

March 30, 2006

## 2006 Tax Impacts

	Residential		Multi-Residential	
	%	Average (per avg. Household)	%	Average (per avg. Apt. Unit)
<b><u>Municipal Purposes:</u></b>				
Budgetary Levy Increase	3.00%	\$ 60.97	1.00%	\$ 14.67
Natural CVA Shift	0.40%	\$ 8.17	(2.46%)	\$ (36.97)
<b>Sub-Total Municipal</b>	<b>3.40%</b>	<b>\$ 69.14</b>	<b>(1.46%)</b>	<b>\$ (22.30)</b>
<b><u>Education Purposes:</u></b>				
<b>Education Levy Change</b>	<b>(0.62%)</b>	<b>\$ (6.12)</b>	<b>(3.46%)</b>	<b>\$ (6.80)</b>
<b>Total Net Impact</b>	<b>2.10%</b>	<b>\$ 63.02</b>	<b>(1.71%)</b>	<b>\$ (29.10)</b>

- The 3.0% budgetary levy increase raises the \$55 million to balance the 2006 Operating budget. This Council decision results in a \$60.97 impact on the average residential tax bill for municipal purposes.
- A tax shift on residential class due to updated assessment values adds 0.4%, or \$8.17 on the average household and does not raise any additional revenue for the City.

Because the values of multi-residential properties have increased less than all other classes, \$14.4 million of taxes moved from the multi-residential class onto other classes in order to comply with Ontario Regulation 73/03.

This impact is not a product of any Council decision, but instead prescribed by regulation under the Municipal Act.

- The Province prescribes education tax rates for the City. Because Toronto's residential property values have appreciated at a rate less than the provincial average, Toronto's homeowners will experience a decrease in education tax burden of approximately \$6.12 for the average household for 2006, for an average household education tax of \$974.95.

### TOTAL IMPACT:

- The impact of all these changes amounts to an increase on the average total residential tax bill (both municipal and education) of **2.1%, or \$63.02 for the average household**. This means that the average residential tax bill will be \$2,093.41 municipal portion, \$974.95 education portion, and the above noted \$63.02 CVA-related increase, for a total tax bill of \$3,068.33 for the average house assessed in 2006 at \$369,300.