GL9.1

REVENUE SERVICES

Overview

General Government and Licensing Committee
November 18, 2019

REVENUE SERVICES

Mission

To provide quality, timely, and accurate billing, collection and payment processing for municipal property taxes, parking tickets and income from utility consumption, as well as other revenue generating services to support City programs and services.

Vision

- Leadership in Revenue Management
- Excellence in Customer Service
- Investment in People

Divisional Breakdown & Program Services

Revenue Services Division

- **RSD Team**
  - **Director**
  - **5 Managers**
  - **22 Supervisors**
  - **227 Full-time Staff**
- **Property Assessment & Taxation**
  - Tax Billing
  - Assessment & Analysis
  - Rebate & Deferral Programs
  - Tax Appeals
- **Utility Billing & Parking Ticket Operations**
  - Utility Billing
  - Parking Tickets
  - Investigations
- **Operational Support**
  - Municipal Land Transfer Tax & Municipal Accommodation Tax
  - Financial Analysis & Policy Development
  - Organizational Administration
  - Systems & Innovation
- **Customer Service**
  - Customer Service Call Centre
  - Customer Service Counter
  - Customer Service Correspondence
  - Account Administration
  - Customer Coordination
- **Revenue Accounting and Collection**
  - Payment Programs
  - Collections
  - Operational Accounting
  - Refund Processing

Major Operations

Property Tax

Utility Billing

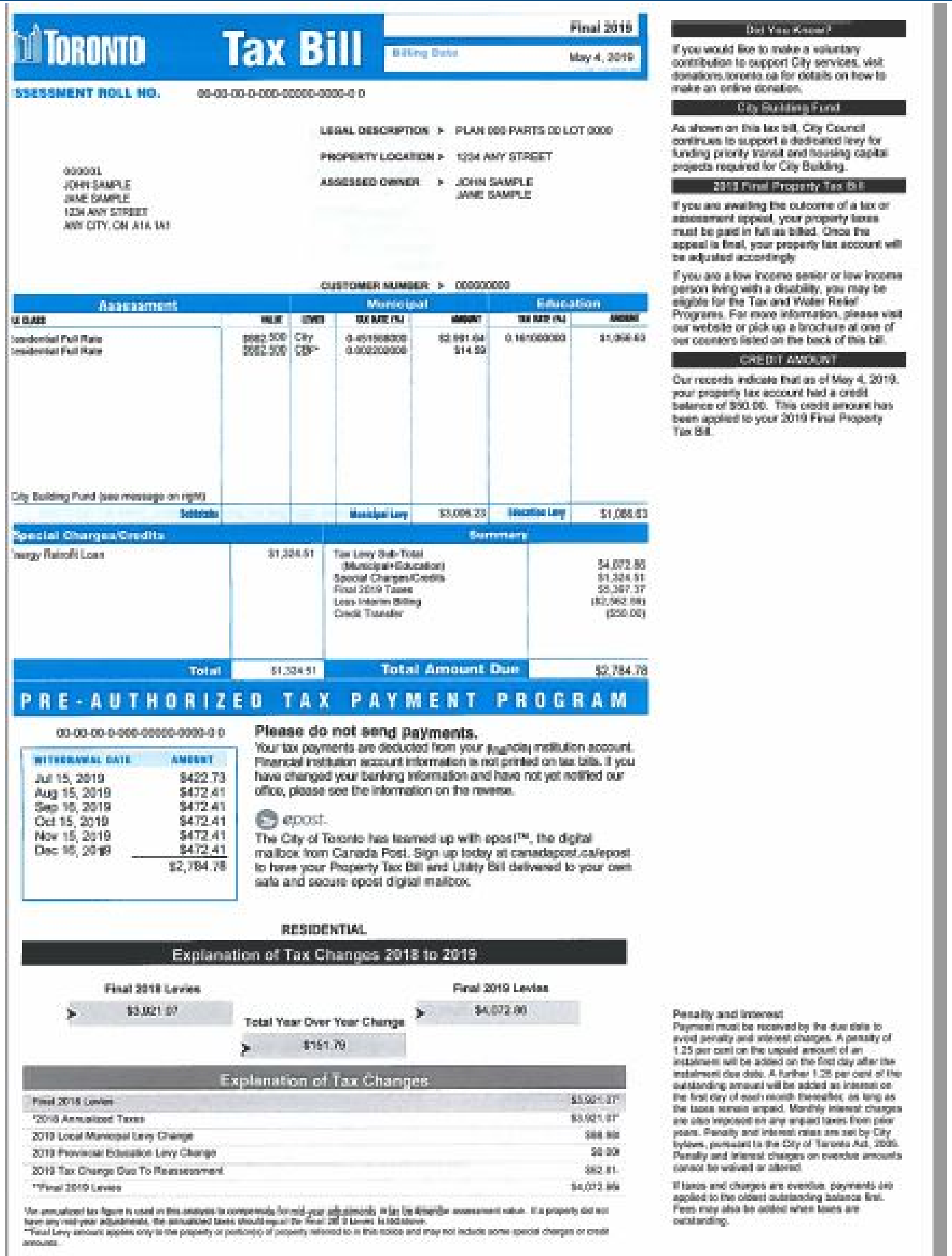
Municipal Land Transfer Tax

Parking Ticket Operations

Municipal Accommodation Tax

Property Tax

- Over 1.5 million tax bills issued annually
  (Interim, Final and Supplementary/Omitted billings in 2018.
- 2018 Revenues - $6.5B Levy ($4.3B City / $2.2B Education)



TORONTO Tax Bill

Final 2019

Billing Date May 4, 2019

ASSESSMENT ROLL NO. 00-00-00-0-000-00000-0000-0 0

LEGAL DESCRIPTION > PLAN 000 PARTS 00 LOT 0000

PROPERTY LOCATION > 1234 ANY STREET

ASSESSED OWNER > JOHN SAMPLE
JANE SAMPLE

000001
JOHN SAMPLE
JANE SAMPLE
1234 ANY STREET
ANY CITY, ON A1A 1A1

CUSTOMER NUMBER: > 000000000

Assessment | Municipal | Education

City Building Fund (see message on right)

Municipal Levy $3,006.23 | Education Levy $1,066.63

Special Charges/Credits | Summary

Energy Retrofit Loan $1,324.51

Tax Levy Sub-Total (Municipal+Education)	$4,072.86
Special Charges/Credits	$1,324.51
Final 2019 Taxes	$5,397.37
Less Interim Billing	($2,562.59)
Credit Transfer	($50.00)

Total $1,324.51 | Total Amount Due $2,784.78

PRE-AUTHORIZED TAX PAYMENT PROGRAM

00-00-00-0-000-00000-0000-0 0

WITHDRAWAL DATE	AMOUNT
Jul 15, 2019	$422.73
Aug 15, 2019	$472.41
Sep 16, 2019	$472.41
Oct 15, 2019	$472.41
Nov 15, 2019	$472.41
Dec 16, 2019	$472.41
	$2,784.78

Please do not send payments.
Your tax payments are deducted from your financial institution account. Financial institution account information is not printed on tax bills. If you have changed your banking information and have not yet notified our office, please see the information on the reverse.

epost

The City of Toronto has teamed up with epost™, the digital mailbox from Canada Post. Sign up today at canadapost.ca/epost to have your Property Tax Bill and Utility Bill delivered to your own safe and secure epost digital mailbox.

RESIDENTIAL

Explanation of Tax Changes 2018 to 2019

Final 2018 Levies $3,921.07

Total Year Over Year Change $151.79

Final 2019 Levies $4,072.86

Explanation of Tax Changes

Did You Know?

If you would like to make a voluntary contribution to support City services, visit donations.toronto.ca for details on how to make an online donation.

City Building Fund

As shown on this tax bill, City Council continues to support a dedicated levy for funding priority transit and housing capital projects required for City Building.

2019 Final Property Tax Bill

If you are awaiting the outcome of a tax or assessment appeal, your property taxes must be paid in full as billed. Once the appeal is final, your property tax account will be adjusted accordingly.

If you are a low income senior or low income person living with a disability, you may be eligible for the Tax and Water Relief Programs. For more information, please visit our website or pick up a brochure at one of our counters listed on the back of this bill.

CREDIT AMOUNT

Our records indicate that as of May 4, 2019, your property tax account had a credit balance of $50.00. This credit amount has been applied to your 2019 Final Property Tax Bill.

Penalty and Interest

Payment must be received by the due date to avoid penalty and interest charges. A penalty of 1.25 per cent on the unpaid amount of an instalment will be added on the first day after the instalment due date. A further 1.25 per cent of the outstanding amount will be added as interest on the first day of each month thereafter, as long as the taxes remain unpaid. Monthly interest charges are also imposed on any unpaid taxes from prior years. Penalty and interest rates are set by City bylaws, pursuant to the City of Toronto Act, 2006. Penalty and interest charges on overdue amounts cannot be waived or altered.

If taxes and charges are overdue, payments are applied to the oldest outstanding balance first. Fees may also be added when taxes are outstanding.

Utility Billing

- Issued 1.7 million utility bills in 2018
- 2018 Revenues - $1.2B water and solid waste billings
- **Solid Waste Rebate Program** *New* – Assists eligible low-income seniors and low-income persons with a disability on the solid waste portion of their bill.
- **Home Dialysis Rebate Program** *New* – Helps offset the cost of increased water consumption due to home dialysis treatments for eligible residents living within the City of Toronto.

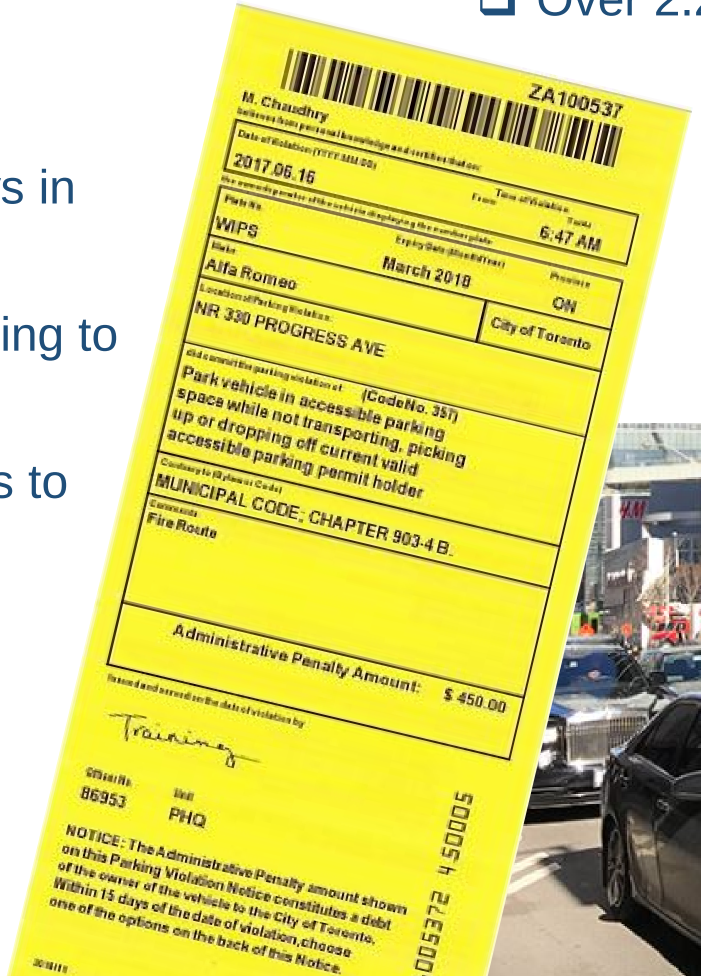
Parking Ticket Operations

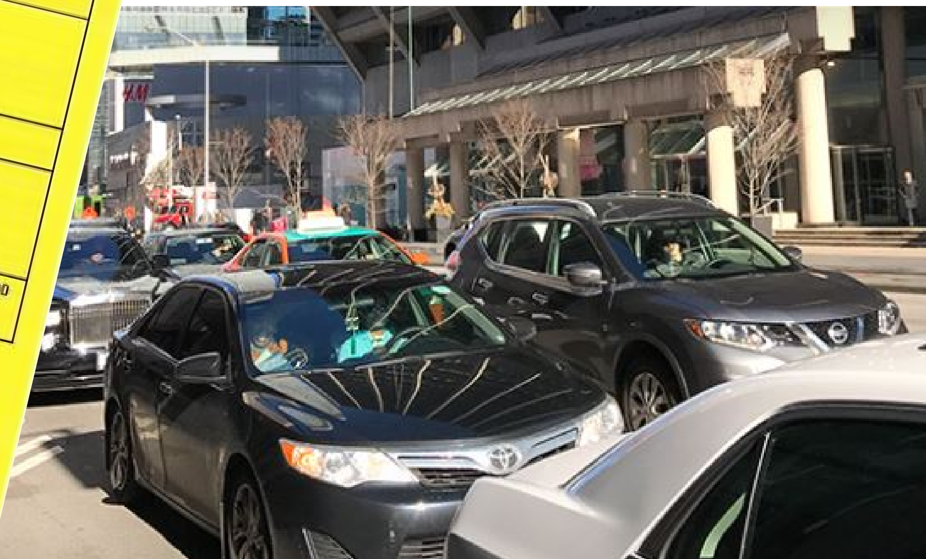
Administrative Penalty System (APS)

- Launched in 2017 with Court Services, Legal Services and Toronto Police Service, the APS is a new process to make parking violation disputes faster, easier and more convenient.
- Dispute times reduced to 53 days from 225 days in 2016.
- 73% of Parking Violation Notices (PVNs) choosing to dispute use the online dispute process.
- Significant reduction in drive-away cancellations to 302 in 2018 from almost 46,000 in 2017.

2018

- Collected $103M in fines and fees.
- Over 2.2 million parking tickets issued.





Other Taxation Programs

Municipal Land Transfer Tax

- ❑ Tax on sale of property
- ❑ $800 million MLTT collected in 2018

Municipal Accommodation Tax

- ❑ 4% MAT - Hotel tax is collected by Greater Toronto Hotel Association (GTHA) on City's behalf.
- ❑ $34.6M remitted in 2018.
- ❑ MAT provides funding to Tourism Toronto and City programs and services.
- ❑ Collection of MAT for short-term rentals remains pending a decision at the Local Planning Appeal Tribunal.

Tax & Utility Relief Programs

Relief Program	Number of Applications Received	Amount of Tax Relief Granted ($ million)
Tax Cancellation Program*	6,743	$3.19 M
Tax Deferral Program*	1,010	$0.17 M
Water Rebate Program*	6,366	$1.06 M
Registered Charities	1,046	$12.0 M
Ethno-cultural Centres	29	$0.5 M
Veteran's Clubhouses and Legion Halls	14	$1.8 M

*For eligible low-income seniors and low-income persons with a disability

Customer Service

- Interaction with approximately 3.6 million customers per year through issuance of bills and customer service inquiries.
- Over 140,000 calls annually for tax, utility and parking handled from 311.
- Completed over 26,000 inquires via written correspondence in 2018.
- Over 235,000 customers served annually at our counter locations.

Toronto City Hall

North York Civic Centre

Reports Considered at General Government & Licensing Committee

Reports Considered at General Government & Licensing Committee

Apportionment of Property Taxes

- Allows unpaid taxes to be split (“apportioned”) from old parcels to newly created parcels following a severance
- Authority delegated by Council to GGLC Committee.
- Statutory hearing
- Recovers unpaid property taxes on land that has been severed.

Cancellation, Reduction, or Refund of Property Taxes

- Tax appeal applications made to Treasurer, which permits Council to cancel, reduce or refund taxes where a change has occurred.

- In-year changes include when a property:
  - is destroyed by fire or demolished
  - becomes unusable due to renovation or repairs
  - becomes exempt from taxation
  - is reclassified due to change in use

- Statutory hearing

Designation of a Property as a Municipal Capital Facility

- ❑ Lands can be designated as a municipal capital facility where a property is used for a municipal purpose, or where a municipality occupies leased space that would otherwise be taxable.
- ❑ City enters into an agreement with the landlord or tenant for the provision of the municipal capital facility.
- ❑ Properties (or portions thereof) can be made exempt from taxation for municipal and school purposes.
- ❑ Allowable types of MCFs include facilities used for:
  - General administration of the City
  - Cultural, recreational or tourist purposes
  - Social and health services
  - Transit and transportation systems
  - Community centres
  - Public libraries
  - Policing/Fire

Reports Considered at General Government & Licensing Committee

Write-off of Uncollectible Property Taxes from the Tax Roll

- To remove taxes (including interest and penalties) that are deemed uncollectible from the tax roll.
- Considered only after all reasonable and appropriate collection efforts have been exhausted.

Largest Property Tax Debtors with Tax Arrears greater than $500,000

- Provides information on property tax accounts with outstanding receivables of $500,000 or more – 2 reports annually, at June 30th and December 31st.

Status of Outstanding Payments in Lieu of Tax Amounts for Federal, Provincial and Municipal Properties

- Provides information on the status of outstanding payments in lieu of taxes from all levels of government.

Reports Considered at Executive Committee

Heads and Beds Levy on Institutions

- ❑ Levy and collection of amounts on colleges and universities, public hospitals, and correctional facilities.
- ❑ Rate is $75 per provincially rated hospital bed, full-time student or resident place.

Levy on Railway Roadways and Rights-of-Way, and on Power Utility Transmission and Distribution

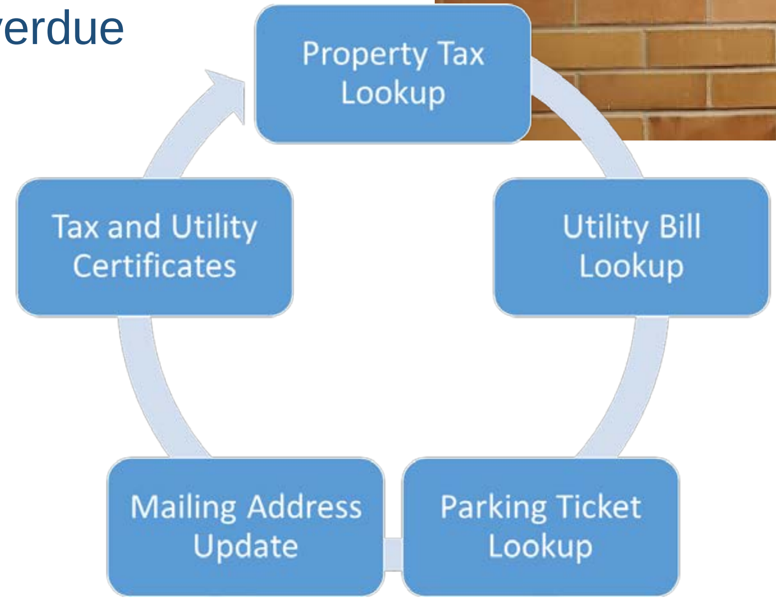
- ❑ Levy and collection of taxes for railway roadways and rights-of-way and land used as transmission or distribution corridors owned by power utilities.
- ❑ 2019 levy - $7.1M ($6.6M City / $0.5M Provincial Education)

Customer Service Enhancements

- **Q-matic Queuing system** at North York Civic Centre Counter launched in April 2018. Improved convenience to customers and maintains accurate statistics to monitor average wait times and number of customers served.

- **Online Mailing Address Updates** – This online service allows customers to update their mailing address information online at their convenience. Averaging 1,400 mailing address changes per month, and over 21,000 since launch in April 2018.

- Updates to **Online Property Tax Lookup** for residential properties to include 18 months of payment history, and detailed messaging for credit and overdue amounts.



New Initiatives

Customer Experience Transformation

Revenue Services is working with Customer Experience Transformation team and Transformation Office on new Enterprise Customer Service vision:

1. Facilitating and Expanding Self-Service options
2. Providing consistent Customer Service Experience
3. Building trust and confidence in City services
4. Optimizing customer service delivery in a cost-effective manner

New Initiatives

Current & Upcoming Initiatives

- **Automated Income Verification** using Canada Revenue Agency income data to verify eligibility for tax and water relief programs (pilot)
- Modernization of Tax and Utility billing systems and integration with SAP
- E-billing options for property tax and utility accounts
- Facilitate and expand online applications and enrolment
- Enable online remittances for **Municipal Accommodation Tax (MAT)**
- Updates to **Online Utility Lookup** to include billing and payment history

QUESTIONS?