

THE CORPORATION OF THE COUNTY OF HALIBURTON

BY-LAW NUMBER 3917

BEING A BY-LAW TO ADOPT OPTIONAL TOOLS FOR CALCULATING THE AMOUNT OF TAXES FOR MUNICIPAL AND SCHOOL PURPOSES PAYABLE IN RESPECT OF PROPERTY IN THE COMMERCIAL CLASSES, INDUSTRIAL CLASSES OR MULTI-RESIDENTIAL PROPERTY CLASS FOR 2019.

WHEREAS subsection 329.1(1) of the Municipal Act, 2001 as amended (hereinafter referred to as the "Act"), provides that a municipality, other than a lower-tier municipality, may pass a by-law to have one or more of the optional tools in paragraphs 1 to 8 of subsection 329.1(1) 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 for a taxation year

AND WHEREAS the Council of the County of Haliburton deems it desirable to adopt the optional tools available to it under paragraphs 1, 2, 3 and 4 of subsection 329.1(1) of the Act for the 2019 taxation year, and to apply them equally to the applicable property classes to promote fairer property taxation;

NOW THEREFORE, THE COUNCIL OF THE COUNTY OF HALIBURTON ENACTS THE FOLLOWING:

1. In this by-law:

"capped taxes" and "capped" means the taxes for municipal and school purposes that are levied for the taxation year as a result of the application of Part IX of the Act;

"clawed-back" means the percentage by which tax decreases are limited for a taxation year in respect of properties in the commercial, industrial and multi-residential property classes in order to recover all or part of the revenues forgone as a result of the application of section 329 of the Act to other properties in the property class;

"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 Act;

2. The following optional tools may be applied for the purposes of this by-law in determining the amount of taxes for municipal and school purposes payable in respect of property in the commercial classes, industrial classes or multi-residential property class for the 2019 taxation year:

1) In determining the amount of taxes for municipal and school purposes for the year under subsection 329 (1) of the Act and the amount of the tenant's cap under subsection 332(5) of the Act,

i. 10 per cent shall be used in determining the amount to be added under paragraph 2 of subsection 329(1) of the Act, and

ii. 10 per cent shall be used in increasing under paragraph 2 of subsection 332 (5) of the Act the amount calculated under paragraph 1 of that subsection.

2) In determining the amount of taxes for municipal and school purposes for the year under subsection 329(1) of the Act and the amount of the tenant's cap under subsection 332 (5) of the Act,

i. The amount to be added under paragraph 2 of subsection 329(1) shall be the greatest of,

- A. the amount of the taxes for municipal and school purposes that would have been levied in respect of the property for the previous year but for the application of Part IX of the Act, subject to the adjustments stipulated in section 15.1 of O. Reg 73/03 as amended or such other adjustments that may be prescribed under the Act, multiplied by 5 per cent,
 - B. the amount that would be added under paragraph 2 of subsection 329(1) of the Act for the year using 10 per cent as specified under subsection 2(1) i of this by-law, and
 - C. 5 per cent of the amount determined under paragraph 1 of subsection 329(1) of the Act for the property for the year
 - ii. the amount determined under paragraph 1 subsection 332(5) of the Act shall be increased under paragraph 2 of that subsection by the amount determined under the following, instead of the amount specified in paragraph 2 of that subsection:
 - A. the amount on account of taxes levied for municipal and school purposes that the tenant would have been required to pay under the tenant's lease in the previous year but for the application of section 332 of the Act multiplied by 5 per cent as specified in subsection 2(2) i. A of this by-law if the amount determined under subsection 2(2) i. A is the greatest of the amounts determined under subsection 2(2)i. of this by-law.
 - B. the amount calculated under paragraph 1 of subsection 332(5) of the Act multiplied by 10 per cent as specified in subsection 2(2) i. B of this by-law, if the amount determined under subsection 2(2) i. B is the greatest of the amount determined under subsection 2(2)i. of this by-law, or
 - C. the amount calculated under paragraph 1 of subsection 332(5) of the Act multiplied by 5 per cent as specified in subsection 2(2) i. C of this by-law if the amount determined under subsection 2(2) i. C is the greatest of the amounts determined under subsection 2(2) i. of this by-law.
 - 3) That the amount of the taxes for municipal and school purposes for a property for the 2019 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 of the Act by \$500 or lesser amount.
 - 4) That the amount of the taxes for municipal and school purposes for a property for the 2019 taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section 330 of the Act exceeds the amount of the uncapped taxes by \$500 or a lesser amount.
3. One or more of the optional tools established by section 2 of this by-law will be applied in the calculation of the amount of taxes for municipal and school

purposes payable in respect of the applicable property classes for the 2019 taxation year, in order to maximize the taxes levied for properties that are capped and to maximize decreases for properties whose taxes are clawed-back.

4. Properties that achieved their CVA tax level in 2017 will remain at CVA tax for the 2019 taxation year including properties that cross over from the claw-back to the capping category or vice-versa.
5. Beginning in 2017, Properties within the Commercial tax class move towards CVA tax over a four year phase out period where each year a portion of the capping protection will be removed to increase the taxes toward full CVA Tax. After the annualized taxes are calculated, the difference between CVA taxes and annualized taxes will be reduced based on the following schedule:

For year 1 (2017), the phase out will be 1/4

For year 2 (2018), the phase out will be 1/3

For year 3 (2019), the phase out will be 1/2

For year 4 (2020), all properties in the tax class will be at full CVA tax.

READ a First, Second and Third time, passed, signed and the Corporate Seal attached this 27th of March, 2019.


Liz Danielsen, Warden


Michael Rutter, Clerk