

Property tax penalties will be waived in cases of financial hardship: Council

Property owners who are facing financial hardship due to the COVID-19 pandemic will receive a break on property taxes at the discretion of the Town's Finance Department.

Council confirmed a rate of 1.25 per cent for penalties on past due tax accounts on May 26.

Their decision also confirmed a direction made at the Committee level earlier this month, giving the Town's Finance Department the discretion to waive these penalties if the property owner can prove their financial hardship, such as receiving emergency benefits from the Federal or Provincial governments.

As The Auroran reported last week, Council faced a staff recommendation for a reduction in these penalties for all residential and business property owners who were in arrears. But the Committee voted to keep the status quo while allowing discretion on a case-by-case basis so property owners who were in the red before the COVID-19 outbreak and weren't paying their fair share wouldn't receive the same treatment as those who are struggling due to fallout from the virus.

Nevertheless, at last week's meeting, Councillor John Gallo said a reduction of fees should be applied across the board.

Stating his case, Councillor Gallo contended that as other York Region municipalities like Markham, Richmond Hill, and Newmarket had waived penalties on taxes to the end of 2020, Aurora should follow suit.

“I just find it awkward that surrounding municipalities are doing something very different, but upper tier municipalities [like the Region of York] are being a little more aggressive and you would hope that would carry through to the residents of Aurora,” he said, seeking assurances from staff that benefits from the upper tier levels of government flow through to the residents of Aurora if Council maintained the status quo.

Town Treasurer Rachel Wainwright-Van Kessel replied that the Region and School Board have provided some flexibility when it comes to collecting taxes and, in turn, there are two ways Aurora can provide flexibility to its citizens.

“One of them is through the penalties that we charge on taxes and the other is through the dates that we normally have the final bills due,” she said. “This report actually recommends the deferral of those final dates. The final dates would normally be in July and September and we are proposing September 15 and December 1. That does provide some relief to everyone through Aurora while it mitigates us having that double payment to the school board at the end of the year.”

?When we look at the Region, what they are doing is they are waiving penalties on their second and third installment [of taxes] through the end of the year and then the final one into next year. The School Board is still expecting to receive all their tax money within 2020. We have that payment in September and we have a double payment in December. Those were [considered] when we looked at the cash flow overall for the Town to make sure we had sufficient funds to make those payments on time.?

Councillor Michael Thompson said he shared some of the concerns expressed by Councillor Gallo and asked whether there was any further thought on ?adjusting that penalty of 1.25 per cent or other measures? that would enable a degree of confidence to ?ensure that our residents don't lose out on those opportunities to mitigate some of the impacts being instituted by other levels of government.?

?With the ability to have the application process in place for those impacted by COVID-19 that are finally impacted, we will be able to provide that flexibility to those residents or businesses to be able to waive the penalties on taxes to make sure they get some additional accommodation throughout this process as well,? said the Treasurer.

But Councillor Gallo held firm and was the lone Council member to vote against maintaining the 1.25 per cent tax penalty.

?Under these circumstances and crazy times, it is obviously very difficult to find a happy ground to make everyone happy and help in any way we can?.These are unique times and I would like to differ that if upper tier municipalities are given some benefits, it should trickle down and I would ask that the third point be voted on separately as I won't be supporting that 1.25 per cent,? he said, just prior to the vote. ?I think we should be across the board, similar to Richmond Hill, Markham and Newmarket, in waiving those fees.?

By Brock Weir