

Authority: Executive Committee Item 37.3,  
adopted as amended, by City of Toronto Council on January 29 and 30, 2014

**CITY OF TORONTO**

**BY-LAW No. 82-2014**

**Tax Levy By-law for 2014.**

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 the Council of the City of Toronto has adopted a budget for the City for 2014; 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 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 subsection 279(1) of the Act provides that the City may, by by-law passed in 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 pursuant to § 767-24 of The City of Toronto Municipal Code Chapter 767, Taxation, Property Tax, 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 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 by subsection 3(4) of O.Reg. 121/07 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 in a qualifying year; and

Whereas O.Reg. 121/07 was amended to make 2014 a "qualifying year" for the purposes of the prescribed method for calculating tax rates for commercial, industrial and multi-residential property classes under subsection 3(4) of O.Reg. 121/07; and

Whereas the tax rates for the commercial, industrial and multi-residential property classes for the City for 2014, 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 subsection 9(2) of 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 pursuant to this by-law, the City is opting to make paragraphs 2 and 6 of subsection 292(1) of the Act applicable to the City for 2014, thereby capping taxes in the commercial, industrial and multi-residential property class at the 2013 taxes plus 5% of the

uncapped taxes, and taxing eligible properties under section 294 of the Act at 100% of uncapped taxes; 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 2014, 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 enacts:

**1.** In this by-law:

"Treasurer" means the person appointed treasurer for the City of Toronto 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	0.8556474
Band 2	Greater than \$1,000,000	1.0000000

3. The tax ratios for 2014 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 (2014 Tax Ratio)
Residential	1.000000
Multi-Residential	3.118468
New Multi-Residential	1.000000
Commercial	3.118468
Commercial Residual - Band 1	2.921800
Commercial Residual - Band 2	2.921800
Industrial	3.118468
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 2014 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 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
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

Column I (Property Class)	Column II (Subclasses of Column I)	Column III (Percentage Reduction)
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 2014 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 2014 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 \$3,774,295,624.

Column I	Column II	Column III	Column IV	Column V	Column VI
Property Class	2014 Tax Rate for Base General Local Municipal Levy Before Graduated Tax rates	2014 Tax Rate for General Local Municipal Levy After Graduated Tax Rates	2014 Additional Tax Rate to Fund Budgetary Levy Increase	2014 Additional Tax Rate to Fund Scarborough Subway	2014 Ending Municipal Tax Rate (excluding Charity rebates)
Residential	0.5086660%	0.5086660%	0.0087992%	0.0025433%	0.5200085%
Multi-Residential	1.5862587%	1.5862587%	0.0091466%	0.0026438%	1.5980491%
New Multi-Residential	0.5086660%	0.5086660%	0.0087992%	0.0025433%	0.5200085%
Commercial	1.5862587%	1.5862587%	0.0091466%	0.0026438%	1.5980491%

Column I	Column II	Column III	Column IV	Column V	Column VI
Property Class	2014 Tax Rate for Base General Local Municipal Levy Before Graduated Tax rates	2014 Tax Rate for General Local Municipal Levy After Graduated Tax Rates	2014 Additional Tax Rate to Fund Budgetary Levy Increase	2014 Additional Tax Rate to Fund Scarborough Subway	2014 Ending Municipal Tax Rate (excluding Charity rebates)
Residual Commercial - Band 1	1.4862204%	1.3572782%	0.0078263%	0.0022621%	1.3673666%
Residual Commercial - Band 2	1.4862204%	1.5862587%	0.0091466%	0.0026438%	1.5980491%
Industrial	1.5862587%	1.5862587%	0.0091466%	0.0026438%	1.5980491%
Pipelines	0.9784515%	0.9784515%	0.0169257%	0.0048923%	1.0002695%
Farmlands	0.1271665%	0.1271665%	0.0021998%	0.0006358%	0.1300021%
Managed Forests	0.1271665%	0.1271665%	0.0021998%	0.0006358%	0.1300021%

- (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 2014 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 \$6,579,482 to fund the total estimated tax rebates to eligible charities in 2014.

Column I	Column II
Property Classes	Additional Tax Rate to Fund Rebates to Eligible Charities
Commercial General	0.0076199%
Residual Commercial - Band 1	0.0065200%
Residual Commercial - Band 2	0.0076199%
Industrial	0.0025536%

7. Section 7.1 of O.Reg. 121/07 applies in the City of Toronto for the 2014 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.
8. For the 2014 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. Subject to sections 10, 11, and 15, 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, 2014  
Instalment 2 - August 1, 2014  
Instalment 3 - September 2, 2014
10. 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 15, 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, 2014  
Instalment 2 - August 15, 2014  
Instalment 3 - September 15, 2014  
Instalment 4 - October 15, 2014  
Instalment 5 - November 17, 2014  
Instalment 6 - December 15, 2014
11. 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 15, be paid in one instalment, and shall be due and payable on or before July 2, 2014.
12. 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
13. Taxes shall be payable to the Treasurer, City of Toronto.
14. 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.
15. 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 9, 10 or 11 hereof, the remaining instalment or instalments shall become due and payable immediately.

16. 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.
17. 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 18 or section 19 in respect to non-payment of any taxes or any instalment.
18. 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.
19. 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.
20. Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 18 or interest charge imposed by section 19 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 9, 10 or 11 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 9, 10 or 11 as appropriate, together with the said interest charges and penalties as they are incurred.
21. In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 18 or interest charge imposed by section 19 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.
22. (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 2014 taxation year.



- (2) Where in the 2014 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.
- 23.** 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.
- 24.** 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.
- 25.** This by-law shall come into force on the day it is enacted.

Enacted and passed on January 30, 2014.

Frances Nunziata,  
Speaker

Ulli S. Watkiss,  
City Clerk

(Seal of the City)

**SCHEDULE "A"**

**Rateable Assessment for Municipal Purposes**

Column I (Property Class/Subclass)	Column II (2014 Rateable Assessment For Municipal Purposes)
Residential	352,629,394,654
Multi-Residential	29,400,199,318
New Multi-Residential	1,033,296,282
Commercial	43,414,829,915
-Excess Land	37,454,092
-Vacant Land	1,447,277,929
Commercial Residual - Band 1	18,295,798,113
-Excess Land	38,688,348
Commercial Residual - Band 2	23,342,890,248
-Excess Land	391,440,177
Industrial	7,307,310,875
-Excess Land	104,836,693
-Vacant Land	573,086,379
-Awaiting Development (first subclass)	21,418,243
Farmlands	18,266,893
Pipelines	317,566,081
Managed Forests	<u>2,566,300</u>
TOTAL	478,376,320,540