

Authority: Policy and Finance Committee Report No. 4, Clause No. 2, as adopted by City of Toronto Council on April 23, 24, 25, 26, 27, 30 and May 1 and 2, 2001; and Notice of Motion J(18), Moved by Councillor Shiner, seconded by Councillor Soknacki, as adopted by City of Toronto Council on May 30, 31 and June 1, 2001

Enacted by Council: June 1, 2001

CITY OF TORONTO

BY-LAW No. 481-2001

To amend the City of Toronto Municipal Code Chapter 767, Taxation, to enact a Phase-in of 2001 Assessment-Related Tax Increases and Decreases for the Residential/Farm Property Class.

WHEREAS section 372.2(1) of the *Municipal Act* (the “Act”) provides that the council of a municipality may pass a by-law to phase in tax increases or decreases for eligible properties for a taxation year in respect of which there is a general reassessment; and

WHEREAS property in the residential/farm, farmlands and managed forests property classes is eligible property as it is property in a property class prescribed under the *Assessment Act*; and

WHEREAS paragraph 7 of subsection 372.2(9) of the Act requires that the residential/farm, farmlands and managed forests property classes be treated as a single property class for the purposes of section 372.2; and

WHEREAS the taxation year 2001 is a year in which there was a general reassessment; and

WHEREAS section 372 of the Act provides that the council of a municipality may have passed a by-law to phase in 1998 assessment-related tax increases or decreases as determined under section 372.1; and

WHEREAS Article II of Chapter 767, Taxation, of the City of Toronto Municipal Code creates a program pursuant to section 372 to phase-in 1998 assessment-related tax increases and decreases.

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

1. Chapter 767, Taxation, of the City of Toronto Municipal Code is amended as follows:
 - A. By amending § 767-4A by inserting the words “beginning in 1998 and ending in 2000,” after the words “The taxes payable in each year” and before the words “on any real property in the residential/farm property class...”.
 - B. By amending § 767-5A by inserting the words “beginning in 1998 and ending in 2000,” after the words “The taxes payable in each year” and before the words “on any real property in the residential/farm property class...”.
 - C. Chapter 767, Taxation, of the City of Toronto Municipal Code is further amended by adding the following article:

ARTICLE IIA

§ 767-11.1. Definitions.

As used in this article, the following terms shall have the meanings indicated:

2000 TAXES – The total municipal and school taxes levied on the property for the taxation year 2000, prior to adjustment under Article II, adjusted as required by paragraphs 2 and 3 of subsection 372.2(6) of the Act.

2001 NOTIONAL TAXES – $0.01012586 \times$ the assessment of the property in 2001.

2001 TAXES – The total municipal and school taxes levied on the property for the taxation year 2001, prior to adjustment under Article IIA.

DECREASE – If the Maximum Phase-In is a negative number, the amount shall be the difference between the 2001 Notional Taxes and the 2000 Taxes, expressed as an absolute number.

INCREASE – If the Maximum Phase-In is a positive number, the amount shall be the difference between the 2001 Notional Taxes and the 2000 Taxes.

LEVY THRESHOLD – $0.00060958 \times$ the assessment of the property in 2001.

MAXIMUM PHASE-IN – The difference between the 2001 Taxes and the 2000 Taxes, if any.

RESIDENTIAL/FARM PROPERTY CLASS – The residential/farm, farmlands and the managed forests property classes as prescribed by Ontario Regulation No. 282/98.

§ 767-11.2. Commencement and termination of phase-in.

A Increase or a Decrease for all real property in the City of Toronto which is in the residential/farm property class for the 2001 taxation year shall be phased-in in accordance with § 767-11.3 or § 767-11.4, commencing in the 2001 taxation year and ending in the 2003 taxation year or in such earlier year as is required to fully phase in the Increase or the Decrease under § 767-11.3 or § 767-11.4.

§ 767-11.3. Increase.

A. The taxes payable in each year on any real property in the residential/farm property class for which there is a Increase shall be calculated as follows:

- (1) In the 2001 taxation year, by adding to the taxes payable in the previous year the amount calculated under Subsection B for 2001,

and by adding thereto any amount calculated for the year under Subsection B of § 767-4 or subtracting therefrom any amount calculated for the year under Subsection B of § 767-5; and

- (2) In each taxation year subsequent to the 2001 taxation year, by adding to the taxes payable in the previous year the amount calculated under Subsection B for that year, and adding thereto any amount calculated for the year under Subsection B of § 767-4 or subtracting therefrom any amount calculated for the year under Subsection B of § 767-5.

B. The amount of the Increase to be phased-in in each year shall be calculated as follows:

- (1) If the Increase is \$300 or less, the amount for the 2001 taxation year shall be the sum of the Levy Threshold and the Increase, and the amount for all future years shall be \$0;
- (2) If the Increase is more than \$300 but less than or equal to \$900, the amount for the 2001 taxation year shall be the sum of the Levy Threshold and \$300, and the amount for each subsequent year shall be \$300, except in a subsequent taxation year where the difference between the Increase and all amounts phased-in in previous years is less than \$300, the amount shall be the difference;
- (3) If the Increase is greater than \$900, the amount in 2001 shall be the sum of the Levy Threshold and one-third of the Increase, and in each of the two subsequent years the amount shall be one-third of the Increase.

§ 767-11.4. Decrease.

A. The taxes payable in each year on any real property in the residential/farm property class for which there is a Decrease shall be calculated as follows:

- (1) In the 2001 taxation year, by adding to the taxes payable in the previous year the amount calculated under Subsection B for 2001, and by subtracting therefrom any amount calculated for the year under Subsection B of § 767-5 or adding thereto any amount calculated for the year under Subsection B of § 767-4; and
- (2) In each taxation year subsequent to the 2001 taxation year, by subtracting from the taxes payable in the previous year the amount calculated under Subsection B for that year, and by subtracting therefrom any amount calculated for the year under Subsection B of § 767-5 or adding thereto any amount calculated for the year under Subsection B of § 767-4.

- B. The amount of the Decrease to be phased-in in each year shall be calculated as follows:
- (1) If the Decrease is \$150 or less, the amount for the 2001 taxation year shall be the difference between the Levy Threshold and the Decrease, and the amount for all future years shall be \$0.
 - (2) If the Decrease is more than \$150 but less than or equal to \$450, the amount for the 2001 taxation year shall be the difference between the Levy Threshold and \$150, and the amount for each subsequent year shall be \$150 except in a subsequent taxation year where the difference between the Decrease and all amounts phased-in in previous years is less than \$150, the amount shall be the difference; and
 - (3) If the Decrease is greater than \$450, the amount in 2001 shall be the difference between the Levy Threshold and one-third of the Decrease, and the amount in each of the two subsequent years shall be one-third of the Decrease.

§ 767-11.5. Exclusion of Payments in Lieu of Taxes

The provisions of this article do not apply with respect to payments in lieu of taxes.

§ 767-11.6. Exclusion of property for change in use or character.

A property shall be excluded from the application of this article if:

- A. There has been a change in use or character of the property between 2000 and 2001; and
- B. The property was classified for the 2000 taxation year as belonging to a property class other than the residential/farm property class according to the assessment roll for 2000 as most recently revised; and
- C. (1) The property was classified as belonging to the residential/farm property class for the 2001 taxation year; or

- (2) The property was incorrectly classified for the 2001 taxation year, as belonging to a property class other than the residential/farm property class and, as a result of a request for reconsideration pursuant to section 39/1 of the *Assessment Act* or as a result of a complaint pursuant to subsection 40(1) of the *Assessment Act*, the property was reclassified as belonging to the residential/farm property class for the 2001 taxation year.

ENACTED AND PASSED this 1st day of June, A.D. 2001.

CASE OOTES,
Deputy Mayor

JEFFREY A. ABRAMS,
Acting City Clerk

(Corporate Seal)