

Authority: Executive Committee Item EX33.11, adopted as amended, by City of Toronto Council on April 24, 25, 26 and 27, 2018 and Executive Committee Item EX30.5, as adopted by City of Toronto Council on January 31 and February 1, 2018

CITY OF TORONTO

BY-LAW 506-2018

To amend By-law 166-2018 to levy and collect taxes for school purposes for 2018 and to establish tax decrease clawback rates for 2018.

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 City of Toronto Act, 2006 (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 Ontario Regulation 400/98, as amended, prescribes tax rates for school purposes for residential and business property taxable for school purposes for the 2018 taxation year; 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 2018 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 (the "Clawback Rates"), 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 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

Whereas pursuant to this by-law, the City is opting to make paragraph 1 of subsection 292(1) of the Act applicable to the City for 2018, thereby capping taxes in the commercial, industrial and multi-residential property class at the 2017 annualized taxes plus 10 percent of the 2017 annualized taxes; and

Whereas at its meeting of February 17, 2018, City Council enacted By-law 166-2018, being the City's Tax levy By-law for 2018; and

Whereas City Council wishes to amend By-law 166-2018 to levy the prescribed 2018 tax rates for school purposes, to establish the Clawback Rates, to adopt the capping policies pursuant to subsection 292(1) of the Act;

The Council of the City of Toronto enacts:

1. Section 6 of By-law 166-2018 is amended by:

(1) Adding the following as subsections (3) and (4):

(3) 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 2018 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column 1, the rate set out in Column 2, which shall produce, when levied upon the total assessment for each property class as set out in Column 2 of Schedule B attached, the total tax levy for school purposes of \$2,204,615,770, of which \$5,191,433 is to be retained by the City pursuant to Ontario Regulation 121/07:

Column 1 (Property Class/Subclass)	Column 2 (Tax Rate)
Residential	0.170000%
Multi-Residential	0.170000%
New Multi-Residential	0.170000%
Commercial	1.090000%
Commercial (New Construction)	1.090000%
Office Building (New Construction)	1.090000%
Shopping Centre (New Construction)	1.090000%
Industrial	1.160773%
Industrial (New Construction)	1.090000%
Pipelines	1.340000%
Farmlands	0.042500%
Managed Forests	0.042500%

(4) Tax decreases for the 2018 taxation year on properties in the City of Toronto whose taxes for municipal and school purposes for 2018 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 1 shall, in 2018, be limited by the percentage of the tax decrease set out in Column 2 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 3 is the decrease received in 2018 by such properties:

Column 1 (Property Class)	Column 2 (Clawback Percentage)	Column 3 (Allowable Decrease Percentage)
Commercial	68.638784%	31.361216%
Industrial	35.153314%	64.846686%
Multi-residential	27.988582%	72.011418%

2. Section 7 of By-law 120-2017 is deleted and replaced with the following:

For the 2018 taxation year, paragraphs 1 and 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.

3. By-law 166-2018 shall be amended by adding Appendix 1 of this By-law as Schedule B of By-law 166-2018.

Enacted and passed on April 27, 2018.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)

Appendix 1

**SCHEDULE B
Rateable Assessment for School Purposes**

Column 1 (Property Class/Subclass)	Column 2 (2018 Rateable Assessment For School Purposes)
Residential	479,533,924,785
Multi Residential	40,980,490,944
-Awaiting development (first subclass)	18,031,790
New Multi- Residential	2,001,244,571
Commercial	102,885,014,353
-Excess Land	541,266,836
-Vacant Land	1,446,612,876
-Awaiting development (first subclass)	271,000
Commercial (new construction)	3,472,252,876
-Excess Land	14,908,687
-Vacant Land	3,912,500
Office Building (new construction)	3,219,856,963
-Excess Land	-
Shopping Centre (new construction)	671,827,595
-Excess Land	331,975
Industrial	7,710,362,907
-Excess Land	73,050,695
-Vacant Land	510,254,874
-Awaiting development (first subclass)	37,170,700
-Awaiting Development (second subclass)	
Industrial (new construction)	56,416,733
-Excess Land	870,677
Pipelines	354,440,549
Farmlands	22,112,933
Managed Forests	<u>4,199,750</u>
TOTAL	643,558,827,569