



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** March 16, 2010

**From:** Jerry Chong  
Director, Finance

**File:**

**Re:** Changes to Tax Notices, Home Owner Grants and Tax Deferments

### Staff Recommendation

That the report from the Manager, Revenue on the changes to tax notices, home owner grants and tax deferrals be received for information.

Jerry Chong  
Director, Finance  
(604-276-4064)

<b>FOR ORIGINATING DEPARTMENT USE ONLY</b>		
<b>CONCURRENCE OF GENERAL MANAGER</b>		
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
<b>REVIEWED BY CAO</b> <i>ACTING</i>	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

## Staff Report

### Origin

At the March 2, 2010 Finance Committee, staff advised that 2010 property tax notice layout, materials regarding the new Home Owner's Grant (HOG) process, and tax deferment will be provided at the April 6<sup>th</sup> Finance Committee.

### Analysis

#### Property Tax Bill (Appendix A)

General layout of the property tax bill is restricted by the requirements of BC Reg.100/2002 – Home Owner Grant Act Regulation. The regulation requires that the HOG amount is first applied to local school taxes and then to other levies. In order to comply, property tax bills for all municipalities in BC show the three columns with the No Grant, Basic Grant, and Additional Grant options. Changes to the 2010 tax bill are as follows:

1. Levies for the various taxing agencies must be itemized to ensure that taxpayers are aware of the amounts collected for each agency. New tax bills will include telephone contact numbers for each taxing agency beside the agency name (Item 1) for the taxpayers' convenience.
2. Currently, municipal levies are broken down into General Municipal, City Policing, Fire Rescue, and Storm Drainage/Dyking categories (Item 2). These categories can be amalgamated or further broken down at Council's discretion. However, page length is limited and additional categories may cause the bill information to be carried over to another page, resulting in additional costs for paper and postage.
3. The City's pre-authorized withdrawal service (PAWS) is often praised for helping customers budget for their subsequent year's taxes. The new tax bill will be able to provide a separate line item for interest earned on any instalment payments, making it more convenient for users to verify the credit balance on their account with the activity in their bank statements. This information will appear on the bill following Total Current Taxes, (Item 3) if applicable.
4. Each August, once all tax payments have been posted, the Tax Department generates a separate letter to customers on PAWS advising of next year's monthly payment amount. Starting 2010, this practice will be eliminated because the information will be included on the tax bill to the property owner (Item 4). This reduces labour, material and postage costs required for the separate letter.

For customers not on PAWS, this line will provide the monthly payment amount should they choose to sign up for this program the following year. This promotes the program to the general public.

5. Currently, customers on PAWS are responsible for making a separate payment for any shortfall in their current year taxes before the due date. With the Tempest system, the tax

bill will indicate the final payment amount that will be automatically debited from their account on the due date. The bill also provides the City's website to claim the home owner grant online. Since a number of the changes affect this class of customers, a separate letter will be sent to each PAWS registrant in May to ensure they are aware of these changes.

#### Metered Utility Bill (Appendix B)

The new metered utility bill is scheduled to be sent out in early May, 2010. The look of the bill is slightly different from the current bill generated by the Opentax system but the information provided is similar. Both provide the consumption and billing amounts, billing address, meter location, etc. Once 4 quarterly billings have been generated from the Tempest system, an annual consumption bar chart will be printed on the bill similar to graphs provided by hydro companies.

#### Home Owner Grant Application

The only change with the Home Owner Grant application process will be that taxpayers have an additional option of claiming their HOGs online. Tax and Communication staff are currently working on a plan to ensure adequate media exposure in both the local and Chinese newspapers regarding the new tax bill and the electronic HOG option. Changes to the City website to promote electronic HOGs are complete and will be implemented as soon as the property tax bills are generated.

Changes to the tax insert advertising the electronic HOG have been discussed but not yet finalized. The tax insert information cannot be finalized until mid April when the City receives the 2010 levy amounts from all other taxing jurisdictions.

#### Tax Deferment

Of the approximate 60,000 residential properties in Richmond, 514 customers have chosen to defer their annual property taxes. Of those, 485 have deferred under the seniors program and 29 have deferred under the financial hardship program.

2010 will be the final year that property owners may defer taxes under financial hardship. A new tax deferment program launched in 2010 called Families with Children will be available for those who are financially supporting a dependent child who is under the age of 18 and who:

- lives with the owner full time in their home, or
- lives with the owner at least part time under a shared custody arrangement, or
- does not live with the owner, but the owner is paying support for the child, or is responsible for fees and/or living costs if they are attending school.

The above are the proposed guidelines for this program. It is expected that the Province will launch an extensive advertising campaign promoting this deferment option once the details are finalized. This option will be added to the City's tax deferment page on our website and to the insert once the final details have been communicated to all Municipalities.

March 16, 2010

- 4 -

**Financial Impact**

None

**Conclusion**

That the report on the changes to tax notices, home owner grants and tax deferments be received for information.

A handwritten signature in black ink, appearing to be 'Ivy Wong', written in a cursive style.

Ivy Wong  
Manager, Revenue  
(604-276-4046)

IW:iw

**2010 PROPERTY TAX NOTICE**

**DUE DATE: Friday, July 2, 2010**



**5% PENALTY IF NOT PAID OR GRANT NOT CLAIMED BY JULY 2, 2010  
ADDITIONAL 5% PENALTY ADDED TO ANY CURRENT TAXES OUTSTANDING AFTER  
SEPTEMBER 2, 2010**

FOLIO NUMBER		ACCESS	LEGAL DESCRIPTION		
PROPERTY ADDRESS			TOTAL NET ASSESSED VALUES FOR TAXATION PURPOSES		
PID		RATES	COLUMN A NO GRANT	COLUMN B BASIC GRANT	COLUMN C ADDITIONAL GRANT
School - Res		1.84710	1,065.78	1,065.78	1,065.78
School - Non Res			0.00	0.00	0.00
Less: Home Owner Grant				-570.00	-845.00
<b>NET SCHOOL TAXES</b>			<b>1,065.78</b>	<b>495.78</b>	<b>220.78</b>
BC Assessment		0.06410	36.99	36.99	36.99
Metro Vancouver	1	0.06226	35.92	35.92	35.92
MFA		0.00020	0.12	0.12	0.12
TransLink - 604-280-5555		0.36770	212.16	212.16	212.16
Sewer Debt		0.12651	40.86	40.86	40.86
<b>NET OTHER GOVERNMENT TAXES</b>			<b>326.05</b>	<b>326.05</b>	<b>326.05</b>
Genral Municipal	} 2	1.36348	786.73	786.73	786.73
City Policing		0.52055	300.36	300.36	300.36
Fire Rescue		0.42999	248.10	248.10	248.10
Storm Drainage / Dyking		0.05584	32.22	32.22	32.22
<b>NET MUNICIPAL TAXES</b>			<b>1,367.41</b>	<b>1,367.41</b>	<b>1,367.41</b>
<b>TOTAL CURRENT TAXES</b>	3		<b>2,759.24</b>	<b>2,189.24</b>	<b>1,914.24</b>
<b>TOTAL TAXES PAYABLE</b>			<b>2,759.24</b>	<b>2,189.24</b>	<b>1,914.24</b>

Payments accepted in person or online at most financial institutions with your folio number.

**CLAIM YOUR HOME OWNER GRANT ONLINE AT [www.richmond.ca](http://www.richmond.ca)**  
Your Tax Pre-authorized Payments Plus withdrawal will change from \$311.00 to \$290.00 on August 01, 2010.

The final payment for your 2010 taxes is \$2,759.24 and will be withdrawn from your bank account on July 02, 2010. This payment is based on your ineligibility for the Home Owner Grant. If your home owner grant eligibility has changed, you may claim your grant online at [www.richmond.ca](http://www.richmond.ca) and your withdrawal amount will be adjusted accordingly.

Customer Copy  
**AMOUNT DUE JULY 2, 2010**

A - NO GRANT	B - BASIC GRANT	C - ADD'L GRANT
\$2,759.24	\$2,189.24	\$1,914.24

**2010 PROPERTY TAX NOTICE**  
Payable at Most Financial Institutions  
See Reverse For Additional Payment Instructions

A	B	C
No Grant	Grant: 570.00	Grant: 845.00
\$2,759.24	\$2,189.24	\$1,914.24

Amount Paid  
FOLIO  
PID  
CIVIC  
OWNERS



000-146-012 0000275924 0000218924 0000191424



**City of Richmond**

6911 No. 3 Road, Richmond, BC V6Y 2C1  
 Tel: 604-276-4145 Fax: 604-276-4128  
 Office Hours: 8:15 a.m.-5:00 p.m.  
 www.richmond.ca

**Metered Utility Bill**

ACCT NUMBER: [REDACTED] BILLING PERIOD: Oct 1, 2009  
 ACCESS CODE: [REDACTED] TO: Dec 31, 2009  
 DUE DATE: Apr 9, 2010 BILLING DATE: Mar 5, 2010



NAME: [REDACTED]  
 FOR SERVICE AT: [REDACTED]  
 ACCOUNT TYPE: [REDACTED]  
 CUSTOMER NOTE: [REDACTED]

FOLIO: [REDACTED] ROUTE: 10

DATE	METER NO.	NO. OF DAYS	CURRENT READING	PREV READING	CONSUMPTION	AMOUNT
Mar 5, 2010	A-0049162458	156	863	786	77 M3	
Default consumption of 77 - testing only						
Mar 5, 2010	METERED WATER - RESIDENTIAL (A)					71.43
Mar 5, 2010	METERED SEWER - RESIDENTIAL (A)					59.51

IF PAID AFTER DUE DATE: 130.94  
 DISCOUNT AVAILABLE: 13.09  
 IF PAID ON OR BEFORE DUE DATE: 117.85

Test bill only

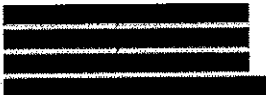
Metered Utility Bill

BILLING DATE: Mar 5, 2010  
 DUE DATE: Apr 9, 2010  
 ACCT NUMBER: 106799

DETACH THIS PORTION AND RETURN WITH YOUR PAYMENT  
 IF PAID AFTER DUE DATE: \$130.94  
 IF PAID ON OR BEFORE DUE DATE: \$117.85

AMOUNT PAID
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FOR SERVICE AT: [REDACTED]



106799 0000013094 0000011785