

Overview:

This report dated May 25, 2020 entitled Tax Implications of Further Deferral is to present to Council the financial implications and present tax situation due to the Covid-19 virus situation. The Township wants to help The Township of Douro-Dummer's tax payers in these trying times by helping to alleviate the financial pressures for those that have lost their jobs or who find themselves in financial strain due to the Covid-19 virus.

A resolution was passed in April 2020 which stated:

1. That the penalty for the April 30th due date will be postponed.
2. That anyone who wishes to be removed from the monthly or due date PAP file can be.
3. That anyone who has post-dated cheques on file for the April 30th due date can request that they be pulled.
4. After the April 1st penalty there will be no more penalty applied on any account until the COVID-19 virus emergency is declared over.

And that the tax penalty options be kept in place for sixty (60) days and that Council will further review this matter in forty-five (45) days.

Conclusion:

There was one ratepayer who chose to defer for the monthly PAP plan for April but has restarted in May and four ratepayers who chose to defer for the due date PAP April installment.

There were no ratepayers who asked for their post-dated April 30th cheques to be pulled.

Other payments options of cash, cheque, or internet/telephone banking were deferred on an individual basis by the ratepayer if they felt necessary.

Recommendation:

That the Treasurer-2020-17 report, dated May 26, 2020, regarding Tax Implications of Further Deferral be received and that Council consider the waiving of penalty and interest for the month of July 2020 and that it be reconsidered on a month by month basis and that we continue to offer tax deferral options to those on the PAP plan, upon their request.

Financial Impact:

The Township will be losing approximately a total of \$35,000 in penalties for the months of May, June and July 2020.

Strategic Plan Applicability:

To ensure and enable an effective and efficient municipal administration.

Sustainability Plan Applicability:
N/A

Report Approval Details

Document Title:	Tax Implications of Further Deferral.docx
Attachments:	
Final Approval Date:	May 26, 2020

This report and all of its attachments were approved and signed as outlined below:

Crystal McMillan

Martina Chait-Hartwig