: Tax Statements to Property Owners

INFORMATION REPORT

ORIGIN

Staff would like to provide Council with an overview of the project.

BACKGROUND

As part of Financial Services business plan for 2002/03, the desire to provide a tax statement to property owners who paid their property taxes through their financial institutions was identified as an objective. This was part of an overall goal to provide improved customer service and information to HRM taxpayers and to report on and support Council's fiscal accountability and taxation strategies.

DISCUSSION

Historically, those taxpayers who paid their property taxes as part of their regular monthly mortgage payments did not receive any detailed tax bill which outlined their assessment, the rates that were being applied and any explanation of the services provided. Annually, they would simply receive a statement from their mortgage company showing the taxes that were paid out from their cumulative tax account at the mortgage company. Staff felt this was an unequal delivery of service to taxpayers.

In October and November of 2002 approximately 45,000 statements were issued. One sheet of HRM letterhead was used and on the opposite side a letter to residents provided additional information about each line of the bill. At the bottom of each bill and positioned so it was the first message the resident saw when they removed the bill from the envelope it was mailed in, was the sentence, **"THIS IS NOT A BILL, SEE REVERSE FOR IMPORTANT INFORMATION."** Staff were aware that residents might take this statement to be a bill since many had never received a municipal tax bill prior to this.

Overall feedback from residents was positive.

BUDGET IMPLICATIONS

Costs of this enhanced service were approximately \$28,000 and were provided from existing operating budgets in Financial Services.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ATTACHMENTS

Sample bill sent to residents.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by:


Catherine Sanderson, CMA Manager of Revenue

490-6470

HALIFAX

REGIONAL MUNICIPALITY

NOTICE DATE	DUE DATE	ASSESSMENT#	CUSTOMER#	INVOICE#	AMOUNT DUE
Aug 7 2002	Sep 30 2002	T- 000C		411830	\$0.00

PARTICULARS	ASSESSMENT	RATE	AMOUNT
URBAN RESIDENTIAL RATE:			
Mandatory Provincial Contributions (Education, Social Services, Corrections, Regional Housing)	\$53,000.00	0.288	\$152.64
General Services	\$53,000.00	1.028	\$544.84
		1.316	\$697.48
AREA RATED SERVICES:			
Fire Protection - Hydrants	\$53,000.00	0.032	\$16.96
Supplementary Education - Res	\$53,000.00	0.117	\$62.01
		0.149	\$78.97
			\$776.45
CURRENT YEARS TAXES:			(\$395.38)
Less Interim Paid:			\$381.07
FINAL CURRENT YEAR BILL:			\$0.00
Arrears(Credit):			\$0.00
Interest:			\$381.07
Amount Billed:			(\$381.07)
Amount Paid by Royal Bank Financial Group:			\$0.00
AMOUNT DUE:			\$0.00

THIS IS NOT A BILL

SEE REVERSE FOR IMPORTANT INFORMATION

For address changes please call 490-4000 or mail to
PO Box 1749 Halifax, Nova Scotia B3J 3A5

Dear Resident,

As part of a campaign to provide enhanced customer service to our taxpayers, Halifax Regional Municipality is enclosing a tax statement for your information. This may be the first time you have received a property tax statement from your municipality and with this in mind, you will find below an explanation of each line on your statement.

Since you currently pay your taxes through your financial institution along with your mortgage payment it is important to know that **this is not a bill**.

The residential rate is broken down between Urban, Suburban and Rural. The rate ranges from the current urban rate of \$1.3160 per \$100 of assessed property value to the current rural rate of \$1.0050 per \$100. This rate is comprised of a Mandatory Provincial Contribution as described more fully on your statement and a General Services component which is intended to cover municipal services such as policing, solid waste, recreation programs, libraries and regional administration.

The next series of rates are called **Area Rates** and are intended to be more specific to the community in which you live. Area rates can be set by public process for everything from recreation facilities to volunteer fire departments to curb and gutter projects. You will also see reference in this section to Fire Protection (a charge for proximity to a hydrant) and Supplementary Education (a charge to enhance funding to the schools in your area).

The **Current Year Taxes** is for the year from April 1, 2002 to March 31, 2003. The Municipality bills taxes in two amounts. The Interim Bill which was sent to your financial institution in March 2002 and having, in most cases, been paid is deducted from the total current year taxes. Any arrears and/or interest is displayed and a final billing amount which was provided to your financial institutions in August is shown. The amount paid by your financial institution is deducted and a final **Amount Due** is provided for your information. In most cases this amount will be zero. You may wish to discuss with your financial institution any amount outstanding.

We hope you find this information useful and welcome any comments or concerns you may have. Our Corporate Call Centre at 490-4000 is available for your inquiries from 7:30 am to 10 pm, seven days a week.

Sincerely,

Tax Resources, Financial Services