

Authority: Executive Committee Item EX4.3, adopted as amended, by City of Toronto Council on May 10, 11 and 12, 2023
City Council voted in favour of this by-law on May 12, 2023

CITY OF TORONTO

BY-LAW 426-2023

To amend By-law 173-2023 (2023 Final Tax Levy) to levy and collect taxes for school purposes for 2023, to establish tax decrease clawback rates for 2023.

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, subject to regulation, 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 2023 taxation year; 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 293 of the Act provides that the City may pass a by-law to establish a percentage by which tax decreases are limited for 2023 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 at its meeting of February 15, 2023, City Council enacted By-law 173-2023, being the City's Tax Levy By-law for 2023; and

Whereas City Council wishes to amend By-law 173-2023 to levy the prescribed 2023 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. By-law 173-2023 is amended as follows:

(1) Section 6 is amended by adding subsections (3) and (4) as follows:

- (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 2023 and as finally altered, amended and corrected, in amounts calculated for each property class set out in Column I, the rate set out in Column II, 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 \$ 2,140,137,916, of which \$4,804,288 is to be retained by the City pursuant to Ontario Regulation 121/07:

Column I	Column II
Property Class	2023 Tax Rates for Education Levy
Residential	0.153000%
Multi-Residential	0.153000%
New Multi-Residential	0.153000%
Commercial General	0.880000%
Commercial Shared Payment-in-Lieu	0.980000%
Industrial	0.880000%
Industrial Shared Payment-in -Lieu	1.067220%
Pipelines	0.880000%
Farmlands	0.038250%
Managed Forests	0.038250%

- (4) Tax decreases for the 2023 taxation year on properties in the City of Toronto whose taxes for municipal and school purposes for 2023 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 2023 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 2023 by such properties:

Column I (Property Class)	Column II (Clawback Percentage)	Column III (Allowable Decrease)
Commercial	70.003192%	29.996808%
Industrial	41.654010%	58.345990%
Multi-residential	79.448408%	20.551592%

(4) by adding Appendix 1 of this By-law as Schedule B.

Enacted and passed on May 15, 2023.

Frances Nunziata,
Speaker

John Elvidge,
City Clerk

(Seal of the City)

Appendix 1

SCHEDULE B Rateable Assessment for School Purposes

Column 1	Column 2
(Property Class/Subclass)	(2023 Rateable Assessment for School Purposes)
Residential	581,883,224,788
Multi Residential	50,649,060,873
-Awaiting development (first subclass)	22,547,100
New Multi- Residential	7,026,064,638
Commercial	105,205,520,998
- Small business	18,163,105,336
-Excess Land	624,914,829
-Vacant Land	1,690,333,600
- Creative Co-location	169,798,190
- Shared Payment-in-Lieu	212,856,690
Industrial	7,568,016,379
-Excess Land	44,789,621
-Vacant Land	415,310,300
-Awaiting development (first subclass)	24,626,128
-Shared Payment-in-Lieu	254,707,741
Pipelines	379,540,000
Farmlands	4,129,900
Managed Forests	4,227,300
Total	774,342,774,411