

To: Administration & Finance Executive Committee
FROM: Dawn Galusha, Treasurer
DATE: February 23, 2021
SUBJECT: Letter from Jackie Lampi-Hughes re: interest on taxes

BACKGROUND

At the Council meeting of February 22, 2021, the attached letter from Jackie Lampi-Hughes was referred to the Administration and Finance Committee. Jackie's letter is requesting an exemption of late fees incurred in 2020 on her unpaid taxes.

In April of 2020 I brought a report to this Committee and then to Council. The options presented in that report were as follows:

“... to change due dates, alleviate interest in future months by changing the by-laws to read a different interest rate, or to change the By-Law to allow the Treasurer to review the accounts on a case-by-case basis.”

The decision was to continue charging interest based on our By-laws (02/20 & 27/20) at a rate of 1.25% per month, on the first day of each month. Council approved delay of the final tax bills by one month, which helped with the cost of interest for those unable to pay.

We have never waived interest fees on taxes in the past. I can appreciate this has been a difficult year for many, but there have been grant opportunities available for businesses which provided funding to businesses to cover fixed costs during the pandemic. As a decision had already been made by Council with respect to interest, and in fairness to other taxpayers, no action should be taken on this request.