

Authority: Executive Committee Item EX32.4, adopted as amended, by City of Toronto Council on March 26 and 27, 2018

CITY OF TORONTO

BY-LAW 299-2018

To amend City of Toronto Municipal Code Chapter 771, Taxation, Third Party Sign Tax, to clarify the intended and correct interpretation of certain exemptions contained in Chapter 771, and implement other administrative changes.

Whereas subsection 267(1) of the City of Toronto Act, 2006 (the "Act") provides that the City may, by by-law, impose a tax in the City if the tax is a direct tax, if the by-law satisfies the criteria described in subsection 267(3) and if such other conditions as may be prescribed are also satisfied; and

Whereas subsection 267(4)(a) of the Act provides that a by-law enacted pursuant to subsection 267(1) may provide for exemptions from the tax; and

Whereas at its meetings of November 30, December 1, 2, 4 and 7, 2009, Council adopted a third party sign tax to be imposed on owners of third party signs located within the City of Toronto for the purpose of supplementing the revenue of the City, pursuant to its power to impose taxes as provided for in Part X under the Act including expressly adopting a series of exemptions from the third party sign tax for certain owners of third party signs located within the City of Toronto, which did not include an exemption for a person or entity who has entered into a revenue sharing agreement with a local board, as defined by the Act; and

Whereas City Council wishes to ensure that these owners who were never intended to be exempted from third party sign tax, and the public at large, are without any doubt as to the intended scope of the exemptions from the third party sign tax for certain owners of third party signs, specifically that the provided exemptions from the third party sign tax for certain owners of third party signs do not provide an exemption from the third party sign tax for persons or entities who have entered into a revenue sharing agreement with a local board, as defined by the Act; and

Whereas City Council wishes to impose the intended interpretation on all owners, and to expressly recognize and intend the amendment have any and all retroactive effects and impacts that may be required to implement such an intention with respect to the exemptions; and

Whereas City Council seeks to update the terminology utilized with respect to Third Party Signs, and associated sign classes, as well as the indexing formula for the purpose of improving the administration of the third party sign tax;

The Council of the City of Toronto enacts:

1. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by adding the following subsection to 771-1 as subsection 771-1C:
 - C. For greater clarification, all references to a local board within this chapter shall include a "city board" which in accordance with s.142(3) of the City of Toronto Act, 2006, is established as having the status of a local board, for all purposes, and is expressly included in the listed entities comprising a local board in the definition of local board contained s.3(1) of the City of Toronto Act, 2006;

2. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by adding the following definitions to section 771-2 in alphabetical order:

ELECTRONIC FUEL PUMP SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC GROUND SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC OVERHANGING STRUCTURE SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC PROJECTING SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC ROOF SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC TOPIARY SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC WALL SIGN - Has the same meaning as in Chapter 694, Signs, General;

ELECTRONIC WINDOW SIGN - Has the same meaning as in Chapter 694, Signs, General;

PROJECTED IMAGE SIGN - Has the same meaning as in Chapter 694, Signs, General;

TOPIARY WALL SIGN - Has the same meaning as in Chapter 694, Signs, General;

3. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by replacing the definition of Sign Class contained within section 771-2 with the following:

SIGN CLASS - The designation listed in section 771-6.1:

4. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by adding the following section as section 771-6.1:

§ 771-6.1. Sign class.

- A. Every third party sign shall be designated as belonging to a sign class in accordance with the following:

(1) Class I:

- (a) Ground signs, fuel pump signs, topiary signs, or topiary wall signs only displaying static copy with an aggregate sign face area of less than or equal to 15 square metres; and
- (b) Wall signs, overhanging structure signs, window signs, or projecting signs only displaying static copy with an aggregate sign face area of less than or equal to 25 square metres;

- (2) Class II:
 - (a) Ground signs, fuel pump signs, topiary signs, or topiary wall signs only displaying static copy with an aggregate sign face area greater than 15 square metres and less than 45 square metres;
 - (b) Wall signs, overhanging structure signs, window signs, or projecting signs only displaying static copy with an aggregate sign face area greater than 25 square metres but less than 45 square metres; and
 - (c) Wall signs, overhanging structure signs, window signs, or projecting signs displaying mechanical copy, in whole or in part, with an aggregate sign face area of less than or equal to 25 square metres;
- (3) Class III:
 - (a) Ground signs, fuel pump signs, or topiary signs, or topiary wall signs displaying mechanical copy, in whole or in part, with an aggregate sign face area of less than or equal to 25 square metres; and
 - (b) Roof signs displaying static or mechanical copy, in whole or in part, with an aggregate sign face area less than or equal to 45 square metres;
- (4) Class IV:
 - (a) Ground signs, fuel pump signs, topiary signs, or topiary wall signs only displaying static copy with an aggregate sign face area greater than 45 square metres;
 - (b) Ground signs, fuel pump signs, topiary signs, or topiary wall signs displaying mechanical copy, in whole or in part, with an aggregate sign face area greater than 25 square metres;
 - (c) Wall signs, overhanging structure signs, window signs, or projecting signs only displaying static copy with an aggregate sign face area greater than 45 square metres;
 - (d) Wall signs, overhanging structure signs, window signs, or projecting signs displaying mechanical copy, in whole or in part, with an aggregate sign face area greater than 25 square metres; and
 - (e) Roof signs displaying static or mechanical copy, in whole or in part with an aggregate sign face area greater than 45 square metres; and

- (5) Class V:
- (a) All signs displaying or containing electronic static copy or electronic moving copy.
5. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by deleting subsections 771-7C and D;
6. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by replacing subsection 771-7B with the following:
- B. In the case of joint owners of a single third party sign, the amount of tax payable under §§ 771-7A and 771-7A.1 in respect of that third party sign shall be imposed jointly on both owners and each owner is jointly and severally liable for the amount of tax payable.
7. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by adding the phrase "which for greater clarity, does not include an owner who has entered into a revenue sharing agreement with a local board." to subsection 771-8K after the phrase "During the term of a revenue sharing agreement with the City of Toronto, an owner who has entered into a revenue sharing agreement with the City of Toronto" so that subsection 771-8K now reads:
- K. During the term of a revenue sharing agreement with the City of Toronto, an owner who has entered into a revenue sharing agreement with the City of Toronto, which for greater clarity, does not include an owner who has entered into a revenue sharing agreement with a local board.
8. Chapter 771, Taxation, Third Party Sign Tax, of the City of Toronto Municipal Code is amended by adding the following section as section 771-8.1:
- § 771-8.1. Retroactive effect.**
- A. Notwithstanding anything else in this chapter, the phrase "City of Toronto" in subsection 771-8K will not be interpreted as including a local board, for any reason, concerning the application of the Chapter, or the imposition of tax thereunder, in relation to any matter arising on or after February 23, 2010.

Enacted and passed on March 27, 2018.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)