



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5, Canada

**Item No. 11.1.7**  
**Halifax Regional Council**  
**April 13, 2010**  
**April 20, 2010**  
**May 18, 2010**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

A handwritten signature in cursive script, appearing to read "Dan English".

\_\_\_\_\_  
Dan English, Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Mike Labrecque".

\_\_\_\_\_  
For - Mike Labrecque, Deputy Chief Administrative Officer - Corporate  
Services and Strategy

**DATE:** April 7, 2010

**SUBJECT:** Fee Amendments - By Law F-300

---

**ORIGIN**

Staff.

**RECOMMENDATION**

It is recommended that Halifax Regional Council

1) Approve increasing the administration fee to financial institutions per section 4 of By Law F-300 to \$15 from \$10, for the provision of tax account information in relation to the payment of taxes in which they have a mortgage interest.

2) Approve increasing the administration fee for the provision of tax information from \$25 to \$30, per section 5 of By Law F-300 with an effective date of July 1, 2010.

## **BACKGROUND**

Section 79 of the MGA, empowers municipalities to charge user fees for the provision of services such as the provision of financial or taxation information. In fiscal 2005-06, HRM staff researched methodologies of how other municipalities apply section 79 of the MGA for the purpose of charging appropriate user fees. The intention of this staff initiative was to develop new revenue streams which would alleviate financial pressure on the general rate, support municipal operations, and increase service delivery in HRM.

Staff's research acknowledged that municipalities charged two distinctive types of user fees with respect to providing tax and assessment information to agents acting on behalf of the real property owner. One fee was associated with charging mortgage companies for the administration of tax accounts that are paid bi-annually by the mortgage companies. HRM Regional Council approved a staff recommendation of \$10 in March, 2006.

The second distinctive fee charged under section 79 of the MGA, was a fee for the provision of tax and assessment information to Law Firms, Real Estate Firms and Banking Institutions, that required this information for real property transactions. Council approved a charge of \$25 for providing this service. The 3<sup>rd</sup> party agent inquiries and billing is facilitated through the utilization of a 1-900 number with Aliant and HRM's Call Center, that will be specific to requests for tax information. The intent of By-Law F-300 is not to levy a fee to real property owners that inquire about tax or assessment information on their own properties. Real property owners can still obtain information on their property free of charge by calling 490-4000.

## **DISCUSSION**

Since the inception of By Law F-300 in fiscal 2005-06, the combined net revenue contribution to HRM has been \$5,225,000. Staff have researched what other municipalities have been charging for these fees and the increases staff are proposing are comparable and equitable.

## **BUDGET IMPLICATIONS**

The approval of the by-law amendments would provide additional net revenues of \$540,000 for fiscal 2010-11 in cost center A316, 4951.

## **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.

**ALTERNATIVES**

None.

**ATTACHMENTS**

Appendix A: Revised By Law F-301.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jerry Blackwood, CGA, Manager of Revenue Operations, 490-6470



Report Approved by: Cathie O'Toole, CGA, Director of Finance, CFO 490-6308

## **Halifax Regional Municipality**

### **By-law F-301**

#### **A By-law Relating to Fees for the Provision of Taxation Information**

Sections 4 and 5 are repealed and the following substituted

4. An administration fee of \$15 plus applicable taxes per tax account per billing will be charged for the provision of tax account information provided to a financial institution in relation to the payment of tax accounts in which they have a mortgage interest.

5. An administration fee of \$30 plus applicable taxes will be charged for the provision of tax account information pursuant to this by-law in any other circumstances effective July 1, 2010.