

REPORT

Council

Meeting Date: August 15, 2023

FROM: Finance Department

DATE: August 1, 2023

SUBJECT: **By-law 2023-100, A by-law to Invoice Payments in Lieu of Tax on Provincial Institutions**

LOCATION:

WARD: Town-wide [Click here for multiple wards.](#)

Page 1

RECOMMENDATION:

That By-law 2023-100, a by-law to provide for the levying of payments in lieu of taxes for the year 2023 on Halton Healthcare Services Corporation and the Sheridan College Institute of Technology and Advanced Learning, as attached to the report of the Finance Department dated August 1, 2023, be approved.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Provincial institutions receive special tax treatment and are not taxed using the same methodology as other properties; however, Provincial institutions are obliged to pay Municipalities a grant in lieu of taxes based on capacity.
- To invoice the institutions as defined by the Ministry of Municipal Affairs and Housing each year, Council is required to pass a by-law.

BACKGROUND:

As property tax on Provincial institutions is limited to an annual payment in lieu of taxes, eligible institutions are not included in the annual tax levying by-law. Each year, so that the Town may invoice and collect the allowable payments in lieu of taxes on Provincial institutions, Council is required to pass a separate by-law.

The 2023 payment in lieu of tax grant applies to Halton Healthcare Services Corporation (Oakville) and Sheridan College: Main Campus/Trafalgar Road Campus.

COMMENT/OPTIONS:

The current payment payable to Ontario Municipalities is \$75 per unit (person or bed) and the units associated with applicable institutions are determined each year by the Ministry of Municipal Affairs and Housing and provided to eligible Municipalities by way of a grant list under Section 323 of the *Municipal Act*.

The 2023 payment in lieu of tax amount per unit remains at \$75.

CONSIDERATIONS:

(A) PUBLIC

NA

(B) FINANCIAL

Payment in lieu of tax applies to Halton Healthcare Services Corp. (Oakville) and Sheridan College. The total 2023 payment for these facilities is \$532,275, a decrease of \$9,975 over the 2022 payment of \$542,250, due to a lesser capacity stated at Sheridan College.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

NA

(D) CORPORATE STRATEGIC GOALS

This report addresses the corporate strategic goal(s) to:

- be accountable in everything we do
- be fiscally sustainable

(E) CLIMATE CHANGE/ACTION

Ensuring the Town receives the maximum revenue allowable through issuing payment in lieu of tax, assists in funding all facets of the community.

APPENDICES:

Appendix A - By-law 2023-100

Prepared by:

Danielle Tummon

Manager, Revenue Services & Taxation

Recommended by:

Jonathan van der Heiden

Deputy Treasurer & Director of Finance

Submitted by:

Nancy Sully

Commissioner, Corporate Services & Treasurer