

Authority: Policy and Finance Committee Report 2, Clause 2,
adopted as amended, by City of Toronto Council on March 29 and 30, 2006
Enacted by Council: March 30, 2006

CITY OF TORONTO

BY-LAW No. 224-2006

Tax Levy By-law for 2006.

WHEREAS subsection 290 of the *Municipal Act, 2001* as amended (the “Act”), provides for a local municipality in each year to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including amounts sufficient to pay all debts of the municipality falling due within the year, amounts required to be raised for sinking funds or retirement funds and amounts required for any board, commission or other body; and

WHEREAS subsection 312 of the Act provides that the general local municipal levy is the amount the local municipality decided to raise in its budget for the year under section 290 on all rateable property in the municipality; and

WHEREAS subsection 312(2) of the Act provides that for the purposes of raising the general local municipality levy, a local municipality shall, each year, pass a by-law levying a separate tax rate, as specified in the by-law, on the assessment in each property class in the local municipality rateable for local municipality purposes; and

WHEREAS subsection 313(3) of the Act provides that the local municipality shall specify, by by-law, the percentage reductions of the tax rates for municipal purposes for subclasses of property classes prescribed by regulation where the regulations require tax rates to be reduced by a percentage within a range described in the regulations; and

WHEREAS subsection 308(2) of the Act provides that a local municipality must establish a set of tax ratios in accordance with section 308; and

WHEREAS subsection 312(7) of the Act provides that, for 2001 and subsequent years, the tax rates to be levied on property in a property class in a municipality in which the tax ratio or average tax ratio for that property class exceed the prescribed threshold ratios for that property class must be determined in the prescribed manner; and

WHEREAS the City’s tax ratios for the commercial, industrial and multi-residential property classes exceed the threshold ratios prescribed by O.Reg. 73/03 for those property classes; and

WHEREAS O.Reg. 73/03, as amended by O.Reg. 44/06, prescribes the method for calculating 2006 tax rates for the commercial, industrial and multi-residential property classes for municipalities whose tax ratios or average tax ratios exceed the prescribed threshold ratios; and

WHEREAS O.Reg. 73/03 prescribes the method for calculating such tax rates as allowing for a general levy tax rate increase by election of the municipality on the commercial, industrial and multi-residential property classes up to a maximum of half of any tax rate increase on the residential property class; and

WHEREAS O.Reg. 73/03 and O.Reg. 389/98 provide that the tax rate for the commercial class and the industrial class may be greater than would be allowed under subsection 312(6) and Part IX of the Act, to the extent necessary to raise an amount sufficient to fund tax rebates to eligible charities occupying commercial and industrial properties under section 361 of the Act; and

WHEREAS paragraph 1 of subsection 257.7(1) of the *Education Act*, as amended, requires every municipality in each year to levy and collect the tax rate prescribed by the Minister of Finance for school purposes on residential property and business property taxable for school purposes in the municipality according to the last returned assessment roll; and

WHEREAS section 257.7(3) of the *Education Act*, as amended, provides that section 313(3) of the *Municipal Act, 2001* which provides for percentage reductions of tax rates for subclasses of property classes, applies with necessary modifications with respect to the rates levied under section 257.7(1) on land in a municipality; and

WHEREAS it is expected that the Minister of Finance will imminently file a regulation prescribing tax rates for school purposes for 2006 on residential and business property taxable for school purposes in the City of Toronto equal to the tax rates levied by section 6 hereof; and

WHEREAS subsection 329.1(1) of the Act provides that the council of a municipality, other than a lower-tier municipality, may pass a by-law to have one or more of the paragraphs under that subsection apply in the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial, industrial and multi-residential property classes for 2005 or subsequent years, which paragraphs have the effect of changing the basis upon which capped taxes are calculated and phasing-out comparable tax treatment for properties to which section 331 applies; and

WHEREAS section 342 of the Act provides that a local municipality may pass a by-law providing for the payment of taxes by instalments and establishing due dates for such instalments, alternative instalments and due dates, and the immediate payment of any instalments if earlier instalments are not paid on time; and

WHEREAS section 345 of the Act provides that a local municipality may pass a by-law imposing late payment charges for the non-payment of taxes by the due dates established; and

WHEREAS section 346 of the Act provides that a local municipality may pass a by-law to provide for the payment of taxes into a financial institution; and

WHEREAS section 355 of the Act provides that a local municipality may pass a by-law providing for a minimum tax amount, and an amount below which no taxes are payable; and

WHEREAS subsection 2(2) of the *City of Toronto Act, 1997* provides that the City of Toronto is a local municipality for all purposes;

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

1. In this by-law:

“Treasurer” means the person appointed treasurer under section 286 of the *Municipal Act, 2001* for the City of Toronto.

2. The tax ratios for 2006 for each property class set out in Column I shall be established as the amount set out in Column II:

Column I (Property Class)	Column II (2006 Tax Ratio)
Residential	1.000000
Multi-Residential	3.706951
New Multi-Residential	1.000000
Commercial	3.746476
Industrial	4.170990
Farmlands	0.250000
Pipelines	1.923564
Managed Forests	0.250000

3. There shall be levied and collected as taxes on the assessment of all real property in the City of Toronto rateable for local municipal purposes according to the assessment roll for 2006, and as finally altered, amended and corrected, which property is classified in a subclass set out in Column II of the property class set out in Column I, the rates levied by sections 5 and 6 hereof for that property class reduced by the percentage set out in Column III below:

Column I (Property Class)	Column II (Subclasses of Column I)	Column III (Percentage Reduction)
Residential	- Farmland Awaiting Development (First Subclass)	60% of Residential/Farm rate
	(Second Subclass)	0% of Residential/Farm rate
Multi-Residential	- Farmland Awaiting Development (First Subclass)	90% of Residential/Farm rate
	(Second Subclass)	0% of Residential/Farm rate

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Column I (Property Class)	Column II (Subclasses of Column I)	Column III (Percentage Reduction)
Commercial	- Excess Land	30% of Commercial rate
	- Vacant Land	30% of Commercial rate
	- Farmland Awaiting Development (First Subclass)	90% of Commercial rate
	(Second Subclass)	30% of Commercial rate
Industrial	- Excess Land	35% of Industrial rate
	- Vacant Land	35% of Industrial rate
	- Farmland Awaiting Development (First Subclass)	94% of Industrial rate
	(Second Subclass)	35% of Industrial rate

4. The City of Toronto elects to apply a different tax rate for the general levy for the 2006 taxation year for the multi-residential, commercial and industrial property classes, pursuant to subsection 3(3.1) of O.Reg. 73/03, as amended, and the tax rates established by section 5 for the multi-residential, commercial and industrial property classes do not exceed the maximum allowable tax rate for each of those classes under subsection 3(3.1) of the O.Reg. 73/03.
5. There shall be levied and collected as a general local municipal levy on the assessment of all real property in the City of Toronto rateable for local municipal purposes according to the assessment roll for 2006 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column I, the total general local municipal levy tax rates set out in Column V (which is a total of the various rates set out in Columns II, III and IV), which shall produce, when levied upon the total assessment for each property class as set out in Column II of Schedule "A" attached hereto, the general local municipal levy of \$3,134,723,098.

Column I	Column II	Column III	Column IV	Column V
Property Class/Subclass	Basic Rate	Additional Rate for Levy Increase	Additional Rate to fund Charitable Tax Rebates	Total General Local Municipal Levy Tax Rate
Residential	0.5503483%	0.0165104%		0.5668587%
Multi-Residential	2.0401142%	0.0204011%		2.0605153%
New Multi-Residential	0.5503483%	0.0165104%		0.5668587%
Commercial	2.0618666%	0.0206187%	0.0051285%	2.0876138%
Industrial	2.2954973%	0.0229550%	0.0013028%	2.3197551%
Column I	Column II	Column III	Column IV	Column V

Property Class/Subclass	Basic Rate	Additional Rate for Levy Increase	Additional Rate to fund Charitable Tax Rebates	Total General Local Municipal Levy Tax Rate
Farmlands	0.1375871%	0.0041276%		0.1417147%
Pipelines	1.0586302%	0.0317589%		1.0903891%
Managed Forests	0.1375871%	0.0041276%		0.1417147%
Municipal Levy	\$3,076,244,287	\$55,584,055	\$2,894,756	\$3,134,723,098

6. There shall be levied and collected as taxes for school purposes on the assessment of all real property in the City of Toronto rateable for school purposes according to the assessment roll for 2006 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column I, the rate set out in Column II, which shall produce, when levied upon the total assessment for each property class as set out in Column II of Schedule "B" attached hereto, the total tax levy for school purposes of \$1,875,273,736 of which \$9,093,292 is to be retained by the City pursuant to Ontario Regulation No. 382/98:

(Property Class/Subclass) Column I	(Tax Rate) Column II
Residential/Farm	0.264000%
Multi-Residential	0.264000%
New Multi-Residential	0.264000%
Commercial	1.975821%
Industrial	2.059907%
Farmlands	0.066000%
Pipelines	1.802637%
Managed Forest	0.066000%

7. For the 2006 taxation year, paragraph 2 and paragraph 6 of subsection 329.1(1) of the *Municipal Act, 2001* shall apply in the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial, industrial and multi-residential property classes in the City of Toronto.
8. Subject to sections 9, 10 and 14 all taxes shall, be paid in 3 instalments which shall be equal or as nearly equal as practicable, and shall be due and payable on or before the respective dates set out below:

Instalment 1 – July 4, 2006
 Instalment 2 – August 1, 2006
 Instalment 3 – September 1, 2006

- 9.** Under the City's monthly pre-authorized property tax payment program, and provided the Treasurer has received and approved a taxpayer's request to use the alternative instalments and due dates under that program, the payment of taxes shall, subject to the provisions of section 14, be paid in 6 instalments which shall be equal or as nearly equal as practicable, and shall be due and payable on or before the respective alternative dates set out below:

Instalment 1 – July 17, 2006

Instalment 2 – August 15, 2006

Instalment 3 – September 15, 2006

Instalment 4 – October 16, 2006

Instalment 5 – November 15, 2006

Instalment 6 – December 15, 2006

- 10.** Under the City's two instalment pre-authorized property tax payment program, and provided the Treasurer has received and approved a taxpayer's request to use the alternative instalments and due dates under that program, the payment of the taxes shall, subject to the provisions of section 14, be paid in one instalment, and shall be due and payable on or before July 4, 2006.

- 11.** The payment of taxes, or any instalment thereof, may be made at the following locations:

399 The West Mall

5100 Yonge Street

150 Borough Drive

100 Queen Street West

850 Coxwell Avenue

2700 Eglinton Avenue West

- 12.** Taxes shall be payable to the Treasurer, City of Toronto.
- 13.** When not in default, the payment of taxes, or any instalment thereof, may also be made at any financial institution permitted by the Act and the Treasurer is hereby authorized to determine, in accordance with the provisions of the Act, the financial institutions where payment may be made.
- 14.** When in default of payment of such instalment of taxes or any part of any instalment by the date for payment set out in sections 8, 9 or 10 hereof, the remaining instalment or instalments shall become due and payable immediately.
- 15.** The Treasurer shall send all tax bills required in accordance with the provisions of the Act, to the taxpayer's residence or place of business, or to the premises being taxed pursuant to this by-law, or, pursuant to a written direction from a taxpayer to do so, to another address specified in the written direction from the taxpayer. Tax bills will not be mailed to tenants. It is the responsibility of the person taxed to notify and collect taxes from tenants or other persons.

16. The Treasurer shall be and is authorized to accept part payment from time to time on account of any taxes due, and to give a receipt for such part payment provided that acceptance of any such part payment does not affect the collection of any penalty or interest charge imposed or collectable under section 17 or section 18 in respect to non-payment of any taxes or any instalment.
17. A percentage charge of 1.25 percent of taxes due and unpaid be imposed as a penalty for non-payment of taxes, or any instalment thereof, and shall be added to any tax or instalment remaining unpaid on the first day of default.
18. Interest charges shall be imposed for the non-payment of taxes at the rate of 1.25 percent per month of taxes due and unpaid and shall start to accrue on the first day of default.
19. Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 17 or interest charge imposed by section 18 for non-payment of taxes and monies payable as taxes shall be added to every tax or assessment, rent or rate or any instalment or part thereof remaining unpaid on the first day of default and on the first day of each calendar month thereafter in which such default continues; and it shall be the duty of the Treasurer, immediately after the several dates named in sections 8, 9 or 10 as appropriate, to collect at once, by distress or otherwise under the provisions of the applicable statutes all such taxes, assessments, rents, rates or instalments or parts thereof as shall not have been paid on or before the several dates named in sections 8, 9, or 10 as appropriate, together with the said interest charges and penalties as they are incurred.
20. In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 17 or interest charge imposed by section 18 for non-payment of taxes and monies payable as taxes shall be added to every amount of taxes so payable remaining unpaid on the first day after thirty days from the mailing by the Treasurer of a demand for payment and on the first day of each calendar month thereafter in which default continues; and it shall be the duty of the Treasurer immediately after the expiration of the said thirty days to collect at once by distress or otherwise under the provisions of the applicable statutes, all such taxes as shall not have been paid on or before the expiration of the said thirty day period, together with the said interest charges and penalties as they are incurred.
21.
 - (1) For the purposes of subsection 355(1) and (2) of the *Municipal Act, 2001*, the City establishes a minimum tax amount of \$5.00 for the 2006 taxation year.
 - (2) Where in the 2006 taxation year, the total taxes to be imposed on a property would be less than \$5.00, no taxes shall be payable and no tax bill shall be sent.
22. Nothing herein contained shall prevent the Treasurer from proceeding at any time with the collection of any rate, tax or assessment, or any part thereof, in accordance with the provisions of the statutes and by-laws governing the collection of taxes.

- 23.** All moneys raised, levied or collected under the authority of this by-law shall be paid into the hands of the Treasurer, to be applied and paid to such persons and in such manner as the laws of Ontario and the by-laws or resolutions of the Council direct.
- 24.** (1) Subject to subsection (2), this By-law shall come into force on the day it is enacted.
- (2) Section 6 of this By-law shall come into force on the day that the Minister of Finance files a regulation prescribing the tax rates for school purposes levied by section 6 of this By-law.

ENACTED AND PASSED this 30th day of March, A.D. 2006.

DAVID R. MILLER,
Mayor

ULLI S. WATKISS
City Clerk

(Corporate Seal)

SCHEDULE "A"

Rateable Assessment

Column I (Property Class/Subclass)	Column II (2006 Rateable Assessment For Municipal Purposes)
Residential	\$ 224,743,478,049
Multi-Residential	\$ 27,995,301,545
New Multi-Residential	\$ 232,214,710
Commercial	\$ 54,227,497,137
- Excess Land	\$ 319,249,915
- Vacant Land	\$ 795,255,670
Industrial	\$ 5,347,916,290
- Excess Land	\$ 69,454,513
- Vacant Land	\$ 404,534,215
- Farmland Awaiting Development	\$ 3,317,000
Farmlands	\$ 6,512,230
Pipelines	\$ 276,442,000
Managed Forests	\$ <u>233,000</u>
Total	\$ 314,421,406,274