

**THE CORPORATION OF THE CITY OF PETERBOROUGH**

**BY-LAW NUMBER 08-118**

**BEING A BY-LAW TO LEVY AND COLLECT TAXES FOR MUNICIPAL, EDUCATION AND BUSINESS IMPROVEMENT AREA PURPOSES FOR THE YEAR 2008, TO IMPOSE A PENALTY CHARGE FOR NON-PAYMENT OF 2008 TAXES AND TO PROVIDE FOR INTEREST TO BE ADDED TO TAX ARREARS, AND TO ESTABLISH A PERCENTAGE BY WHICH TAX DECREASES ARE LIMITED IN 2008 TO PROPERTIES IN THE COMMERCIAL, INDUSTRIAL AND MULTI-RESIDENTIAL PROPERTY CLASSES**

WHEREAS subsection 290 of the Municipal Act, 2001 as amended (the "Act"), provides for a local municipality in each year to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including amounts sufficient to pay all debts of the municipality falling due within the year, amounts required to be raised for sinking funds or retirement funds and amounts required for any board, commission or other body; and

WHEREAS subsection 312 (1) of the Act provides that the general local municipal levy is the amount the local municipality decided to raise in its budget for the year under Section 290 on all rateable property in the municipality; and

WHEREAS subsection 312(2) of the Act provides that for the purposes of raising the general local municipal levy, a local municipality shall, each year, pass a by-law levying a separate tax rate, as specified in the by-law, on the assessment in each property class in the local municipality rateable for local municipality purposes; and

WHEREAS subsection 312(6) of the Act provides that the tax rates levied on the different property classes must be in the same proportion to each other as the tax ratios established for the property classes are to each other; and

WHEREAS subsection 308 of the Act provides a set of tax ratios shall be established; and

WHEREAS subsection 313(3) of the Act provides that the local municipality shall specify, by by-law, the percentage reductions of the tax rates for municipal purposes for subclasses of property classes prescribed by regulation where the regulations require tax rates to be reduced by a percentage within a range described in the regulations; and

WHEREAS section 342 (1) of the Act stipulates municipalities may pass by-laws providing for the payment of taxes in one amount or by instalments and the date or dates in the year for which the taxes are due;

WHEREAS Ontario Regulation 105/08 prescribes the manner of determining taxes and requires any budgetary increase which can not be passed on to the commercial, industrial or multi-residential property classes because the average tax ratio for the class or classes exceed prescribed thresholds to become a special levy on other classes; and

WHEREAS through confirming by-law 07-179, being a by-law to confirm the proceedings of Council at its meeting held December 10, 2007, Council approved the 2008 operating budget which established property tax classes, tax ratios, tax reduction percentages for mandated subclasses for commercial and industrial properties and the assessment roll for 2008 taxation purposes; and

WHEREAS subsection 330(1) of the Act provides that the council of a municipality, other than a lower-tier municipality, may pass a by-law to establish a percentage by which tax decreases are limited for 2008 in respect of properties in any property class subject to Part IX of the Act 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(3) of the Act provides that such a by-law must establish the same percentage for all properties in a property class, but may establish different percentages for different property classes; and

WHEREAS subsection 327(4) of the Act provides that Part IX of the Act applies to the commercial, industrial and multi-residential property classes; and

WHEREAS Council of the City of Peterborough, as part of the 2008 budget process, determined that the cost of capping tax increases for the year 2008 for the Commercial, Industrial and Multi-residential property classes would be financed from withholding decreases within each class where possible; and

WHEREAS to determine the 2008 tax capping adjustments it is necessary to establish a "cut-off" for updating the 2007 updated assessment roll which is used to determine the "adjusted 2007 taxes"; and

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 rate 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 that section 313(3) of 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 103/08 prescribes the tax rates for school purposes for 2008 on residential and business property taxable for school purposes in the City of Peterborough for the year 2008; and

WHEREAS section 208 (1) of the Act stipulates a municipality shall annually raise the amount required for the purposes of a board of management of a Business Improvement Area; and

WHEREAS the estimate of all sums required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough, as defined by By-law 1980-154 during the year 2008 amount to \$262,650; and

WHEREAS the estimate of all sums required by the East City / Ashburnham Business Improvement Area of the Corporation of the City of Peterborough, as defined by By-law 1989-2, during the year 2008 amount to \$16,000; and

WHEREAS the Act further provides that Council may pass by-laws regarding the payment of taxes; and

WHEREAS section 345 of the Act states Municipalities may pass by-laws to impose late payment charges for the non-payment of taxes or any instalment by the due date and interest charges, not to exceed 1 1/4 per cent each month of the amount of taxes due and unpaid, may be imposed for the non-payment of taxes; and

WHEREAS section 347 of the Act sets out procedures for allocation of payments; and

WHEREAS section 345 (6) of the Act states a local municipality shall pay interest at the same rate and in the same manner as interest is paid under subsection 257.11 (4) of the Education Act on overpayments arising as a result of, an error of a municipality, certain changes under the Assessment Act and property class changes;

AND WHEREAS it is now desirable to issue final 2008 tax bills for all property classes taking in to account all of the above:

NOW THEREFORE, THE CORPORATION OF THE CITY OF PETERBOROUGH BY THE COUNCIL THEREOF HEREBY ENACTS AS FOLLOWS:

1. The municipal tax rates, education tax rates, current value assessment, tax ratios, tax reduction percentages for mandated subclasses for commercial and industrial properties, and the resulting tax levies for Municipal and Education purposes as set out in Schedule A are adopted for the year 2008.
2. The percentage of tax decreases to be retained for properties within the commercial, industrial and multi-residential classes to finance the cost of capping increases for properties within each class shall be as follows:

<b><i>Property Class</i></b>	<b><i>% of decrease to be retained</i></b>
Commercial	60.785463%
Industrial	71.304193%
Multi-residential	43.278084%

3. The "cut-off" date for adjustments to the 2008 updated assessment roll ("frozen tax listing" or FTL), to be used to determine the "adjusted 2008 taxes" for the commercial, industrial and multi-residential classes capping calculations, is hereby determined to be May 18, 2008.
4. The estimates of all sums required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough during the year 2008 totalling \$262,650 are hereby adopted and the 2008 rates to be levied on commercial and industrial properties within the Downtown Business Improvement Area to raise the required sum will be as follows:

<b><i>Class</i></b>	<b><i>Rate</i></b>
Commercial Taxable	0.2952%
Commercial Vacant Units	0.2066%
Industrial Taxable	0.2952%
Industrial Vacant Units	0.1919%

5. The estimates of all sums required by the East City / Ashburnham Business Improvement Area of the Corporation of the City of Peterborough during the year 2008 totalling \$16,000 are hereby adopted, and the 2008 rates to be levied on commercial and industrial property within the East City Business Improvement Area to raise the required sum will be as follows:

<b><i>Class</i></b>	<b><i>Rate</i></b>
Commercial Taxable	0.2476%
Commercial Vacant Units	0.1733%
Industrial Taxable	0.2476%
Industrial Vacant Units	0.1609%

6. (a) Payment of all taxes levied under authority of this by-law, including local improvements and all other charges payable as taxes, shall be paid into the office of the Treasurer of the Corporation of the City of Peterborough, on or before the due date, into the Peterborough Branch of any Chartered Bank or Trust Company, to the credit of the Corporation of the City of Peterborough in two approximately equal instalments as indicated in the following schedule:

<u>WARD NO</u>	<u>FIRST INSTALMENT DUE DATE</u>	<u>SECOND INSTALMENT DUE DATE</u>
All Wards	July 31, 2008	September 30, 2008

- (b) The tax instalment due dates for the principal residence of a taxpayer whose primary source of income is a fixed monthly pension cheque, such as Canada Pension or Old Age Security, shall be extended to August 6, 2008 and October 3, 2008 respectively.
7. The penalty charge for non-payment of said taxes on or before the respective due dates shall be at the rate of one and one-quarter (1 1/4) percent of the amount outstanding on the first day of default plus an additional one and one-quarter (1 1/4) percent of the amount of taxes unpaid on the first day of each calendar month thereafter in which the default continued, but not after the 31st day of December of the year in which the taxes are levied.
8. In addition, statutory interest at the rate of one and one-quarter (1 1/4) percent per month on any unpaid taxes shall be added from the 31st day of December in the year in which the taxes are levied, and an additional one and one-quarter (1 1/4) percent on the first day of each calendar month thereafter shall be added until such taxes are fully paid.
9. Part payments of taxes will be accepted and shall be credited first to all penalties and interest outstanding, and then to the oldest tax arrears until the whole of the remainder of the payment has been credited against such taxes.
10. Persons entitled to refunds for overpayments resulting from successful Assessment Appeals, shall receive interest at the same rate and in the same manner as interest is paid under subsection 257.11 (4) of the Education Act (the lowest prime rate reported to the Bank of Canada by any of the banks listed in Schedule I to the Bank Act (Canada) at the date of default.
11. This by-law comes into force on the date of the final passing thereof.

By-law read a first, second and third time this 7<sup>th</sup> day of July, 2008

(Sgd.) D. Paul Ayotte, Mayor

(Sgd.) Leigh Doughty, Deputy Clerk

**By-law 08- Final Tax Billing**  
**Schedule A**

2008 Property Classes, CVA, Tax Ratios, Final Municipal and Education Tax Rates and Levies

Ref	Class	CVA, Tax Ratios, Percentage Reductions						Municipal Tax Rates & Levy		Education Tax Rates & Levy		Total Mun & Ed Rates & Levy	
		2008 CVA Used in the 2008 Budget to calc Mun rates	Ratio Used in 2008 Budget	Provincial Threshold Ratio	% of occupied to apply to vacant subclass	Weighted Ratio	Weighted Assessment used in 2008 Budget Preparation	Final Municipal Tax Rate	Municipal Tax Levy	2008 Education Rates as per Provincial Regulation	Total Education Levy	Combined Rate	Total Levy
C1	C2	C3	C4	C5	C6	C7	C8	C9	C10	C11	C12	C13	C14
1	Residential	4,494,281,136	1.000000	1.000000	100.00%	1.00000000	4,494,281,136	1.2413430%	55,789,444	0.2640000%	11,864,902	1.5053430%	67,654,346
2	Multi-residential	366,255,060	2.025200	2.740000	100.00%	2.02520000	741,739,748	2.5139680%	9,207,535	0.2640000%	966,913	2.7779680%	10,174,448
3	New Multi-residential	13,115,250	1.000000	1.000000	100.00%	1.00000000	13,115,250	1.2413430%	162,805	0.2640000%	34,624	1.5053430%	197,429
	<b><u>Commercial</u></b>												
4	Commercial Occupied	684,713,305	1.841900	1.980000	100.00%	1.84190000	1,261,173,436	2.2864300%	15,655,490	1.9527950%	13,371,047	4.2392250%	29,026,537
5	Commercial Vacant Units	9,889,078	1.841900	1.980000	70.00%	1.28933000	12,750,285	1.6005010%	158,275	1.3669570%	135,179	2.9674580%	293,454
6	Commercial Vacant Lands	7,298,200	1.841900	1.980000	70.00%	1.28933000	9,409,788	1.6005010%	116,808	1.3669570%	99,763	2.9674580%	216,571
7	<b>Total Commercial</b>	<b>701,900,583</b>					<b>1,283,333,509</b>		<b>15,930,573</b>		<b>13,605,989</b>		<b>29,536,562</b>
	<b><u>Industrial</u></b>												
8	Industrial Occupied	91,981,696	2.597600	2.630000	100.00%	2.59760000	238,931,654	3.2245130%	2,965,962	2.8631850%	2,633,606	6.0876980%	5,599,568
9	Industrial Vacant Units	2,623,675	2.597600	2.630000	65.00%	1.68844000	4,429,918	2.0959330%	54,990	1.8610700%	48,828	3.9570030%	103,818
10	Industrial Taxable Vacant Land	1,723,200	2.597600	2.630000	65.00%	1.68844000	2,909,520	2.0959330%	36,117	1.8610700%	32,070	3.9570030%	68,187
11	<b>Total Industrial</b>	<b>96,328,571</b>					<b>246,271,092</b>		<b>3,057,069</b>		<b>2,714,504</b>		<b>5,771,573</b>
12	Pipeline taxable	13,128,000	1.270600	1.270600	100.00%	1.27060000	16,680,437	1.5772500%	207,061	1.4310350%	187,866	3.0082850%	394,927
13	Farm Property Taxable Full/Farmland Awaiting	3,207,840	0.250000	0.250000	100.00%	0.25000000	801,960	0.3103360%	9,955	0.0660000%	2,117	0.3763360%	12,072
14	Managed Forests	87,500	0.250000	0.250000	100.00%	0.25000000	21,875	0.3103360%	272	0.0660000%	58	0.3763360%	330
15	<b>Grand Total</b>	<b>5,688,303,940</b>					<b>6,796,245,007</b>		<b>84,364,714</b>		<b>29,376,973</b>		<b>113,741,687</b>