

Authority: Executive Committee Item 30.1, adopted as amended,
by City of Toronto Council on March 31, 2009
Enacted by Council: March 31, 2009

CITY OF TORONTO

BY-LAW No. 361-2009

Municipal Tax Levy By-law for 2009.

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 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 subsection 279(1) of the Act provides that the City may, by by-law passed on or before April 30th of 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 O.Reg. 282/98, as amended, prescribes the residual commercial property class as an optional property class for 2008 and subsequent years, 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 City Council has opted to have the residual commercial property class apply within the City of Toronto and to establish two bands of assessment within the residual commercial property class for the purpose of levying graduated tax rates on the residual commercial property class; 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 for 2008 under subsection 277(7) of the Act, which method for calculating such tax rates is prescribed 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; and

WHEREAS it is anticipated that O.Reg.121/07 will again be amended prescribing a similar method for calculating 2009 tax rates upon election by the City for the commercial, industrial and multi-residential property classes for the City; and

WHEREAS the tax rates for the commercial, industrial and multi-residential property classes for the City for 2009, as levied by this by-law, are in accordance with the anticipated amending regulation; and

WHEREAS 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 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 HEREBY ENACTS as follows:

1. In this by-law:

“Treasurer” means the person appointed treasurer 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 | 0.9679122 |
| Band 2 | Greater than \$1,000,000 | 1.0000000 |

3. The tax ratios for 2009 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 (2009 Tax Ratio) |
|---------------------------------|-------------------------------|
| Residential | 1.000000 |
| Multi-Residential | 3.468850 |
| New Multi-Residential | 1.000000 |
| Commercial | 3.462000 |
| Commercial Residual - Band 1 | 3.405000 |
| Commercial Residual - Band 2 | 3.405000 |
| Industrial | 3.640000 |
| 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 2009 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 |
| 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 2009 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 2009 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 V (which is a total of the various rates set out in Columns II, III and IV), 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 \$3,438,286,835.

| Column I | Column II | Column III | Column IV | Column V |
|------------------------------|--|--|---|--|
| Property Class | 2009 Tax Rate for Base General Local Municipal Levy Before Graduated Tax rates | 2009 Tax Rate for General Local Municipal Levy After Graduated Tax Rates | 2009 Additional Tax Rate to Fund Budgetary Levy Increase) | 2009 Ending Municipal Tax Rate (excluding Charity rebates) |
| Residential | 0.5795968% | 0.5795968% | 0.0231839% | 0.6027807% |
| Multi-Residential | 2.0105347% | 2.0105347% | 0.0268071% | 2.0373418% |
| New Multi-Residential | 0.5795968% | 0.5795968% | 0.0231839% | 0.6027807% |
| Commercial | 2.0065643% | 2.0065643% | 0.0267542% | 2.0333185% |
| Residual Commercial – Band 1 | 1.9735273% | 1.9421781% | 0.0258957% | 1.9680738% |
| Residual Commercial – Band 2 | 1.9735273% | 2.0065643% | 0.0267542% | 2.0333185% |
| Industrial | 2.1097325% | 2.1097325% | 0.0281298% | 2.1378623% |
| Pipelines | 1.1148917% | 1.1148917% | 0.0445957% | 1.1594874% |
| Farmlands | 0.1448992% | 0.1448992% | 0.0057960% | 0.1506952% |
| Managed Forests | 0.1448992% | 0.1448992% | 0.0057960% | 0.1506952% |

- (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 2009 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 \$6,609,693 to fund the total estimated tax rebates to eligible charities in 2009.

| Column I | Column II |
|------------------------------|---|
| Commercial Property Classes | Additional Tax Rate to Fund Rebates to Eligible Charities |
| Commercial General | 0.0098576% |
| Residual Commercial – Band 1 | 0.0095413% |
| Residual Commercial – Band 2 | 0.0098576% |
| Industrial | 0.0106370% |

7. Subject to sections 8 and 9, 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, 2009
 Instalment 2 – August 4, 2009
 Instalment 3 – September 1, 2009

8. 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 13, 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, 2009
 Instalment 2 – August 17, 2009
 Instalment 3 – September 15, 2009
 Instalment 4 – October 15, 2009
 Instalment 5 – November 16, 2009
 Instalment 6 – December 15, 2009

9. 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 13, be paid in one instalment, and shall be due and payable on or before July 2, 2009.

10. 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
11. Taxes shall be payable to the Treasurer, City of Toronto.
12. 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.
13. 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 7, 8 or 9 hereof, the remaining instalment or instalments shall become due and payable immediately.
14. 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.
15. 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 16 or section 17 in respect to non-payment of any taxes or any instalment.
16. 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.
17. 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.
18. Except in the case of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty imposed by section 16 or interest charge imposed by section 17 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 7, 8 or 9 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 7, 8 or 9 as appropriate, together with the said interest charges and penalties as they are incurred.

- 19.** In respect of taxes payable under sections 33 and 34 of the *Assessment Act*, as amended, any penalty charge imposed by section 16 or interest charge imposed by section 17 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.
- 20.** (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 2009 taxation year.
- (2) Where in the 2009 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.
- 21.** 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.
- 22.** 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.
- 23.** (1) Subject to Subsection 24(2), this by-law shall come into force on the day it is enacted.
- (2) Sections 5 and 6 shall come into force on the day that a regulation is filed prescribing that the City may elect to have subsection 3(4) of O.Reg. 121/07 apply in 2009.

ENACTED AND PASSED this 31st day of March, A.D. 2009.

SANDRA BUSSIN,
Speaker

ULLI S. WATKISS
City Clerk

(Corporate Seal)

SCHEDULE "A"

Rateable Assessment for Municipal Purposes

| Column I (Property Class/Subclass) | Column II (2009 Rateable Assessment For Municipal Purposes) |
|---------------------------------------|---|
| Residential | 247,265,761,696 |
| Multi-Residential | 28,581,764,188 |
| New Multi-Residential | 418,062,024 |
| Commercial | 30,500,648,677 |
| -Excess Land | 62,962,393 |
| -Vacant Land | 1,589,644,300 |
| Commercial Residual – Band 1 | 14,928,215,506 |
| -Excess Land | 36,458,973 |
| -Awaiting Development | 0 |
| Commercial Residual – Band 2 | 14,035,432,864 |
| -Excess Land | 220,490,792 |
| -Awaiting Development | 0 |
| Industrial | 5,881,437,335 |
| -Excess Land | 82,996,409 |
| -Vacant Land | 464,138,947 |
| -Awaiting Development | 5,689,750 |
| Farmlands | 11,752,950 |
| Pipelines | 267,505,250 |
| Managed Forests | <u>233,000</u> |
| TOTAL | 344,353,195,054 |