SCHEDULE 20: Taxation Information

General Information

This schedule collects information on the property tax policies in effect in the municipality for the year. These include:

1. **Optional Property Classes**
2. **Capping Parameters and Results**
3. **Graduated Taxation (Tax Bands)**
4. **Phase-In Program in Effect**
5. **Rebates for Eligible Charities**
6. **Property Tax Due Dates for Current Year**

Property tax policy is determined by upper-tier and single-tiers municipalities, but all municipalities must complete these sections. Lower tiers should consult the upper tier for the information if necessary. Only single tier and lower-tier municipalities are required to complete the property tax due date table.

Further information to that provided in the instructions below is also available in the OPTA Manual at the On-Line Property Tax Analysis (OPTA) website: **hhtp://opta.reamined.on.ca**

1. OPTIONAL PROPERTY CLASSES

Upper tier and single tier municipalities have the option under Regulation 282/98 of the Assessment Act of selecting various 'optional property classes' within the multi-residential, commercial, and industrial property classes.

Optional property classes for Commercial include Parking Lots (G), Office Buildings (D), and Shopping Centres (S). The optional property class for Industrial is Large Industrial (L). The New Multi-Residential class is also considered an optional property. Municipalities which have selected the Resort Condominium class, or the Sports Facility class should identify it in the "Other" box.

Parking Lot on line 0205 includes two additional classes, CJ and CR for the Optional Property Classes in Effect.

Please indicate which of these optional property classes have been implemented in the municipality by entering Y for Yes and N for No in column 2.

2. CAPPING PARAMETERS AND RESULTS

Beginning in 1998, municipalities were required to limit assessment reform related property tax increases for Commercial, Industrial, and Multi-residential property classes to 10% in 1998, a further 5% in 1999, and a further 5% in 2000. For 2001 and onwards, the Capping Limit Program was continued by limiting assessment reform related property tax increases by a further 5% in 2001, and an additional 5% each year thereafter (Bill 140).

Commencing in 2005, municipalities have the option of selecting additional capping parameters to move properties to CVA taxation more quickly. More specifically, municipalities can increase the 5% capping limit to up to 10%, establish a minimum capping increase set at up to 5% of the CVA taxes of the previous year, and move properties to CVA if they fall within $250 of CVA taxes after the application of the previously mentioned capping parameters. See section 329.1 of the Municipal Act.

Municipalities can opt to fund all of the protection costs within the class by limiting tax decreases or choose to fund all or a portion of the protection costs by other means. Upper tier and single tier municipalities must pass a by-law under section 330 of the Municipal Act to establish the percentage to which tax decreases will be limited (Decrease Percentage Retained).

The values to be entered in this section can be found in the capping reports prepared by the municipality, or in the OPTA data base system for those municipalities that use it.

Column 1   Exit Capping immediately

Enter Yes (Y) if your municipality exited the Capping Limit Program.

Enter No (Y) if your municipality did not exit the Capping Limit Program.

This section will be automatically pre-populated from OPTA.

Column 2   Decrease- Percentage Retained

Enter the Percentage Decrease Retained value for properties that would have experienced a decrease in taxes.

If the total cost of protection of the capping program has been funded by the municipality, the decrease-percentage retained should equal 100%.

If the cost of protection has been totally funded by minimizing the property tax decreases, (i.e. Revenue Neutral approach), the decrease percentage share should be between 0% and 100%.

This section will be automatically pre-populated from OPTA.

Column 3   Tax Adjustment - Increasers

Tax Adjustment - Increasers refers to the dollar amount refunded or credited to the capped properties (increasing properties). This amount is the difference between the Current Value Assessment (CVA) taxes on these properties for the year, and the capped taxes raised from these properties.

For municipalities that use the OPTA system, these amounts are displayed on the summary lines of the frozen capping reports.

Upper tier municipalities must report the total cost of protection for all capped properties across the upper tier.

This section will be automatically pre-populated from OPTA.

Column 4   Net Class Impact

The Net Class Impact is the difference between the total taxes raised from the class after the capping adjustments, and the CVA taxes that would be levied on the class in the absence of capping. For lower tier municipalities, the amount can be positive or negative and should be inserted as such.

For municipalities that use the OPTA system, these amounts are displayed in the net class impact line of the capping summary analysis report or the tax adjustment column of the capping summary report.

Upper tier municipalities must report the total net tax impact across the upper tier (generally this amount is zero unless the upper tier has selected a non-revenue neutral capping policy or if there is a shortfall in the capping calculation).

This section will be automatically pre-populated from OPTA.

Column 5   Annualized Tax Limit

The minimum percentage of annualized tax limit that can be entered is 5%. Municipalities can increase this amount to up to 10%. Enter the value included in the by-law up to two decimal places for each of the multi-residential, commercial and industrial classes.

This section will be automatically pre-populated from OPTA.

Column 6   CVA Tax limit

If the municipality has adopted the CVA tax limit parameter of between 0 and 5% of the previous year's CVA taxes, enter the percentage amount to two decimal places.

This section will be automatically pre-populated from OPTA.

Column 7   CVA Threshold Value for Protected Properties

If the municipality has elected to move increasing properties to CVA taxation if they fall within 0 to $250 of CVA taxes, enter the CVA tax limit amount adopted in the by-law.

This section will be automatically pre-populated from OPTA.

Column 8   CVA Threshold Value for Clawed Back Properties

If the municipality has elected to move decreasing properties to CVA taxation if they fall within 0 to $250 of CVA taxes, enter the CVA tax limit amount adopted in the by-law.

This section will be automatically pre-populated from OPTA.

Column 9   Exclude Properties Previously at CVA Tax

Please indicate which of these capping parameters have been implemented in the municipality by entering Y for Yes and N for No in column 9.

This section will be automatically pre-populated from OPTA.

Column 10 Exclude Properties that go from capped to clawed back

Please indicate which of these capping parameters have been implemented in the municipality by entering Y for Yes and N for No in column 10.

This section will be automatically pre-populated from OPTA.

Column 11 Exclude Properties that go from clawed back to capped

Please indicate which of these capping parameters have been implemented in the municipality by entering Y for Yes and N for No in column 11.

This section will be automatically pre-populated from OPTA.

3.   GRADUATED TAXATION (TAX BANDS)

Municipalities have been provided with the option under section 314 of the Municipal Act to apply lower tax rates to lower-valued Commercial and Industrial properties. Commencing in 2005, municipalities can establish graduated tax rates for any commercial and industrial optional classes as well.

Municipalities can establish two or three bands of tax rates and assessment.

Municipalities with two tax bands will be shown in the taxation schedules of the FIR as:

L	Low Tax Band
H	High Tax Band

Municipalities with three tax bands will be shown in the taxation schedules of the FIR as:

L	Low Tax Band
M	Middle Tax Band
H	High Tax Band

Example 1:Municipality sets two CVA tax bands, with a CVA Boundary of $400,000, and the low tax band rate set at 75% of the high tax band rate

Tax Bands	CVA Range	Tax Rate
Low tax band (L)	$0 to 400,000	3.000000%
High tax band (H)	$400,000 +	4.000000%

The Low tax band rate of 3.0% is applied to $400,000 of CVA on all properties in the banded class. If the CVA for a property is greater than $400,000, the Low tax band rate of 3.0% is applied to the first $400,000 of CVA, and the High tax band rate of 4.0% is applied to the remaining CVA.

You will notice that the Low tax band rate is 75% of the High tax band rate (i.e. 3.0% / 4.0% x 100), and the CVA Boundary between the 2 tax bands is $400,000.

Example 2:Municipality sets three CVA tax bands, with CVA Boundaries of $500,000 and $800,000, along with the low tax band rate set at 60% of the high tax band rate, and the middle tax band rate set at 80% of the high tax band rate

Tax Bands	CVA Range	Tax Rate
Low tax band (L)	$0 to 500,000	3.000000%
Middle tax band (M)	$500,000 to 800,000	4.000000%
High tax band (H)	$800,000 +	5.000000%

Like example 1, the tax rates for each tax band are applied to CVA within the specified Ranges. Properties with lower CVA values will experience lower tax rates compared to higher valued properties in the class.

The Low tax band rate of 3.0% is applied to $500,000 of CVA on all properties in the banded class.

If the CVA for a property is between $500,000 and $800,000 the Low tax band rate of 3.0% is applied to the first $500,000 of CVA, while the Middle tax band rate of 4.0% is applied to the remaining CVA.

If the CVA for a property is greater than $800,000 the Low tax band rate of 3.0% is applied to the first $500,000 of CVA, the Middle tax band rate of 4.0% is applied to the next $300,000 of CVA, and the High tax band rate of 5.0% is applied to the remaining CVA.

The Low tax band rate is 60% of the High tax band rate (3.0% / 5.0% x 100), and the Middle tax band rate is 80% of the High tax band rate (4.0% / 5.0% x 100). The Low tax band CVA boundary is $500,000 and the Middle tax band CVA boundary is $800,000.

Column 2   Yes or No

Indicate whether graduated tax rates are in effect for each of the classes shown by entering a Y for Yes or N for No.

Column 3   Number of Tax Bands

If Graduated Tax Rates (Tax Bands) exist in the class, enter the number of tax bands which apply to the class.

Column 4   Low Band- CVA Boundary

This column should be completed if a municipality has opted for either two (Low and High) or three (Low, Middle, and High), taxation bands.
For two taxation bands, report the assessment value that separates the Low band from the High band in column 4, CVA Boundary.

For three taxation bands, report the assessment value that separates the Low band from the Middle band in column 4, CVA Boundary.

Column 5   Low Band - Percent of Highest Band Rate

This column should be completed if a municipality has opted for either two (Low and High) or three (Low, Middle, and High), taxation bands.

For two taxation bands, report the Low band tax rate as a percentage of the High band tax rate. (i.e. Low band rate / High band rate x 100) in column 5.

For three taxation bands, report the Low band tax rate as a percentage of the High band tax rate. (i.e. Low band rate / High band rate x 100) in column 5.

Column 6   Middle Band- CVA Boundary

This column should only be completed if a municipality opted for three taxation bands in the respective classes.

Report the assessment value that separates the Middle band from the High band in column 6, CVA Boundary.

Column 7   Middle Band - Percent of Highest Band Rate

This column should only be completed if a municipality opted for three taxation bands in the respective classes. Report the Middle band tax rate as a percentage of the High band tax rate. (i.e. Middle band rate / High band rate x 100).

4. PHASE-IN PROGRAM IN EFFECT

Under section 318 of the Municipal Act, Upper tier and single tier municipalities have the option of phasing-in property tax increases and decreases resulting from province-wide reassessments.

Please indicate whether a Phase-In program is in effect for any of the property classes listed in this section as shown below:

Line	Property Class
0805	R Residential
0810	M Multi-Residential
0815	N New Multi-Residential
0820	C Commercial Includes: G - Parking Lot D - Office Building S - Shopping Centres
0840	I Industrial Includes L - Large Industrial
0850	F Farmland
0855	T Managed Forest
0860	P Pipeline

Municipalities should only report phase-in information of the Phase-In program that is currently in effect.

Column 2   Phase-In Program in Effect

For each property class, enter a Y for Yes, if a Phase-In program is in effect in the municipality. Enter N for No, if a Phase-In program is not in effect in the municipality.

Column 3   Year Current Phase-In Initiated

For each property class with a Phase-In program in effect, enter the year when the Phase-In program began. Municipalities could have opted for a Phase-In program in 1998, 2001, 2003 *and/or 2016* (i.e. during any reassessment year).

Column 4   Term of Current Phase-In

For each property class with a Phase-In program in effect, enter the total number of years the Phase-In program is in effect.

5. REBATE PERCENTAGE FOR ELIGIBLE CHARITIES (%)

This section refers to the rebate percentage for eligible charities set by the municipality under Section 361 of the new Municipal Act, 2001.

The rebate program must provide rebates of at least 40% of the property tax paid by eligible charities occupying property in the Commercial or Industrial property classes. Municipalities have the option to increase the rebate to a maximum of 100%, expand the rebate to other property classes, and apply the rebate to other organizations that are like charities.

Please enter the rebate percentage that is applied in the municipality.

NOTE: In Schedule 72, Continuity of Taxes Receivable, this rebate percentage is used to determine the adjustments on line 2099.

6. PROPERTY TAX DUE DATES FOR CURRENT YEAR

This part applies to Lower-tier/Single-tier municipalities only. Information related to Interim and Final property tax billings, including the number of instalments, and due dates for the first and last instalment is captured in this part.

All due dates should be entered as eight-digit numbers (YYYYMMDD). The first four digits represent the year. The second two digits represent the month and the last two digits represent the day. No spaces or slashes should be used. For example, *June 30, 2023* would be reported as *20230630.*

Report property tax billings by the following property classes:

Line	Property Class
1210	R Residential
1220	M Multi-Residential
1230	F Farmland
1240	T Managed Forest
1250	C Commercial
1260	I Industrial
1270	P Pipeline
1298	Other (Please provide a description)

Column 2   INTERIM BILLING - Instalments

Enter the number of installments for Interim property tax billings of each property class which is applicable in the municipality.

Column 3   INTERIM BILLING - First Due Date

Enter the due date for the first installment of the Interim property tax bill in column 3. Due dates should be entered as eight-digit numbers (YYYYMMDD).

Column 4   INTERIM BILLING - Last Due Date

Enter the due date for the last installment of the Interim property tax bill in column 4. Due dates should be entered as eight-digit numbers (YYYYMMDD).

Column 5   FINAL BILLING - Installments

Enter the number of installments for Final property tax billings of each property class which is applicable in the municipality.

Column 6   FINAL BILLING - First Due Date

Enter the due date for the first installment of the Final property tax bill in column 6. Due dates should be entered as eight-digit numbers (YYYYMMDD).

Column 7   FINAL BILLING - Last Due Date

Enter the due date for the last installment of the Final property tax bill in column 7. Due dates should be entered as eight-digit numbers (YYYYMMDD).