

Authority: Executive Committee Item 30.1, adopted as amended,
by City of Toronto Council on March 31, 2009
Enacted by Council: May 27, 2009

CITY OF TORONTO

BY-LAW No. 603-2009

To add Article IV, Tax Deferral and Tax Cancellation for Low-Income Persons to Chapter 767, Taxation, Property Tax, of The City of Toronto Municipal Code.

WHEREAS City Council has made enhancements to its property tax relief program for low-income seniors and low-income disabled persons commencing in 2009;

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

1. City of Toronto Municipal Code Chapter 767, Taxation, Property Tax, shall be amended as follows:
 - (1) (a) Article IV, Tax Assistance Program for Eligible Low-Income Disabled Persons and Low-Income Seniors, is changed to the following:

“Article IVA, Tax Assistance Program for Low-Income Persons, 1998 to 2000”.
 - (b) Sections 767-14 to 767-22.1 are changed to Sections 767-18 to 767-18.9 respectively.
 - (c) The reference to “§ 767-15” is changed to “§ 767-18.1” in § 767-18.3 and in § 767-18.4
 - (d) The reference to “§ 767-16” is changed to “§ 767-18.2” in the definition of ELIGIBLE PERSON in § 767-18, in the definition of PARTIAL DEFERRAL in § 767-18, and in § 767-18.1.
 - (e) The reference to “§ 767-16H” is changed to “§ 767-18.2H” in § 767-18.8.
 - (f) The reference to “§ 767-22” is changed to “§ 767-18.8” in § 767-18.2D.
 - (g) Section 767-18.9 is amended by deleting “Article IV” and substituting “This Article”.
- (2) (a) Article IVA, Tax Deferral for Eligible Low-Income Disabled Persons and Low-Income Seniors, is changed to the following:

“Article IVB.1, Tax Deferral for Low-Income Persons, 2001 to 2008”.
- (b) Sections 767-22.1 to 767-22.8.1 are changed to Sections 767-19 to 767-19.7 respectively.

-
- (c) The reference to “§ 767-14” is changed to “§ 767-18” in the definition of LOW-INCOME DISABLED PERSON, in the definition of LOW-INCOME SENIOR, and in the definition of OWNER in § 767-19.
 - (d) The reference to “§ 767-22.3” is changed to “§ 767-19.1” in the definition of DEFERRAL in § 767-19.
 - (e) The reference to “§ 767-22.6” is changed to “§ 767-19.4” in the definition of DEFERRED TAXES in § 767-19.
 - (f) The reference to “§ 767-22.4” is changed to “§ 767-19.2” in the definition of ELIGIBLE PERSON in § 767-19.
 - (g) The reference to “§ 767-22.8” is changed to “§ 767-19.6” in § 767-19.2D.
 - (h) The reference to “§ 767-22.4H” is changed to “§ 767-19.2H” in § 767-19.6.
 - (i) Section 767-19.1A(2) and the definition of DEFERRED TAXES in § 767-19 are amended by changing “Article IV” to “Article IVA”.
 - (j) Section 767-19.6 is amended by changing Section 767-19.6 to Subsection 767-19.6A, and by adding the following as Subsection 767-19.6B:
 - “B. Despite Subsection A, in respect of the 2008 taxation year, the City Treasurer may, in his or her discretion, accept an application for a deferral on or before May 31, 2009.”
 - (k) The following sections 767-19.8 and 767-19.9 are added to Article IVB.1, Tax Deferral for Low-Income Persons, 2001 to 2008:

“§ 767-19.8. 2008 Taxation Year.

Despite any other provision of this Article, the surviving spouse of an eligible person who has a household income of \$40,000 or less, is deemed to be an eligible person and an owner of the eligible property for the 2008 taxation year.

§ 767-19.9. Applicability.

This Article applies for the years 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2008.”

- (3) (a) Article IVB, Tax Cancellation for Eligible Low-Income Disabled Persons and Low-Income Seniors, is changed to the following:
 - “Article IVB.2, Tax Cancellation for Low-Income Persons, 2001 to 2008”.

-
- (b) Sections 767-22.9 to 767-22.14 are changed to Sections 767-20 to 767-20.5 respectively.
 - (c) The reference to “§ 767-14” is changed to “§ 767-18” in the definition of OWNER in § 767-20.
 - (d) The reference to “§ 767-22.2” is changed to “§ 767-19” in the definition of HOUSEHOLD INCOME and the definition of TAX INCREASE in § 767-20.
 - (e) The reference to “§ 767-22.11” is changed to “§ 767-20.2” in the definition of ELIGIBLE PERSON in § 767-20 and in § 767-20.1.
 - (f) The reference to “§ 767-22.13 is changed to “§ 767-20.4 in § 767-20.2D.
 - (g) The reference to “§ 767-22.11H” is changed to “§ 767-20.2H” in § 767-20.4.
 - (h) Section 767-20.4 is amended by changing Section 767-20.4 to Subsection 767-20.4A, and by adding the following as Subsection 767-20.4B:

“B. Despite Subsection A, in respect of the 2008 taxation year, the City Treasurer may, in his or her discretion, accept an application for a cancellation on or before May 31, 2009.”

- (i) The following sections 767-20.6 and 767-20.7 are added to Article IVB.2, Tax Cancellation for Low-Income Persons, 2001 to 2008:

“§ 767-20.6. 2008 Taxation Year.

Despite any other provision of this Article, the surviving spouse of an eligible person who has a household income of \$26,000 or less or is in receipt of the Guaranteed Income Supplement under the *Old Age Security Act (Canada)* or in the case of a widowed person is in receipt of the spouse’s allowance under the *Old Age Security Act (Canada)*, is deemed to be an eligible person for the 2008 taxation year.

§ 767-20.7. Applicability.

This Article applies for the years 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2008.”

- (4) Article IV, Tax Deferral and Tax Cancellation for Low-Income Persons, attached as Schedule “A” to this By-law is added.

2. This By-law is deemed to have come into effect on January 1, 2009.

ENACTED AND PASSED this 27th day of May, A.D. 2009.

DAVID R. MILLER,
Mayor

ULLI S. WATKISS
City Clerk

(Corporate Seal)

Schedule “A”

**ARTICLE IV
Tax Deferral and Tax Cancellation for Low-Income Persons**

§ 767-14. Interpretation.

A. Interpretation.

Any reference in this Article to the age of a person is reference to the age of the person during any part of the taxation year for which the application is made.

B. Definitions.

As used in this Article, the following terms shall have the following meanings:

APPLICATION — An application for a deferral or cancellation under this Article made in accordance with § 767-15.

CANCELLATION — An amount of tax to be cancelled pursuant to § 767-17.

CURRENT TAXATION YEAR — The taxation year in respect of which an application is made.

CURRENT YEAR’S TAXES — The total municipal and school taxes (inclusive of any taxes that are deferred or cancelled pursuant to this Article) levied on an eligible property in respect of the current taxation year.

DEFERRAL — An amount of tax to be deferred pursuant to § 767-16.

DEFERRED TAXES — The sum of all deferrals under this Article, under Article IVA and Article IVB.1 received by an eligible person for a eligible property.

EARLIER YEAR TAX INCREASE — That portion, payable in respect of an earlier taxation year, of an amount by which the total municipal and school taxes levied on the eligible property in respect of the earlier taxation year exceeded the total municipal and school taxes levied on the eligible property in respect of the year immediately preceding the earlier taxation year.

EARLIER TAXATION YEAR — Each of the taxation years of 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007 and 2008.

HOUSEHOLD INCOME — The combined gross income of all eligible persons occupying an eligible property.

LOW-INCOME DISABLED PERSON — A person who is in receipt of one or more of the following:

- A. A disability pension under the *Canada Pension Plan Act (Canada)*;
- B. Income support under the *Ontario Disability Support Program Act, 1997*;
- C. Benefits under the *Workplace Safety and Insurance Act, 1997*;
- D. Benefits for the interruption of earnings due to a prescribed illness, injury or quarantine under the *Employment Insurance Act (Canada)*; or
- E. Benefits under a contract of individual or group accident, sickness or disability insurance, or any other disability benefits arising from a contract of insurance, which contracts are consistent with the Ontario *Insurance Act* or any similar legislation governing contracts of insurance in another Canadian province.

LOW-INCOME PERSON — A low-income disabled person or a low-income senior.

PREVIOUS YEAR'S TAXES — The total municipal and school taxes (inclusive of any taxes deferred or cancelled pursuant to this Article or Articles IVB.1 or IVB.2) levied on an eligible property in respect of the taxation year prior to the current taxation year.

SPOUSE — has the same meaning as in section 29 of the *Family Law Act*, R.S.O. Ontario, 1990.

TAX INCREASE — The amount by which the current year's taxes exceed the previous year's taxes, excluding any increase which results from an increase in value of the eligible property from the erection, alteration, enlargement or improvement of the eligible property.

TREASURER — A person appointed to the management position of Treasurer in the City's administrative organization and who has also been appointed as a deputy treasurer under section 138 of the *City of Toronto Act, 2006*.

WIDOW — The surviving spouse of a deceased low-income person who is also a low-income person.

§ 767-15. Application.

For a taxation year, an application for deferral or cancellation in respect of an eligible property may be made by one eligible person, which application:

- A. Shall be in writing, on a form prepared by the Treasurer for this purpose.
- B. Shall be received by the Treasurer:
 - (1) Subject to Subsection B(2), on or before August 31 of the current taxation year;

- (2) Despite Subsection B(1), the Treasurer may, in his or her discretion, accept a late application after August 31 but before December 31 of the current taxation year provided that the Treasurer has not previously, under this Subsection, under Subsection 767-19.6B, or under Subsection 767-20.4B, accepted any application made in respect of the eligible property after the August 31 deadline in any previous taxation year.
- C. Shall include documentation in support thereof in a form satisfactory to the Treasurer, to establish that the applicant is an eligible person, to establish that the property is eligible property, and to establish the amount of deferral or cancellation for which the eligible person is eligible.
- D. Shall include agreement by the eligible person to notify the Treasurer of any change in circumstances which would alter his or her status as an eligible person, the property's status as eligible property, or the amount of deferral or cancellation for which the eligible person is eligible.
- E. May include a request that any deferral or cancellation for which the eligible person is eligible under this Article be credited to the tax account of the eligible property, if the taxes to which the application relate have already been paid.
- F. Shall be approved by the Treasurer if it meets all the requirements for deferral or cancellation under this Article.

§ 767-16. Deferral.

A. Definitions.

As used in this section, the following terms shall have the following meanings:

ELIGIBLE PERSON — A low-income person, or the spouse, or widow of such a person, who has a household income of \$50,000 or less.

ELIGIBLE PROPERTY — Real property classified as residential property on the assessment roll, or a portion of real property classified as residential property on the assessment roll which:

- (1) Has no taxes in arrears for any year prior to the current taxation year;
- (2) Is occupied by the eligible person making the application as his or her principle residence;
- (3)
 - (a) Is owned solely by one or more eligible persons for no less than one year immediately preceding August 31 of the current taxation year; or
 - (b) Is owned solely by the estate of a low-income person, by the widow, or by both.

LOW-INCOME SENIOR — A person who is:

- (1) 65 years of age or older;
- (2) Between 60 and 64 years of age, and
 - (a) is in receipt of the Guaranteed Income Supplement Allowance under the *Old Age Security Act (Canada)*; or
 - (b) is a widowed person receiving the spouse's allowance under the *Old Age Security Act (Canada)*; or
- (3) 50 years of age or older, and:
 - (a) is in receipt of a pension from a pension plan registered under the *Income Tax Act (Canada)*; or
 - (b) is in receipt of a pension annuity resulting from a pension plan registered under the *Income Tax Act (Canada)*.

B. Deferral Amount

- (1) Subject to Subsection B(2), an eligible person who makes an approved application in respect of eligible property, shall receive in respect of the current taxation year, a deferral in the amount of the sum of the following, provided that the sum is greater than or equal to \$10:
 - (a) The tax increase;
 - (b) The portion of all tax increases previously deferred pursuant to this Article which are otherwise payable in respect of the current taxation year; and
 - (c) The portion of all earlier year tax increases deferred in earlier taxation years pursuant to Article IVA and Article IVB.1 which are otherwise payable in respect of the current taxation year.
- (2) If an approved application is made in respect of a taxation year preceded by two consecutive taxation years for which no approved application was made, the eligible person is no longer eligible for a deferral under Subsection B(1)(b) and (c) in respect of any taxation year prior to that year.

C. Tax Roll.

A deferral shall be added to the Tax Roll.

D. When Deferred Taxes Become Due.

All deferred taxes shall become immediately due and payable when the eligible property ceases to be owned by an eligible person or by the estate of a low-income person.

§ 767-17. Cancellation.

A. Definitions.

As used in this section, the following terms shall have the following meanings:

ELIGIBLE PERSON — A low-income person or the spouse, or widow of such a person, who has a household income of \$36,000 or less.

ELIGIBLE PROPERTY — Real property classified as residential property on the assessment roll, or a portion of real property classified as residential property on the assessment roll which:

- (1) Has an assessed value of:
 - (a) \$525,000 or less for the 2009 and 2010 taxation years; and
 - (b) \$575,000 or less for the 2011 and 2012 taxation years;
- (2) Has no taxes in arrears for any year prior to the current year;
- (3) Is occupied by the eligible person who makes the application as his or her principle residence; and
- (4)
 - (a) Is owned solely by one or more eligible persons for no less than one year immediately preceding August 31 of the current taxation year; or
 - (b) Is owned solely by the estate of a low-income person, by the widow, or by both.

LOW-INCOME SENIOR — A person who is:

- (1) 65 years of age or older; or
- (2) Between 60 and 64 years of age, and
 - (a) is in receipt of the Guaranteed Income Supplement Allowance under the *Old Age Security Act (Canada)*; or
 - (b) is a widowed person receiving the spouse's allowance under the *Old Age Security Act (Canada)*.

B. Cancellation Amount.

- (1) Subject to Subsection B(2), an eligible person who makes an approved application in respect of eligible property, shall receive, in respect of the current taxation year, a cancellation in the amount of the sum of the following, provided that the sum is greater than or equal to \$10:
 - (a) The tax increase;
 - (b) The portion of all tax increases previously cancelled pursuant to this Article which are otherwise payable in respect of the current taxation year; and
 - (c) The portion of all earlier year tax increases cancelled in earlier taxation years pursuant to Article IVB.2 which are otherwise payable in respect of the current taxation year.

- (2) If an approved application is made in respect of a taxation year preceded by two consecutive taxation years for which no approved application was made, the eligible person is no longer eligible for a cancellation under Subsections B(1)(b) and (c) in respect of any taxation years prior to that year.