

Authority: Strategic Policies and Priorities Committee
Report No. 13(1), July 21 and 23, 1998
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CITY OF TORONTO

BY-LAW No. 472-1998

To Phase-in 1998 Assessment-Related Tax Increases and Decreases for the Residential Property Class.

WHEREAS subsection 372(1) of the *Municipal Act*, as amended (the “Act”), provides that the council of a municipality, other than a lower-tier municipality, may pass a by-law to phase-in a 1998 Assessment-Related Tax Increase or Decrease to be determined in accordance with section 372.1 of the Act; and

WHEREAS paragraph 1 of subsection 372(5) of the Act provides that the first year in which a 1998 Assessment-Related Tax Increase or Decrease is phased-in must be the 1998 taxation year, and the last year must be the 2005 taxation year or an earlier taxation year; and

WHEREAS subsection 372(11) of the Act provides that section 372 applies with respect to payments in lieu of taxes, other than an amount referred to in subparagraph ii of paragraph 24 of subsection 3(1) of the *Assessment Act*, as amended, or an amount received under section 157 or subsection 158(4) of the Act, as though they were taxes; and

The Council of the City of Toronto HEREBY ENACTS as follows:

1. In this by-law:

“1998 Assessment-Related Tax Increase” means the Assessment-Related Change for each property, where the Assessment-Related Change is positive, as shown on the Collector’s Roll; and

“1998 Assessment-Related Tax Decrease” means the Assessment-Related Change for each property as an absolute number, where the Assessment-Related Change is negative, as shown on the Collector’s Roll.

“Assessment-Related Change” means an amount calculated pursuant to section 6 hereof.

2. A 1998 Assessment-Related Tax Increase or a 1998 Assessment-Related Tax Decrease for all real property in the City of Toronto which is in the residential property class shall be phased-in in accordance with section 3 or section 4 hereof, commencing in the taxation year 1998 and ending in the taxation year 2002 or in such earlier year as is required to fully phase in the 1998 Assessment-Related Tax Increase or the 1998 Assessment-Related Tax Decrease under section 3 or 4 hereof.

- 3.** (1) The taxes payable in each year on any real property in the residential property class for which there is a 1998 Assessment-Related Tax Increase, shall be calculated as follows:
- (a) by subtracting the 1998 Assessment-Related Tax Increase from the taxes levied on the property in 1998;
 - (b) in the 1998 taxation year by adding thereto the amount calculated under subsection (2); and
 - (c) in each taxation year subsequent to the 1998 taxation year by adding thereto the amount calculated under subsection (2) for that year plus all amounts calculated under subsection (2) for any previous year or years.
- (2) The amount to be phased-in in each year shall be calculated as follows:
- (a) if the 1998 Assessment-Related Tax Increase is \$300.00 or less, the amount for the 1998 taxation year shall be the 1998 Assessment-Related Tax Increase, and the amount for all future years shall be \$0;
 - (b) if the 1998 Assessment-Related Tax Increase is more than \$300 but less than or equal to \$1500.00, the amount for the 1998 taxation year and each subsequent year shall be \$300.00, except in a subsequent taxation year where the difference between the 1998 Assessment-Related Tax Increase and all amounts phased-in in previous years is less than \$300.00, the amount shall be that difference; and
 - (c) if the 1998 Assessment-Related Tax Increase is greater than \$1500.00, the amount in each year shall be one-fifth of the 1998 Assessment-Related Tax Increase.
- 4.** (1) The taxes payable in each year on any real property in the residential property class for which there is a 1998 Assessment-Related Tax Decrease, shall be calculated as follows:
- (a) by adding the 1998 Assessment-Related Tax Decrease to the taxes levied on the property in 1998;
 - (b) in the 1998 taxation year by subtracting therefrom the amount calculated under subsection (2); and
 - (c) in each taxation year subsequent to the 1998 taxation year, by subtracting therefrom the amount calculated under subsection (2) for that year plus all amounts calculated under subsection (2) for any previous year or years.
- (2) The amount to be phased in each year shall be calculated as follows:

- (a) if the 1998 Assessment-Related Tax Decrease is \$200.00 or less, the amount for the 1998 taxation year shall be the 1998 Assessment-Related Tax Decrease, and the amount for all future years shall be \$0;
- (b) if the 1998 Assessment-Related Tax Decrease is more than \$200 but less than or equal to \$1000.00, the amount for the 1998 taxation year and each subsequent year shall be \$200.00, except in a subsequent taxation year where the difference between the 1998 Assessment-Related Tax Decrease and all amounts phased-in in previous years is less than \$200.00, the amount shall be that difference; and
- (c) if the 1998 Assessment-Related Tax Decrease is greater than \$1000.00, the amount in each year shall be one-fifth of the Decrease Amount.

5. Each of the amounts in Column I shall be calculated, in accordance with the Schedule in Column II for all properties in the residential property class to which the conditions in Column III apply. If the conditions in Column III do not apply to the property, then the amount in Column I shall not be calculated.

Column I (Amount)	Column II (Schedules)	Column III (Conditions)
General Upper-tier Amount	Schedule "A"	if, in 1997, taxes were levied on the property to raise a general upper-tier levy
General Local Amount	Schedule "B"	if, in 1997, taxes were levied on the property to raise a general local levy
School Amount	Schedule "C"	if, in 1997, taxes were levied on the property for school purposes
Special Municipal Amount	Schedule "D"	if, in 1997, taxes were levied on the property to raise a special levy

6. An Assessment-Related Change shall be calculated for all real property in the City of Toronto which is in the residential property class and such amount shall be the sum of each of the general upper-tier amount, the general local amount, the school amount and the special municipal amount for that property, if such amount applies to the property.

7. Despite sections 3 or 4, if there has been a change in use or character of any real property in the residential property class or in its classification under the Assessment Act that makes a phase-in or the continuation of a phase-in in respect of such property inappropriate Council may by by-law exclude such property from the application of the phase-in.

- 8.** (1) If a new improvement to any real property in the residential property class is reflected in the assessment used to determine the 1998 taxes but was not reflected in the assessment used to determine the 1997 taxes, the definition

of “1998 assessment (property)” in Schedules A through D shall be adjusted to what it would be if the improvement was not reflected in the assessment for 1998.

- (2) If an improvement to any real property in the residential property class was reflected in the assessment used to determine the 1997 taxes and because of a change related to the improvements, the improvement is not reflected in the assessment used to determine the 1998 taxes, the definition of “1998 assessment (property)” in Schedules A through D shall be adjusted to what it would be if the improvement was reflected in the assessment for 1998.

9. The provisions of this by-law apply with respect to payments in lieu of taxes other than an amount referred to in subparagraph ii of paragraph 24 of subsection 3(1) of the *Assessment Act*, as amended, or an amount received under section 157 or subsection 158(4) of the Act as though they were taxes, in accordance with O. Reg. 406/98.

ENACTED AND PASSED this 23rd day of July, A.D.1998.

MEL LASTMAN,
Mayor

NOVINA WONG,
City Clerk

(Corporate Seal)

SCHEDULE “A”

General Upper-Tier Amount

1. The general upper-tier amount for each property which in 1997 had taxes levied on it to raise a general upper-tier levy shall be determined in accordance with the following:

$$\frac{\text{1997 upper-tier taxes (class)}}{\text{1998 upper-tier assessment (class)}} \times \frac{\text{1998 assessment (property)}}{\text{1997 upper-tier taxes (property)}}$$

Where,

“1997 upper-tier taxes (class)” means an amount determined as follows:

1. Identify all the properties in the municipality that, for 1998, are classified in the same property class as the property for which the general upper-tier amount is being determined;
2. The 1997 upper-tier taxes (class) is the total of the taxes on the properties identified in paragraph 1, including business taxes imposed on persons carrying on business on such properties, levied for the purposes of the general upper-tier levy for 1997;

“1998 upper-tier assessment (class)” means the total assessment for 1998 of the properties identified in paragraph 1 of the definition of “1997 upper-tier taxes (class)” that are properties upon which the general upper-tier levy was levied in 1997;

“1998 assessment (property)” means the assessment of the property for 1998;

“1997 upper-tier taxes (property)” means the taxes on the property, including business taxes imposed on persons carrying on a business on the property, levied in 1997 for the purposes of the general upper-tier levy.

SCHEDULE “B”

General Local Amount

1. The general local amount for each property which in 1997 had taxes levied on it to raise a general local municipality levy shall be determined in accordance with the following:

<u>1997 local taxes (class)</u>				
1998 local assessment (class)	X	1998 assessment (property)	–	1997 local taxes (property)

Where,

“1997 local taxes (class)” means an amount determined as follows:

1. Identify all the properties in the same local municipality as the property for which the general local amount is being determined that, for 1998, are classified in the same property class as the property for which the general local amount is being determined.
2. The 1997 local taxes (class) is the total of the taxes on the properties identified in paragraph 1, including business taxes imposed on persons carrying on businesses on such properties, levied for the purposes of the general local municipality levy for 1997;

“1998 local assessment (class)” means the total assessment for 1998 of the properties identified in paragraph 1 of the definition of “1997 local taxes (class)” that are properties upon which the general local municipality levy was levied in 1997;

“1998 assessment (property)” means the assessment of the property for 1998;

“1997 local taxes (property)” means the taxes on the property, including business taxes imposed on persons carrying on a business on a business on the property, levied in 1997 for the purposes of the general local municipality levy.

SCHEDULE “C”

School Amount

1. The school amount for each property which in 1997 had taxes levied on the property for school purposes shall be determined in accordance with the following:

1997 school taxes (class)

1998 school assessment (class)	X	1998 assessment (property)	–	1997 school taxes (property)
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Where,

“1997 school taxes (class)” means an amount determined as follows:

1. Identify all the properties in the municipality that, for 1998, are classified in the same property class as the property for which the school amount is being determined.
2. The 1997 school taxes (class) is the total of the taxes on the properties identified in paragraph 1, including business taxes imposed on persons carrying on businesses on such properties, levied in 1997 for school purposes;

“1998 school assessment (class)” means the total assessment for 1998 of the properties identified in paragraph 1 of the definition of “1997 school taxes (class)”;

“1998 assessment (property)” means the assessment of the property for 1998;

“1997 school taxes (property)” means the taxes on the property, including business taxes imposed on persons carrying on a business on the property, levied in 1997 for school purposes.

SCHEDULE “D”

Special Municipal Amount

1. The special municipal amount for each property which in 1997 had taxes levied on the property to raise a special levy shall be determined in accordance with the following:

<u>1997 special taxes (class)</u>				
1998 special assessment (class)	X	1998 assessment (property)	–	1997 special taxes (property)

Where,

“1997 special taxes (class)” means an amount determined as follows:

1. Identify all the properties that, for 1998, are classified in the same property class as the property for which the special municipal amount is being determined and that are in the local municipality that the property for which the special municipal amount is being determined is in.
2. Identify the properties identified in paragraph 1 upon which the special levy was levied in 1997.
3. The 1997 special taxes (class) is the total of the taxes on the properties identified in paragraph 2, including business taxes imposed on persons carrying on businesses on such properties, levied for the purposes of the special levy for 1997;

“1998 special assessment (class)” means the total assessment for 1998 of the properties identified in paragraph 2 of the definition of “1997 special taxes (class)”;

“1998 assessment (property)” means the assessment of the property for 1998;

“1997 special taxes (property)” means the taxes on the property, including business taxes imposed on persons carrying on a business on the property, levied in 1997 for the purposes of the special levy.