

THE REGIONAL MUNICIPALITY OF YORK

BILL NO. 45

BYLAW NO. 2014-43

A bylaw to delegate authority to the Regional Treasurer to establish “clawback” percentages for the 2014 taxation year for the commercial and industrial property classes

WHEREAS section 329 of the *Municipal Act, 2001* (the "Act") provides for a mandatory five per cent (5%) limit (the "cap") on any annual property tax increase related to current value assessment for the 2014 taxation year for the commercial and industrial property classes;

AND WHEREAS subsection 329.1 (1) of the Act provides that a municipality, other than a lower-tier municipality, may pass a bylaw to have one or more paragraphs under the subsection apply in the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial and industrial property classes for 2014;

AND WHEREAS subsection 330(1) of the Act provides that a municipality, other than a lower-tier municipality, may pass a bylaw to establish a percentage by which tax decreases are limited for a taxation year in any property class in order to recover all or part of the revenues foregone as a result of the application of section 329 of the Act to other properties in the property class;

AND WHEREAS subsection 330(6) of the Act provides that an upper-tier municipality shall, in a bylaw under subsection 330(1) of the Act, provide that adjustments shall be made between the upper-tier municipality and the lower-tier municipalities so that no lower-tier municipality has a surplus or shortfall as a result of the application of the bylaw;

AND WHEREAS subsection 330(7) of the Act provides that if the upper-tier municipality experiences a shortfall as a result of the application of subsection 330(6) of the Act, any shortfall shall be shared by the upper-tier municipality and lower-tier municipalities in the same proportion as those municipalities share in the taxes levied on the property class for municipal purposes;

AND WHEREAS subsection 8.0.2(2) of the Ontario Regulation 73/03 made under the Act (the “Regulation”) provides that a property is exempt from the application of Part IX of the Act for a taxation year if a bylaw has been enacted by a municipality that provides that the section applies within the municipality for the year;

AND WHEREAS the information to establish percentages by which the tax decreases are limited has not been finalized;

The Council of The Regional Municipality of York hereby enacts as follows:

1. In this bylaw:

- (a) “lower-tier municipality” means each of The Corporation of the Town of Aurora, The Corporation of the Town of East Gwillimbury, The Corporation of the Town of Georgina, The Corporation of the Township of King, The Corporation of the City of Markham, The Corporation of the Town of Newmarket, The Corporation of the Town of Richmond Hill, The Corporation of the City of Vaughan and The Corporation of the Town of Whitchurch-Stouffville; and
- (b) “OPTA” means the On-line Property Tax and Analysis program maintained by the Ministry of Finance.

- 2. The Regional Treasurer is hereby authorized to determine, for the 2014 taxation year, the percentages by which property tax decreases are limited for the commercial and industrial property classes.
- 3. The Regional Treasurer is hereby authorized to apply the municipal options as outlined in subsection 8.0.2(2) of the Regulation to determine the property tax decreases for the commercial and industrial property classes.
- 4. The Regional Treasurer is hereby authorized to determine, for the 2014 taxation year, whether each lower-tier municipality has a surplus or a shortfall in taxes levied as a result of the enactment of this bylaw and the adjustments made under subsection 330(1) of the Act.
- 5. For the purpose of calculating surpluses and shortfalls, the Regional Treasurer shall refer to property assessment data from the OPTA program, cut off on such a date as may be determined by the Regional Treasurer in consultation with the Treasurer of each lower-tier municipality.
- 6. In the event that the Regional Treasurer determines under section 4 of this bylaw that a lower-tier municipality has a surplus, the Treasurer of such lower-tier municipality shall remit such surplus to the Regional Treasurer.
- 7. The Regional Treasurer is hereby authorized to distribute the surplus amounts remitted under section 6 of this bylaw to those lower-tier municipalities which are determined under section 4 of this bylaw to have a shortfall, to ensure that no lower-tier municipality has a shortfall in the amount of taxes levied for the 2014 taxation year.
- 8. Fifty percent (50%) of the amounts to be remitted to the Regional Treasurer under section 6 of this bylaw for the 2014 taxation year shall be remitted on or before September 30, 2014 and the balance shall be remitted on or before December 15, 2014.
- 9. Fifty percent (50%) of the amounts to be remitted by the Regional Treasurer under section 7 of this bylaw for the 2014 taxation year shall be remitted on or before September 30, 2014 and the balance shall be remitted on or before December 15, 2014.

10. The Regional Treasurer is hereby authorized to fund from the Tax Stabilization Reserve Fund any Regional shortfall resulting from the application of section 2 of this bylaw and section 330 of the Act.

ENACTED AND PASSED on June 26, 2014.

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Regional Clerk

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Regional Chair

*Authorized by Clause 9, Report 12 of the Committee of the Whole, adopted by Regional Council at its meeting on June 26, 2014.*