

## REPORT

### Council

Meeting Date: August 9, 2021

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**FROM:** Finance Department

**DATE:** July 27, 2021

**SUBJECT:** **By-law 2021-115, A By-law to Invoice Payments in lieu of Tax on Provincial Institutions**

**LOCATION:**

**WARD:** Town-wide

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#### **RECOMMENDATION:**

That By-law 2021-115, a by-law to provide for the levying of payments in lieu of taxes for the year 2021 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 July 27, 2021, 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 but 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 tax on Provincial institutions is limited to an annual payment in lieu of realty 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 2021 payment in lieu of tax grant applies to Halton Healthcare Services Corp. (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 2021 payment in lieu of tax amount per unit remains at \$75.

**CONSIDERATIONS:**

**(A) PUBLIC**

NA

**(B) FINANCIAL**

The payment in lieu of tax grant applies to Halton Healthcare Services Corp. (Oakville) and Sheridan College. The total 2021 payment for these facilities are \$562,575, a decrease of \$25,050 over the 2020 payment of \$587,625 due to a lesser capacity stated at Sheridan College.

**(C) IMPACT ON OTHER DEPARTMENTS & USERS**

NA

**(D) CORPORATE STRATEGIC GOALS**

- be accountable in everything we do
- be fiscally sustainable

**(E) CLIMATE CHANGE/ACTION**

NA

**APPENDICES:**

Appendix A: By-law 2021-115

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