

# Background

This report is in response to Council direction to allow hotel/motel property owners to be considered for a deferral of 2021 municipal and provincial property tax to 2022 December 31. Council directed Administration to report back no later than 2021 Q3 with a list of roll numbers of qualifying properties for approval. This report fulfills that requirement.

## Context

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On 2021 April 01, the Calgary Hotel Association sent a letter to His Worship Mayor Nenshi and Members of Council advocating for financial relief for Calgary's hotels, which have experienced the lowest occupancy rates of hotels in any major markets in Canada in the first part of 2021.

## Previous Council Direction

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On 2021 May 31 Council directed that with respect to Report C2021-0725, the following be adopted:

That Council direct Administration to:

1. Allow hotel/motel non-residential property owners who have not paid their 2021 property taxes to be considered for a deferral of 2021 municipal and provincial property taxes by this program, without penalties, to 2022 December 31, and provide a Report to Council no later than 2021 Q3 with a list of roll numbers of qualifying properties for approval;

On 2021 April 27, Priorities and Finance Committee approved the deferral of previously directed work on tax deferral powers under Section 347 of the Municipal Government Act, to return to Council 2021 May:

That the Consent Agenda be approved as follows:

### 5.1 DEFERRALS AND PROCEDURAL REQUESTS

- 5.1.1 Deferral – Working with Business Sector Task Force on further relief options returning to Council 2021 May, PFC2021-0622

On 2021 April 12, Council directed that with respect to Report C2021-0578, the following Motion Arising be adopted:

Direct Administration to evaluate the use of tax deferral powers under section 347 of the Municipal Government Act for categories of businesses, and non-profits not covered under Community Organization Property Tax Exemption Regulation, that have been significantly impaired by the COVID epidemic, for example hotels, nightclubs, and fitness facilities, returning with options to the Priorities and Finance Committee at its next meeting.

## Table Timeline

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2021/05/31	C2021-0725	<p><b>Additional Options for Targeted Relief for Businesses Impacted by COVID-19</b></p> <p>Council directed Administration to allow hotel and motel property owners to be considered for a deferral of 2021 property tax to 2022 December 31.</p>
2021/04/27	PFC2021-0622	<p><b>Deferral – Working with Business Sector Task Force on further relief options</b></p> <p>This deferral request sought approval to return to Council in 2021 May in response to direction provided to Report C2021-0578 at the 2021 April 12 Combined Meeting of Council.</p>
2021/04/12	C2021-0578	<p><b>Financial Relief for Taxpayers</b></p> <p>Council directed Administration to evaluate the use of tax deferral powers under section 347 of the Municipal Government Act for businesses and certain non-profit organizations impacted by the COVID epidemic.</p>

## Bylaws, Regulations, Council Policies

The following bylaws and policies inform property tax deferrals and penalties.

Municipal Government Act of Alberta

City of Calgary Bylaw Number 8M2002 A Bylaw of The City of Calgary to Fix the Penalty on Unpaid Taxes