

The Corporation of the City of Temiskaming Shores

By-law No. 2017-073

**Being a by-law to adopt optional tools for the purpose of
administering limits for the Commercial and Industrial
property classes**

Whereas the Corporation of the City of Temiskaming Shores (hereinafter referred to as "*the Municipality*") may, in accordance with Section 329.1 of the *Municipal Act*, 2001, S.O. 2001 c25, as amended (hereinafter referred to as "*the Act*"), and Ontario Regulation 73/03, as made and amended under *the Act*, modify the provisions and limits set out in Part IX of *the Act*, with respect to the calculation of taxes for municipal and school purposes for properties in the commercial and industrial property classes;

And whereas this by-law shall only apply to properties in any of the Commercial and Industrial property classes to which Part IX of *the Act* applies;

And whereas for the purposes of this by-law the commercial classes shall be considered a single property class and the industrial classes shall be deemed to be a single property class;

And whereas "uncapped taxes" means, the taxes for municipal and school purposes that would be levied for the taxation year but for the application of part IX of *the Act*;

And whereas "capped taxes" means, the taxes for municipal and school purposes that shall be levied for the taxation year as a result of the application of Part IX of *the Act*;

And whereas Council may pass a by-law to apply any one or any combination the following options:

- a) Increase the annual cap from 5% of last year's capped taxes up to a maximum of 10% of last year's capped taxes; and/or
- b) Set an upper limit on annual increases at the greater of the amount calculated under (a) and up to 10% of the previous year's annualized CVA tax; and/or
- c) Establish a capping adjustment threshold of up to \$500 for increasing properties, decreasing properties or both, whereby no capping adjustment less than the threshold amount would be applied; and/or
- d) Exempt properties from the capping calculation where the previous year's capped taxes for the property were equal to the uncapped taxes for that year, and/or
- e) Exempt properties from the capping calculation where the previous year's capped taxes were less than previous year's CVA taxes, and the current year's capped taxes would otherwise be greater than the current year's CVA taxes, or vice-versa.

- f) "Exit Capping Immediately" if a particular capped class is eligible. A class is eligible for this option when all properties in the class were taxed at CVA tax at previous year's final billing based on OPTA's frozen Capping Report.
- g) "Capping Phase-Out" if a particular capped class is eligible. A class is eligible for this option when all properties in the class were within 50% CVA tax at the time of the previous year's final billing based on OPTA's frozen Capping Report.

And whereas a by-law passed to adopt the provisions of Section 329.1 paragraphs 1 and 2 of *the Act* provides that such provisions shall also apply to Section 332 of *the Act* with respect to the "tenant cap" calculations;


And whereas the Council has reviewed the provisions of Section 329.1 of *the Act* and the provisions of Ontario Regulation 73/03, and hereby deems it necessary and appropriate to adopt optional tools for the purpose of administering limits for the Commercial and Industrial property classes;

Now therefore the Council of the Corporation of the City of Temiskaming Shores hereby enacts as follows:


1. That paragraphs 1, 2, and 3, of Section 329.1(1) of the Act shall apply to the Commercial and Industrial property classes for 2017;
2. And that:
 - (i) In determining the amount of taxes for municipal and school purposes for the year under Section 329 (1) and the amount of the tenant's cap under Section 332 (5), the greater of the amounts determined under paragraphs a) and b) as set out below shall apply in determining the amount to be added under paragraph 2 of Section 329 (1), and the increasing amount under paragraph 2 of Section 332 (5),
 - (a) The percentage set out in Section 329(1) paragraph 2 and in Section 332 (5) paragraph 2 shall be ten per cent (10%), and
 - (b) The amount of uncapped taxes for the previous year multiplied by five per cent (10%).
 - (ii) The amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the uncapped taxes exceeds the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under Section 329, as modified under Section 329.1 of *the Act* and this by-law, by two-hundred and fifty dollars (\$500.00) or less.
 - (iii) The Exit Capping Immediately option shall be utilized for the Commercial and Industrial property classes as the classes meet the within 50% CVA taxes requirement.

3. And that paragraphs 1, 2 and 3, of Subsection 8.0.2(2) of Ontario Regulation 73/03 shall apply to the Commercial and Industrial property classes for 2017.
4. And that properties that meet any of the following conditions shall be exempt from the capping calculations set out under Part IX of *The Act* for the 2011 taxation year:
 - (i) The capped taxes for the property in the previous year were equal to its uncapped taxes for that year.
 - (ii) The capped taxes for the property in the previous year were lower than the property's uncapped taxes for that year, and the current year's capped taxes would be higher than the current year's uncapped taxes if Part IX were applied.
 - (iii) The capped taxes for the property in the previous year were higher than the property's uncapped taxes for that year, and the current year's capped taxes would be lower than the current year's uncapped taxes if Part IX were applied.
5. And that for all properties that become eligible within the meaning of Section 331 (20) of *the Act*, the taxes for municipal and school purposes for the year or portion of the year shall be the greater of,
 - (i) The amount of the taxes determined for the property for 2017 under Section 331 (2), and
 - (ii) The amount of the uncapped taxes for the property for 2017 multiplied by one hundred per cent (100%).

Read a first, second and third time and finally passed this 16th day of May, 2017.



Mayor – Carman Kidd



Clerk – David B. Treen