

Authority: Executive Committee Item 18.1, adopted as amended, by City of Toronto Council on March 31, 2008, and Item CC20.3, as adopted by City of Toronto Council on April 28 and 29, 2008  
Enacted by Council: April 29, 2008

## **CITY OF TORONTO**

### **BY-LAW No. 379-2008**

#### **Tax Levy By-law for 2008.**

WHEREAS subsection 228(1) of the *City of Toronto Act, 2006* as amended (the “Act”), provides for the City in each year to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the City including amounts sufficient to pay all debts of the city 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 section 277 of the Act provides that the general local municipality levy is the amount the City decided to raise in its budget for the year under section 228 on all rateable property in the City; and

WHEREAS subsection 277(2) of the Act provides that for the purposes of raising the general local municipality levy, the City 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 City rateable for municipal purposes; and

WHEREAS subsection 279(1) of the Act provides that the City may, by by-law passed on or before April 30th of the year to which it relates, establish two or three bands of assessment of property for the purposes of facilitating graduated tax rates for any one or more of the property classes included in the commercial classes, and set ratios that the tax rates for each band must bear to each other; and

WHEREAS subsection 279(3) of the Act provides that, instead of setting a single tax rate under section 277 for a property class for which bands are established, the City shall set a separate tax rate for each band, and subsection 279(5) of the Act provides that the taxes for municipal purposes on a property shall be determined by applying the tax rate for each band to the portion of the assessment of the property within that band; and

WHEREAS O.Reg. 90/08 amends O.Reg. 282/98 to create the residual commercial property class as an optional property class for 2008 and subsequent years, which property class is comprised of land that would otherwise be in the commercial property class other than land in the office building property class, the shopping centre property class, the parking lots and vacant land property class or the professional sports facilities property class whether or not the municipality has opted to have all or any of those property classes apply within the municipality, and City Council has opted to have the residual commercial property class apply within the City of Toronto; and

WHEREAS subsection 278(3) of the Act provides that the City 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 275(2) of the Act provides that the City must establish a set of tax ratios in accordance with section 275; and

WHEREAS subsection 277(7) of the Act provides that the tax rates to be levied on property in a property class 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. 121/07 for those property classes; and

WHEREAS O.Reg. 121/07, as amended, prescribes the method for calculating 2008 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. 121/07, as amended, prescribes the method for calculating such tax rates as allowing for a general levy tax rate increase by election of the City 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.121/07, as amended, provides that the tax rate for the commercial class and the industrial class may be greater than would be allowed under subsection 277(6) and Part XII 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 329 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 278 of the Act 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 O.Reg. 400/98, as amended, prescribes tax rates for school purposes for 2008 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 292(1) of the Act provides that the City 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, 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 294 applies; and

WHEREAS section 293 of the Act provides that the City may pass a by-law to establish a percentage by which tax decreases are limited for 2008 in respect of properties in the commercial, industrial and multi-residential property classes in order to recover all or part of the revenues foregone as a result of the application of section 291 of the Act to other properties in the property class, and that the same percentage must be established for all properties in a property class but that different percentages may be established for different property classes; and

WHEREAS section 307 of the Act provides that the City 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 310 of the Act provides that the City may pass a by-law imposing late payment charges for the non-payment of taxes by the due dates established; and

WHEREAS section 311 of the Act provides that the City may pass a by-law to provide for the payment of taxes into a financial institution; and

WHEREAS section 321 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;

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

1. In this by-law:

“Treasurer” means the person appointed treasurer under section 138 of the Act.

2. There shall be two bands of assessment for the Residual Commercial property class as set out below in Column I, with portions of assessed values for each such band as set out below in Column II, and ratios consisting of the tax rate of one band as it relates to the tax rate of the other band as set out below in Column III:

| Column I<br>(Band ) | Column II<br>(Portion of assessed value) | Column III<br>(Ratios) |
|---------------------|--|------------------------|
| Band 1              | Less than or equal to \$1,000,000        | 0.972664               |
| Band 2              | Greater than \$1,000,000                 | 1.000000               |

3. The tax ratios for 2008 for each property class set out in Column I shall be established as the amount set out in Column II:

| Column I<br>(Property Class) | Column II<br>(2008 Tax Ratio) |
|------------------------------|-------------------------------|
| Residential                  | 1.000000                      |
| Multi-Residential            | 3.546257                      |
| New Multi-Residential        | 1.000000                      |

| Column I<br>(Property Class)    | Column II<br>(2008 Tax Ratio) |
|---------------------------------|-------------------------------|
| Commercial                      | 3.584069                      |
| Commercial Residual -<br>Band 1 | 3.584069                      |
| Commercial Residual -<br>Band 2 | 3.584069                      |
| Industrial                      | 3.920000                      |
| Farmlands                       | 0.250000                      |
| Pipelines                       | 1.923564                      |
| Managed Forests                 | 0.250000                      |

4. 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 2008 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 6 and 7 hereof for that property class reduced by the percentage set out in Column III below:

| Column I<br>(Property Class)    | Column II<br>(Subclasses of Column I)               | Column III<br>(Percentage Reduction) |
|---------------------------------|---|--------------------------------------|
| Residential                     | - Farmland Awaiting Development<br>(First Subclass) | 60% of Residential/Farm rate         |
|                                 | (Second Subclass)                                   | 0% of Residential/Farm rate          |
| Multi-Residential               | - Farmland Awaiting Development<br>(First Subclass) | 90% of Residential/Farm rate         |
|                                 | (Second Subclass)                                   | 0% of Residential/Farm rate          |
| Commercial                      | - Excess Land                                       | 30% of Commercial rate               |
|                                 | - Vacant Land                                       | 30% of Commercial rate               |
|                                 | - Farmland Awaiting Development<br>(First Subclass) | 90% of Commercial rate               |
|                                 | (Second Subclass)                                   | 30% of Commercial rate               |
| Commercial Residual -<br>Band 1 | - Excess Land                                       | 30% of Commercial rate               |
|                                 | Farmland Awaiting Development<br>(First Subclass)   | 90% of Commercial rate               |
|                                 | (Second Subclass)                                   | 30% of Commercial rate               |

| Column I<br>(Property Class)    | Column II<br>(Subclasses of Column I)               | Column III<br>(Percentage Reduction) |
|---------------------------------|---|--------------------------------------|
| Commercial Residual -<br>Band 2 | - Excess Land                                       | 30% of Commercial rate               |
|                                 | Farmland Awaiting Development<br>(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<br>(First Subclass) | 94% of Industrial rate               |
|                                 | (Second Subclass)                                   | 35% of Industrial rate               |

5. The City of Toronto elects to apply a different tax rate for the general levy for the 2008 taxation year for the multi-residential, commercial and industrial property classes, pursuant to subsection 3(4) of O.Reg. 121/07, as amended, and the tax rates established by section 6 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(4) of the O.Reg. 121/07.
6. 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 2008 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 VI (which is a total of the various rates set out in Columns II, III, IV and V), 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 \$3,319,970,605.

| Column I                     | Column II  | Column III                        | Column IV   | Column V                                       | Column VI                                   |
|------------------------------|------------|-----------------------------------|---|--|---|
| Property Class/Subclass      | Basic Rate | Additional Rate for Levy Increase | Tax Rate Adjustment to Achieve Council's Tax Ratio Targets for 2008 | Additional Rate to fund Charitable Tax Rebates | Total General Local Municipal Levy Tax Rate |
| Residential                  | 0.5888434% | 0.0199323%                        | 0.0021469%  |  | 0.6109226%                                  |
| Multi-Residential            | 2.0881901% | 0.0235617%                        | 0.0074472%  |  | 2.1191990%                                  |
| New Multi-Residential        | 0.5888434% | 0.0199323%                        | 0.0021469%  |  | 0.6109226%                                  |
| Commercial                   | 2.1104551% | 0.0238130%                        | 0.0075271%  | 0.0096429%                                     | 2.1514381%                                  |
| Commercial Residual - Band 1 | 2.1104551% | 0.0238130%                        | -0.0510219%   | 0.0093793%                                     | 2.0926255%                                  |
| Column I                     | Column II  | Column III                        | Column IV   | Column V                                       | Column VI                                   |

## City of Toronto By-law No. 379-2008

| Property Class/Subclass      | Basic Rate      | Additional Rate for Levy Increase | Tax Rate Adjustment to Achieve Council's Tax Ratio Targets for 2008 | Additional Rate to fund Charitable Tax Rebates | Total General Local Municipal Levy Tax Rate |
|------------------------------|-----------------|-----------------------------------|---|--|---|
| Commercial Residual - Band 2 | 2.1104551%      | 0.0238130%                        | 0.0075271%  | 0.0096429%                                     | 2.1514381%                                  |
| Industrial                   | 2.3082662%      | 0.0260449%                        | -0.0494605%   | 0.0007300%                                     | 2.2855806%                                  |
| Farmlands                    | 0.1472109%      | 0.0049831%                        | 0.0005367%  |  | 0.1527307%                                  |
| Pipelines                    | 1.1326782%      | 0.0383412%                        | 0.0041294%  |  | 1.1751488%                                  |
| Managed Forests              | 0.1472109%      | 0.0049831%                        | 0.0005367%  |  | 0.1527307%                                  |
| Municipal Levy               | \$3,247,267,378 | \$67,375,973                      | \$0   | \$5,327,254                                    | \$3,319,970,605                             |

7. 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 2008 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 \$1,892,724,201 of which \$8,948,427 is to be retained by the City pursuant to Ontario Regulation No. 121/07:

| (Property Class/Subclass)<br>Column I | (Tax Rate)<br>Column II |
|---------------------------------------|-------------------------|
| Residential/Farm                      | 0.264000%               |
| Multi-Residential                     | 0.264000%               |
| New Multi-Residential                 | 0.264000%               |
| Commercial                            | 1.968305%               |
| Commercial Residual - Band 1          | 1.968305%               |
| Commercial Residual - Band 2          | 1.968305%               |
| Industrial                            | 2.050709%               |
| Farmlands                             | 0.066000%               |
| Pipelines                             | 1.798584%               |
| Managed Forest                        | 0.066000%               |

8. For the 2008 taxation year, paragraph 2 and paragraph 6 of subsection 292(1) of the Act 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.
9. Tax decreases for the 2008 taxation year on properties in the City of Toronto in the property

classes set out in Column I shall, in 2008, be limited by the percentage of the tax decrease set out in Column II in order to recover the revenues foregone as a result of the application of section 291 of the Act to other properties in the property class, so that the percentage of tax decrease set out in Column III is the decrease received in 2008 by such properties:

| Column I<br>(Property Class) | Column II<br>(Clawback<br>Percentage) | Column III<br>(Allowable<br>Decrease Percentage) |
|------------------------------|---------------------------------------|--|
| Commercial                   | 85.7585875%                           | 14.2414125%                                      |
| Industrial                   | 85.9624089%                           | 14.0375911%                                      |
| Multi-residential            | 81.5233860%                           | 18.4766140%                                      |

- 10.** Subject to sections 11 and 12 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 2, 2008  
 Instalment 2 – August 1, 2008  
 Instalment 3 – September 2, 2008

- 11.** 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 16, 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 15, 2008  
 Instalment 2 – August 15, 2008  
 Instalment 3 – September 15, 2008  
 Instalment 4 – October 15, 2008  
 Instalment 5 – November 17, 2008  
 Instalment 6 – December 15, 2008

- 12.** 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 16, be paid in one instalment, and shall be due and payable on or before July 2, 2008.

- 13.** 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
- 14.** Taxes shall be payable to the Treasurer, City of Toronto.
- 15.** 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.
- 16.** 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 10, 11 or 12 hereof, the remaining instalment or instalments shall become due and payable immediately.
- 17.** 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.
- 18.** 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 19 or section 20 in respect to non-payment of any taxes or any instalment.
- 19.** 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.
- 20.** 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.
- 21.** Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 19 or interest charge imposed by section 20 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 10, 11, or 12 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 10, 11, or 12 as appropriate, together with the said interest charges and penalties as they are incurred.

- 22.** In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 19 or interest charge imposed by section 20 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.
- 23.** (1) For the purposes of subsections 321(1) and (2) of the Act, the City establishes a minimum tax amount of \$5.00 for the 2008 taxation year.
- (2) Where in the 2008 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.
- 24.** 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.
- 25.** 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.

ENACTED AND PASSED this 29th day of April, A.D. 2008.

SANDRA BUSSIN,  
Speaker

ULLI S. WATKISS  
City Clerk

(Corporate Seal)

**SCHEDULE “A”**

Rateable Assessment for Municipal Purposes

| Column I<br>(Property Class/Subclass) | Column II<br>(2008 Rateable Assessment For<br>Municipal Purposes) |
|---------------------------------------|---|
| Residential                           | 230,334,469,270   |
| Multi-Residential                     | 28,075,107,510  |
| New Multi-Residential                 | 433,299,440   |
| Commercial General                    | 26,125,291,400  |
| -Excess Land                          | 55,119,813  |
| -Vacant Land                          | 880,015,590   |
| Commercial Residual – Band 1          | 14,213,124,272  |
| -Excess Land                          | 37,194,510  |
| -Awaiting Development                 | 1,000,000   |
| Commercial Residual – Band 2          | 14,048,431,458  |
| -Excess Land                          | 180,562,678   |
| -Awaiting Development                 | 4,243,000   |
| Industrial                            | 5,527,527,237   |
| -Excess Land                          | 71,774,596  |
| -Vacant Land                          | 364,463,265   |
| -Awaiting Development                 | 3,628,000   |
| Farmlands                             | 10,940,950  |
| Pipelines                             | 276,805,000   |
| Managed Forests                       | <u>233,000</u>  |
| TOTAL                                 | 320,643,231,989   |

**SCHEDULE “B”**

Rateable Assessment for Education Purposes

| Column I<br>(Property Class/Subclass) | Column II<br>(2008 Rateable Assessment For<br>Education Purposes) |
|---------------------------------------|---|
| Residential                           | 230,334,469,270   |
| Multi-Residential                     | 28,075,107,510  |
| New Multi-Residential                 | 433,299,440   |
| Commercial                            | 54,327,208,960  |
| -Excess Land                          | 272,878,001   |
| -Vacant Land                          | 880,015,590   |
| -Awaiting Development                 | 5,243,000   |
| Industrial                            | 5,527,527,237   |
| -Excess Land                          | 71,774,596  |
| -Vacant Land                          | 364,463,265   |
| -Awaiting Development                 | 3,628,000   |
| Farmlands                             | 10,940,950  |
| Pipelines                             | 276,805,000   |
| Managed Forests                       | <u>233,000</u>  |
| TOTAL                                 | 320,583,593,819   |