

Authority: Policy and Finance Committee Report No. 2, Clauses Nos. 2 and 3, adopted as amended, by City of Toronto Council on February 24, 25, 26, 27, 28 and March 3, 2003

Enacted by Council: March 3, 2003

## **CITY OF TORONTO**

### **BY-LAW No. 178-2003**

**To establish Tax Ratios for the Year 2003, to Levy and Collect Taxes for Municipal Purposes for the Year 2003, other than those Levied before the Adoption of the Estimates, to Impose a Penalty Charge for Non-payment of 2003 Taxes, and to Provide for Interest to be added to Tax Arrears.**

WHEREAS subsection 290 of the *Municipal Act, 2001* as amended (the “Act”), provides for a local municipality in each year to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including amounts sufficient to pay all debts of the municipality 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 subsection 312 of the Act provides that the general local municipal levy is the amount the local municipality decided to raise in its budget for the year under section 290 on all rateable property in the municipality; and

WHEREAS subsection 312(2) of the Act provides that for the purposes of raising the general local municipality levy, a local municipality 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 local municipality rateable for local municipality purposes; and

WHEREAS subsection 312(4) of the Act provides that for the purposes of raising a special local municipality levy, a local municipality shall, each year, pass a by-law levying a separate tax rate, as specified in the by-law, on all or part of the assessment, as specified in the by-law, in each property class in the local municipality rateable for local municipality purposes; and

WHEREAS subsection 312(6) of the Act provides that the tax rates levied on the different property classes must be in the same proportion to each other as the tax ratios established for the property classes are to each other; and

WHEREAS subsection 308(1) of the Act provides a set of tax ratios shall be established in accordance with section 308; and

WHEREAS O.Reg 383/98 establishes a first and a second subclass for farmland awaiting development in the residential/farm, multi-residential, commercial and industrial property classes and establishes allowable tax reduction percentages for each subclass; and

WHEREAS subsection 313 (3) of the Act provides that the local municipality 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 312(7) of the Act provides that, for 2001 and subsequent years, the tax rates to be levied on property in a property class in a municipality 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 tax ratios for 2003 for the commercial, industrial and multi-residential classes in the City of Toronto exceed the prescribed threshold ratios, and to the date of enactment of this by-law, no regulation has been filed prescribing the manner of determining such taxes for 2003; and

WHEREAS such a regulation so prescribing the manner of determining taxes is expected in the near future and is expected to require a special levy to recover any municipal budgetary increase from the property classes other than the commercial, industrial and multi-residential property classes; and

WHEREAS O.Reg. 171/01 provides that the tax rate for the commercial class and the industrial class may be greater than would be allowed under subsection 312(7) of the Act, which section requires that tax rates for a property class be determined in the prescribed manner in a municipality in which the tax ratios for that property class are greater than the prescribed threshold ratios, to the extent necessary to raise an amount sufficient to fund rebates to eligible charities under section 361 of the Act; and

WHEREAS O.Reg. 171/01 applies only to the 2001 and 2002 taxation years, and a regulation similarly permitting a municipality to raise an amount from the commercial and industrial classes to fund rebates to eligible charities despite having tax ratios above the prescribed threshold ratios for those classes, is expected in the near future; and

WHEREAS subsection 2(2) of the *City of Toronto Act, 1997* provides that the City of Toronto is a local municipality for all purposes;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. In this by-law, except where otherwise specified:

“Treasurer” means the Chief Financial Officer and Treasurer of the City of Toronto.

2. The tax ratios for 2003 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 (2003 Tax Ratio)
Residential/Farm	1.000000
Multi-Residential	3.986583
New Multi-Residential	1.000000
Commercial	3.621713
Industrial	4.243478

Farmlands	0.250000
Pipelines	1.707993
Managed Forests	0.250000

3. 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 2003, 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 4, 5 and 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/Farm	- 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
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

4. 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 2003 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column I, the rates 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 general local municipal levy of \$2,822,463,027:

Column I Property Class/Subclass	Column II 2003 Tax Rate for General Local Municipal Levy
Residential/Farm	0.6374338%
Multi-Residential	2.5411828%
New Multi-Residential	0.6374338%
Commercial	2.3086024%
Industrial	2.7049363%
Farmlands	0.1593584%
Pipelines	1.0887324%
Managed Forests	0.1593584%

5. There shall be levied and collected as a special 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 2003 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column I, the rates set out in Column II, which shall produce, when levied upon the total assessment for each of the residential/farm, new multi-residential, farmland, pipelines and managed forests property classes as set out in Column II of Schedule “A” attached hereto, the special local municipal levy of \$32,297,109:

Column I Property Class/Subclass	Column II 2003 Tax Rate for Special Local Municipal Levy (to fund Budgetary Levy Increase)
Residential/Farm	0.0191214%
New Multi-Residential	0.0191214%
Farmlands	0.0047804%
Pipelines	0.0326592%
Managed Forests	0.0047804%

6. There shall be levied and collected, as a special local municipal levy on the assessment in the City of Toronto of all real property in the property classes set out in Column I rateable for local municipal purposes according to the assessment roll for 2003 and as finally altered, amended and corrected, the rates set out in Column II, which shall produce, when levied upon the total assessment for each of the commercial and industrial property classes as set out in Column II of Schedule “A” attached hereto, the total special local municipal levy of \$1,399,990, which is an amount sufficient to fund the rebates to eligible charities required under section 361 of the Act for property in the commercial and industrial property classes:

Column I Property Class/Subclass	Column II 2003 Tax Rate for Special Local Municipal Levy (to fund tax rebates to Charities)
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Commercial                      0.0028926%

Industrial                        0.0013519%

7. Subject to section (8), all taxes shall, subject to the provisions of section 12, 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, 2003

Instalment 2 – August 5, 2003

Instalment 3 – September 2, 2003

8. Under the City's 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 12, 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 dates set out below:

Instalment 1 – July 15, 2003

Instalment 2 – August 15, 2003

Instalment 3 – September 15, 2003

Instalment 4 – October 15, 2003

Instalment 5 – November 17, 2003

Instalment 6 – December 15, 2003

9. 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

10. Taxes shall be payable to the Treasurer, City of Toronto.
11. 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.
12. When in default of payment of such instalment of taxes or any part of any instalment by the date for payment set out in section 7 or section 8 hereof, the remaining instalment or instalments shall become due and payable immediately.

13. The Treasurer may mail, or caused to be mailed, all notices of taxes required in accordance with the provisions of the Act, to the address of the residence or place of business of the person taxed pursuant to this by-law. Notices will not be mailed to tenants. It is the responsibility of the person taxed to notify and collect taxes from tenants or other persons.
14. 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 15 or section 16 in respect to non-payment of any taxes or any instalment.
15. 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.
16. 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.
17. Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 15 or interest charge imposed by section 16 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 section 7 or section 8 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 section 7 or section 8 as appropriate, together with the said interest charges and penalties as they are incurred.
18. In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 15 or interest charge imposed by section 16 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.
19. Where the sum of the total annual taxes for which any assessed owner is chargeable in the 2003 taxation year for municipal, local improvement and other special purposes, upon any real property assessed in one parcel to the same owner would according to the assessment thereon be less than \$15.00, no taxes shall be payable.

- 20.** Nothing herein contained shall prevent the Tax Collector 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.
- 21.** 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.
- 22.** (1) Subject to (2), (3) and (4), this By-law shall come into force on the day it is enacted.
- (2) Section 5 of this By-law shall come into force on the day on which a regulation is filed under clause 312(9)(b) of the Act which prescribes a method of determining tax rates on property classes in municipalities in which the tax ratios for those property classes exceed the prescribed threshold ratios which method is the method employed in section 5 of this By-law.
- (3) Section 6 of this By-law shall come into force on the day on which a regulation is filed which provides that the tax rate for the commercial class and the industrial class may be greater than would be allowed under clause 312(7) of the Act.
- (4) Section 4 of this By-law shall come into force on the day on which the later of the two regulations set out in (2) and (3) is filed.

ENACTED AND PASSED this 3rd day of March, A.D. 2003.

CASE OOTES,  
Deputy Mayor

ULLI S. WATKISS  
City Clerk

(Corporate Seal)

**SCHEDULE “A”**

Rateable Assessment

Column I (Property Class/Subclass)	Column II (2003 Rateable Assessment For Municipal Purposes)
Residential/Farm	\$ 168,406,303,682
Multi-Residential	\$ 21,583,600,920
New Multi-Residential	\$ 41,165,410
Commercial	\$ 45,373,005,995
- Excess Land	\$ 330,503,657
- Vacant Land	\$ 708,076,895
Industrial	\$ 4,638,248,276
- Excess Land	\$ 73,696,404
- Vacant Land	\$ 357,894,653
- Farmland Awaiting Development	\$ 4,417,635
Farmlands	\$ 2,577,671
Managed Forests	\$ 207,580
Pipelines	\$ 267,801,000
Total	\$ 241,787,499,778