

Update – 2021 COVID-19 Property Tax Deferral Program

Presented To:	Finance and Administration Committee
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Report Summary

This report provides information regarding the 2021 COVID-19 Property Tax Deferral Program approved by the Committee on May 18, 2021.

Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

This report refers to operation matters.

Financial Implications

The total financial implications of the 2021 COVID-19 Property Tax Deferral Program will be approximately \$235.00 resulting from penalties/interest and administration fees that were waived for the qualifying property tax accounts.

Background

The City of Greater Sudbury, throughout the Covid-19 response, has provided extensive support for residents and businesses that need relief from the effects of the virus. This has taken many forms, including:

- continuing to provide services, such as development application processing and building inspection services, that businesses rely on to sustain their operation,
- introducing new service levels that respond to the generally more difficult business climate imposed by provincial lockdowns and stay-at-home orders, such as the steps taken to support downtown cleanup and graffiti removal
- changing policies regarding the business use of outdoor public spaces, such as for sidewalk patios, to make them more accessible/available,
- providing financial relief in the form of waivers for penalty and interest payments, and extending payment periods, for property taxes
- working with specific account holders to modify or pause pre-authorized payments and

In addition to the above efforts, the City of Greater Sudbury also implemented a 2021 COVID-19 Property

Tax Deferral Program as approved by the Council in May of 2021.

The 2021 COVID-19 Property Tax Deferral Program features included:

- Needs-based application program
- Property owner / property was adversely affected by COVID-19
- Available for all types of properties
- Defers final property tax installments from July 5, 2021 and August 5, 2021 to December 15, 2021
- Penalty and interest charges would not be applicable as long as payment in full is received by December 15, 2021
- Property tax account must be up to date at April 30, 2021
- Must meet all eligibility requirements and provide all required supporting documentation
- Written notification of approval or denial will be provided after the review of the application and supporting documents
- A reminder notice will be sent in early November advising of the due date and amount

All applications for the 2021 COVID-19 Property Tax Deferral Program had to be received by the Tax Department no later than July 30, 2021, therefore the application process for this program is now closed.

Communications executed a very extensive communication plan to ensure the public was aware of this program that included:

- A banner ad on the City's main website page
- Communication through 311, customer service centres and other City facilities
- Public service announcements
- Posts on the City's social media
- Social shares through:
 - Invest Sudbury/Resourceful City
 - Regional Business Centre
 - Sudbury Libraries
 - Greater Sudbury Airport
 - Earth Care
 - Animal Shelter
- Digital ads on City-owned digital advertising boards
- Through newsletters and community groups

Information regarding the program was also included on the 'General Information' page that is included with all final tax bills.

Program Update

The Tax Department received a total of twenty (20) applications for the 2021 COVID-19 Property Tax Deferral Program.

Of the twenty (20) applications received, three (3) applications met all the qualifying criteria and were approved.

Taxes approved for deferral to December 15, 2021	\$3,605.99
Approximate penalties and interest to be waived	\$198.32
Approximate administration fees to be waived	\$37.50

Of the three (3) accounts that were approved to defer the 2021 final tax installments to December 15, 2021, two (2) of the accounts have been paid in full as of November 3, 2021.

The property owner for the one (1) account that has until December 15, 2021 to make payment for the 2021 final tax installment without being subject to penalties/interest has been sent a remainder notice of the amount outstanding and the due date.

In conclusion, this program was made available to all qualifying property owners that were experiencing financial hardships in 2021 due to the COVID-19 pandemic. Despite significant communication and advertising of the program, participation was very low.