

Authority: Executive Committee Item 42.2,
adopted as amended, by City of Toronto Council on April 15, 2010
Enacted by Council: April 15, 2010

CITY OF TORONTO

BY-LAW No. 372-2010

Municipal and School Tax Levy By-law for 2010.

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 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. 282/98, as amended, prescribes the residual commercial property class as an optional property class, 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

WHEREAS City Council has opted to have the residual commercial property class apply within the City of Toronto and to establish two bands of assessment within the residual commercial property class for the purpose of levying graduated tax rates on the residual commercial property class; 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 tax rates for the commercial, industrial and multi-residential property classes for the City under subsection 277(7) of the Act, which method for calculating such tax rates is prescribed 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 the tax rates for the commercial, industrial and multi-residential property classes for the City for 2010, as levied by this by-law, are in accordance with the method prescribed by O.Reg. 121/07 for calculating the tax rates; 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 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 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 rates 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 2010 on residential and business property taxable for school purposes in the City of Toronto equal to the tax rates levied by section 7 hereof; 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 2010 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, pursuant to this by-law, the City is establishing such percentages by which tax decreases are limited for 2010 in respect of properties in the commercial, industrial and multi-residential property classes; and

WHEREAS Section 7.1 of O.Reg. 121/07 provides that a property is exempt from the application of Part XII of the Act for a taxation year if a by-law has been enacted by the City that provides that this section applies within the City for the year, and the by-law so enacted may require that any of a number of conditions set out in subsection 7.1(2) of the Regulation be met in order for a property to be exempt from the application of Part XII; and

WHEREAS, pursuant to this by-law, the City is opting to make section 7.1 of the Regulation applicable to the City for 2010, thereby providing that properties which meet any of the conditions set out in subsection 7.1(2) of the Regulation are exempt from the application of the capping and clawback regime of Part XII of the Act; 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 the City 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 (Band)	Column II (Portion of assessed value)	Column III (Ratios)
Band 1	Less than or equal to \$1,000,000	0.951257
Band 2	Greater than \$1,000,000	1.000000

3. The tax ratios for 2010 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 (2010 Tax Ratio)
Residential	1.000000
Multi-Residential	3.379905
New Multi-Residential	1.000000
Commercial	3.330000
Commercial Residual - Band 1	3.250000
Commercial Residual - Band 2	3.250000
Industrial	3.440000
Pipelines	1.923564
Farmlands	0.250000
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 2010 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 section 6 and 7 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

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
Commercial Residual - Band 1	- Excess Land	30% of Commercial rate
	- Farmland Awaiting Development (First Subclass)	90% of Commercial rate
	(Second Subclass)	30% of Commercial rate
Commercial Residual - Band 2	- Excess 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

5. The City of Toronto elects to apply a different tax rate for the general levy for the 2010 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. (1) 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 2010 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 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 \$3,534,477,076.

Column I	Column II	Column III	Column IV	Column V
Property Class	2010 Tax Rate for Base General Local Municipal Levy Before Graduated Tax rates	2010 Tax Rate for General Local Municipal Levy After Graduated Tax Rates	2010 Additional Tax Rate to Fund Budgetary Levy Increase	2010 Ending Municipal Tax Rate (excluding Charity rebates)
Residential	0.5729545%	0.5729545%	0.0166157%	0.5895702%
Multi-Residential	1.9365319%	1.9365319%	0.0187198%	1.9552517%
New Multi-Residential	0.5729545%	0.5729545%	0.0166157%	0.5895702%
Commercial	1.9079384%	1.9079384%	0.0184434%	1.9263818%
Residual Commercial – Band 1	1.8621020%	1.8149404%	0.0175444%	1.8324848%
Residual Commercial – Band 2	1.8621020%	1.9079384%	0.0184434%	1.9263818%
Industrial	1.9709634%	1.9709634%	0.0190526%	1.9900160%
Pipelines	1.1021147%	1.1021147%	0.0319613%	1.1340760%
Farmlands	0.1432386%	0.1432386%	0.0041539%	0.1473925%
Managed Forests	0.1432386%	0.1432386%	0.0041539%	0.1473925%

- (2) There shall be levied and collected as an additional general local municipal levy on the assessment of all real property in the City of Toronto in the property classes set out in Column I rateable for municipal purposes according to the assessment roll for 2010 and as finally altered, amended and corrected, the additional general local municipal tax rates set out in Column II, which shall produce, when levied upon the total assessment for each of the commercial, residual commercial and industrial property classes as set out in Column II of Schedule "A" attached hereto, the additional general local municipal levy of \$6,795,758 to fund the total estimated tax rebates to eligible charities in 2010.

Column I	Column II
Commercial Property Classes	Additional Tax Rate to Fund Rebates to Eligible Charities
Commercial General	0.0103664%
Residual Commercial – Band 1	0.0098611%
Residual Commercial – Band 2	0.0103664%

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 2010 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 "A" attached hereto, the total tax levy for school purposes of \$1,929,755,793 which \$8,983,979 is to be retained by the City pursuant to Ontario Regulation No. 121/07:

(Property Class/Subclass)	(Tax Rate)
Column I	Column II
Residential	0.241000%
Multi-Residential	0.241000%
New Multi-Residential	0.241000%
Commercial	1.661556%
Commercial (New Construction)	1.430000%
Residual Commercial (New Construction)	1.430000%
Industrial	1.704003%
Industrial (New Construction)	1.430000%
Pipelines	1.689027%
Farmlands	0.060250%
Managed Forests	0.060250%

8. Tax decreases for the 2010 taxation year on properties in the City of Toronto whose taxes for municipal and school purposes for 2009 exceed their taxes for municipal and school purposes (as calculated in accordance with section 293 of the Act) in the property classes set out in Column I shall, in 2010, 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 2010 by such properties:

Column I (Property Class)	Column II (Clawback Percentage)	Column III (Allowable Decrease Percentage)
Commercial	84.963675%	15.036325%
Industrial	60.824993%	39.175007%
Multi-residential	28.928804%	71.071196%

9. Section 7.1 of O.Reg. 121/07 applies in the City of Toronto for the 2010 taxation year, and a property is exempt from the application of Part XII of the Act if any of the conditions set out in subsection 7.1(2) of O.Reg. 121/07 applies.
10. For the 2010 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.

- 11.** Subject to sections 12 and 13, 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, 2010
Instalment 2 – August 3, 2010
Instalment 3 – September 1, 2010

- 12.** 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 17, 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, 2010
Instalment 2 – August 16, 2010
Instalment 3 – September 15, 2010
Instalment 4 – October 15, 2010
Instalment 5 – November 15, 2010
Instalment 6 – December 15, 2010

- 13.** 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 17, be paid in one instalment, and shall be due and payable on or before July 2, 2010.

- 14.** 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

- 15.** Taxes shall be payable to the Treasurer, City of Toronto.
- 16.** 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.
- 17.** 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 11, 12 or 13 hereof, the remaining instalment or instalments shall become due and payable immediately.

18. 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.
19. 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 20 or section 21 in respect to non-payment of any taxes or any instalment.
20. 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.
21. 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.
22. Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 20 or interest charge imposed by section 21 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 11, 12 or 13 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 11, 12 or 13 as appropriate, together with the said interest charges and penalties as they are incurred.
23. In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 20 or interest charge imposed by section 21 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.
24.
 - (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 2010 taxation year.
 - (2) Where in the 2010 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.

- 25.** 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.
- 26.** 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 15th day of April, A.D. 2010.

SANDRA BUSSIN,
Speaker

ULLI S. WATKISS
City Clerk

(Corporate Seal)

SCHEDULE "A"

Rateable Assessment for Municipal Purposes

Column I (Property Class/Subclass)	Column II (2010 Rateable Assessment For Municipal Purposes)
Residential	265,123,930,202
Multi-Residential	29,106,792,553
New Multi-Residential	494,387,400
Commercial	33,906,638,504
-Excess Land	61,423,836
-Vacant Land	968,087,491
Commercial Residual – Band 1	15,592,672,949
-Excess Land	37,656,926
-Awaiting Development	0
Commercial Residual – Band 2	15,893,273,210
-Excess Land	253,356,326
-Awaiting Development	0
Industrial	6,300,094,923
-Excess Land	93,864,058
-Vacant Land	521,898,433
-Awaiting Development	969,000
Farmlands	13,339,681
Pipelines	277,393,468
Managed Forests	2,147,365
TOTAL	368,647,926,325

SCHEDULE "B"

Rateable Assessment for School Purposes

Column I (Property Class/Subclass)	Column II (2010 Rateable Assessment For School Purposes)
Residential	265,123,930,202
Multi-Residential	29,106,792,553
New Multi-Residential	494,387,400
Commercial	65,260,711,894
-Excess Land	350,894,638
-Vacant Land	968,087,491
Residual Commercial (new construction)	64,849,769
-Excess Land	1,542,450
Industrial	6,289,764,923
-Excess Land	93,864,058
-Vacant Land	521,898,433
-Awaiting Development	969,000
Industrial (new construction)	10,330,000
Pipelines	277,393,468
Farmlands	13,339,681
Managed Forests	2,147,365
TOTAL	368,580,903,325