

Appendix A PVT Administrative Design Features

A. PVT Structure – Taxable Transactions and Flat Tax Rates:

- PVT will be a flat tax payable when a vehicle permit validation is renewed.
- PVT will apply to vehicle permit renewals for motorcycles, limited speed motorcycles, motor-assisted bicycles (“mopeds”), passenger cars (as those terms are used or defined in the *Highway Traffic Act* or the Regulations thereunder) and commercial vehicles (or combinations of a commercial motor vehicle and trailer or trailers, other than a bus) having a gross weight of not more than 3,000 kg., if the vehicle is used primarily for personal transportation (“light commercial vehicles”).
- PVT will be charged at the following flat rates at the time when vehicle permit validation is renewed (double the amount for two-year renewals):
 - Passenger car = \$60
 - Light commercial vehicle (as defined above) = \$60
 - Motorcycle or Limited Speed Motorcycle = \$30
 - Motor Assisted Bicycles (Moped) = \$30
 - Personal Motorized Snow Vehicles and Historic Vehicles = \$0
- PVT will apply to personal vehicles only. Where the permit holder (or any one or both permit holders, in the case of a joint registration) is an individual, the vehicle will be deemed to be a personal vehicle. Where the permit holder (or both permit holders, in the case of a joint registration) is a corporation or any entity (other than an individual), the vehicle will not be a personal vehicle.
- PVT will apply to applications for renewal where the applicant’s address, as shown on the plate portion of the permit, is in the City of Toronto at the time of renewal.
- If the applicant requests an address change at the time of the renewal transaction, the subsequent or new address will be used to determine PVT applicability.
- Permit holders who move to the City of Toronto during the period of a valid vehicle permit will not be charged PVT at the time their address change is registered with the Ministry of Transportation. Any applicable PVT will be charged only on the subsequent renewals.

B. Administration and Collection:

(1) Provincial Collection:

- PVT will be collected as part of the vehicle permit renewal transaction by the Province or its agents, and would only be collected directly by the City when PVT was not paid due to circumstances such as tax avoidance or system failure.
- PVT will be collected through all Provincial permit renewal channels (Internet, Kiosk, mail, and over-the-counter).
- Applicants may pay PVT by cash, certified cheque, credit card or debit card, however not all payment methods will be available on all channels.
- Any PVT owing must be paid in full prior to completion of the permit renewal, or the renewal will be refused.
- Partial/deferred payments are not permitted.
- PVT is applicable to all permit renewals with a validation renewal date on or after September 1, 2008 (the “Effective Date”). For permit renewals subject to PVT where the renewal transaction occurs prior to the Effective Date, PVT will be collected at the next permit renewal transaction, along with any PVT payable in respect of the subsequent renewal, if the subsequent renewal is also subject to PVT.

C. Refunds and Exemptions:

- PVT refunds will be administered by the City of Toronto and issued in circumstances where PVT has been collected in error.
 - PVT will not be charged where the permit holder is a person or entity listed in s. 268 of COTA or exempt from payment of the vehicle permit fees under the *Highway Traffic Act*.

D. Enforcement:

- The PVT by-law will include an anti-avoidance provision that addresses certain situations where a taxpayer may seek to avoid payment of PVT.
- For any purpose relating to the administration or enforcement of the PVT by-law, the CFO may audit or demand information from any person.
 - If the PVT is payable and has not been collected by the Province through their systems, the City will assess the PVT, together with any applicable interest and penalties, and notify the taxpayer in writing.
 - If payment has not been received within 30 days of the date of the assessment, the CFO will delegate the authority to determine the

appropriate collection mechanism, in consultation with the City Solicitor where necessary, which collection mechanisms may include:

- (a) bringing an action in the courts to recover unpaid PVT;
 - (b) referral to a bailiff or a collection agency for collection of PVT
- The CFO may assess the following penalties in respect of PVT:
 - (a) a penalty for failure to pay PVT where such failure is attributable to fraud or wilful default – minimum penalty of \$120, maximum penalty of double the amount of PVT payable; and
 - (b) a penalty for failure to comply with an audit – maximum penalty of \$1,000.00.

E. Offences and Fines:

The following will be continuing offences under the PVT by-law, punishable upon conviction by the following fines for each day on which the offence continues:

- Making false statements – minimum daily fine of \$250.00, to a maximum fine of \$5,000.00.
- Interference with an audit – maximum fine of \$5,000.00.
- Contravention of the PVT by-law – maximum fine of \$5,000.00.

F. Interest

- Interest at a rate of 15% per annum, calculated at 1.25% monthly will apply on the amount of any unpaid PVT and any applicable penalties.

G. Dispute Resolution:

- The Government Management Committee of Council will act as the City's appeal and dispute resolution body for PVT and will be delegated the power to hold all hearings of such appeals, and will make recommendations to Council for final decision on the appeals. In doing so, the Government Management Committee will be bound by the procedures set out in the current procedural by-law of the City.

H. Customer Service:

- The City of Toronto will be responsible for all municipal related PVT customer care inquiries including, but not exclusive to, customer phone calls and correspondence. The Province will redirect any customer inquiries to the City.