



Report to: General Committee

Report Date: May 26th, 2015

SUBJECT: 2015 Tax Rates and Levy By-law

PREPARED BY: Shane Manson - Senior Manager, Revenue & Property Tax

RECOMMENDATIONS:

1. **THAT** the report dated May 26th, 2015 entitled “2015 Tax Rates and Levy By-law” be received;
2. **AND THAT** a by-law to provide for the levy and collection of property taxes totalling \$609,326,272 required by the City of Markham, The Regional Municipality of York, Boards of Education and Business Improvement Areas, in a form substantially similar to Appendix A (attached), satisfactory to the City Solicitor and provides for the mailing of notices and requesting payment of taxes for the year 2015, as set out as follows, be approved;

Taxation Category	2015 Levy Amount
City of Markham	\$133,528,401
Region of York	\$265,617,816
School Boards	\$209,750,628
Markham Village BIA	\$223,445
Unionville BIA	\$205,982
Total	\$609,326,272

3. **AND THAT** staff be authorized to levy against Markham Stouffville Hospital and Seneca College the annual levy pursuant to Section 323 of the *Municipal Act, 2001*, as outlined in Section 9 of the attached by-law once the required information is received from the Minister of Training, Colleges and Universities;
4. **AND THAT** the attached by-law be passed to authorize the 2015 Tax Rates and Levy By-law;
5. **AND THAT** Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain authorization for the adoption of the tax rates for the 2015 tax year for the levy requirements of the City of Markham, The Regional Municipality of York and the Boards of Education.

BACKGROUND:

The *Municipal Act, 2001* provides that the Council of a local municipality shall, after the adoption of estimates for the year, pass a by-law to levy a separate tax rate upon all property assessed in the local municipality rateable for local municipal purposes, upper tier purposes and education purposes, as may be appropriate.

OPTIONS/ DISCUSSION:

Council has approved its 2015 Budget estimates for City services, requiring property taxes to be levied as follows:

2015 City of Markham Tax Levy:	\$133,528,401
2015 Markham Village BIA:	\$223,445
2015 Unionville BIA:	\$205,982

The Regional Municipality of York has approved its 2015 Budget estimates requiring property taxes, Railway Rights of Way and Utilities to be levied as follows:

2015 Regional Municipality of York total requisition:	\$937,604,009
2015 City of Markham % share:	28.46%
2015 City of Markham \$ share:	\$266,014,282

All the required regulations establishing the education tax rates for the 2015 property tax levy have been passed by the Province and received by the Municipality. The total 2015 levy to be raised for education purposes is \$209,750,628.

DUE DATES:

The 2015 final tax instalment due dates for the residential class are July 6 and August 5. The non-residential properties are billed later in 2015 due to added provincial legislated requirements. The tax instalment due dates for Commercial, Industrial and Multi-Residential classes are October 5 and November 5.

PROPERTY TAX RATES BY CLASSIFICATION AND LEVYING BODIES:

Levying Body	Residential	% of Tax Rate	Commercial	% of Tax Rate	Industrial	% of Tax Rate
City	0.204311%	25.35%	0.228257%	13.41%	0.268138%	13.46%
Region	0.406421%	50.45%	0.454054%	26.70%	0.533387%	26.78%
Education	0.195000%	24.20%	1.019142%	59.89%	1.190000%	59.75%
Total	0.805732%	100.00%	1.701453%	100.00%	1.991525%	100.00%

FINANCIAL CONSIDERATIONS:

The proposed tax rates have been calculated to achieve the tax revenue requirements of the 2015 budgets, as approved by the Councils of the City of Markham and The Regional Municipality of York. The education tax rates are established via a Regulation issued by the Province of Ontario.

HUMAN RESOURCES CONSIDERATIONS:

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Legal Services Department.

RECOMMENDED BY:

15/05/2015

19/05/2015

X 

Joel Lustig
Treasurer

X 

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A - Draft Levy By-law

APPENDIX A: 2015 TAX RATES AND LEVY BY-LAW

**THE CORPORATION OF THE CITY OF MARKHAM
BY-LAW NO. 2015-XXX**

BEING A BY-LAW TO PROVIDE FOR THE LEVY AND COLLECTION OF SUMS REQUIRED BY THE CORPORATION OF THE CITY OF MARKHAM FOR THE YEAR 2015 AND TO PROVIDE FOR THE MAILING OF NOTICES REQUIRING PAYMENT OF TAXES FOR THE YEAR 2015.

WHEREAS Subsection 312(2) of the *Municipal Act, 2001* provides that the Council of a local municipality shall, after the adoption of estimates for the year, pass a by-law each year to levy a separate tax rate on the assessment in each property class in the local municipality rateable for local municipal purposes;

AND WHEREAS Sections 307 and 308 of the said *Act* require taxes to be levied upon the whole of the assessment for real property according to amounts assessed under the *Assessment Act* and that tax rates to be established in the same proportion to tax ratios;

AND WHEREAS estimates have been prepared showing the sum of \$133,528,401 raised for the lawful purpose of The Corporation of the City of Markham for the year 2015, \$265,617,816 for the Region of York and \$209,750,628 for the Boards of Education;

AND WHEREAS the Assessment Roll made in 2014 and upon which 2015 taxes are to be levied, was returned by the Municipal Property Assessment Corporation and is the last revised Assessment Roll; and

AND WHEREAS the total taxable assessment within the City of Markham is \$64,369,917,968.

NOW THEREFORE the Council of The Corporation of the City of Markham enacts as follows:

1. **THAT** the following property tax ratios are to be applied in determining tax rates for taxation in 2015:

Property Class	2015 Tax Ratio
Residential and Farm	1.0000
Multi-Residential	1.0000
Commercial	1.1172
Industrial	1.3124
Pipeline	0.9190
Farmland	0.2500
Managed Forest	0.2500

2. **THAT** the sum of **\$133,528,401** shall be levied and collected for the **City of Markham** purposes for the year 2015, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential/Farm (RT)	53,102,631,555	0.204311%	\$108,494,742
Residential/Farm (RH)	5,877,500	0.204311%	\$12,008
Residential/Farm (R1)	19,337,519	0.051078%	\$9,877
Multi-Residential (MT)	761,763,539	0.204311%	\$1,556,370
Commercial (CT/DT/GT/ST)	7,580,552,585	0.228257%	\$17,303,121
Commercial (XT/YT/ZT)	876,423,522	0.228257%	\$2,000,496
Commercial (CU/DU/SU)	139,780,045	0.159780%	\$223,340
Commercial (XU/ZU/YU)	48,875,186	0.159780%	\$78,093
Commercial (CJ)	7,381,213	0.159780%	\$11,794
Commercial (CH)	13,001,250	0.228257%	\$29,676
Commercial (CX)	341,982,637	0.159780%	\$546,419
Commercial (C1)	37,294,721	0.051078%	\$19,049
Industrial (IT/LT)	973,065,702	0.268138%	\$2,609,162
Industrial (IH)	11,817,075	0.268138%	\$31,686
Industrial (IU/IK)	13,251,038	0.174290%	\$23,095
Industrial (IX)	191,123,867	0.174290%	\$333,110
Industrial (JT)	13,700,500	0.268138%	\$36,736
Industrial (I1)	41,158,215	0.051078%	\$21,023
Pipelines (PT)	66,647,648	0.187762%	\$125,139
Farmland (FT)	122,518,211	0.051078%	\$62,580
Managed Forest (TT)	1,734,440	0.051078%	\$886
Total	64,369,917,968		\$133,528,401

3. **THAT** the sum of **\$265,617,816** shall be levied and collected for the City of Markham's share of The **Regional Municipality of York Budget** for the year 2015, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential/Farm (RT)	53,102,631,555	0.406421%	\$215,820,246
Residential/Farm (RH)	5,877,500	0.406421%	\$23,887
Residential/Farm (R1)	19,337,519	0.101605%	\$19,648
Multi-Residential (MT)	761,763,539	0.406421%	\$3,095,967
Commercial (CT/DT/GT/ST)	7,580,552,585	0.454054%	\$34,419,802
Commercial (XT/YT/ZT)	876,423,522	0.454054%	\$3,979,436
Commercial (CU/DU/SU)	139,780,045	0.317837%	\$444,273
Commercial (XU/YU/ZU)	48,875,186	0.317837%	\$155,343
Commercial (CJ)	7,381,213	0.317837%	\$23,460
Commercial (CH)	13,001,250	0.454054%	\$59,033
Commercial (CX)	341,982,637	0.317837%	\$1,086,947
Commercial (C1)	37,294,721	0.101605%	\$37,893
Industrial (IT/LT)	973,065,702	0.533387%	\$5,190,206
Industrial (IH)	11,817,075	0.533387%	\$63,031
Industrial (IU/JU/IK))	13,251,038	0.346701%	\$45,941
Industrial (IX)	191,123,867	0.346701%	\$662,628
Industrial (JT)	13,700,500	0.533387%	\$73,077
Industrial (I1)	41,158,215	0.101605%	\$41,819
Pipelines (PT)	66,647,648	0.373501%	\$248,930
Farmland (FT)	122,518,211	0.101605%	\$124,485
Managed Forest (TT)	1,734,440	0.101605%	\$1,762
Total	64,369,917,968		\$265,617,816

4. **THAT** the sum of **\$209,750,628** shall be levied and collected for the City of Markham's share of the **Boards of Education** Budget for the year 2015, such amount to be provided for as follows:

CLASS	ASSESSMENT	TAX RATE	TAXES
Residential/Farm (RT)	53,102,631,555	0.195000%	103,550,132
Residential/Farm (R1)	19,337,519	0.048750%	9,427
Multi-Residential (MT)	761,763,539	0.195000%	1,485,439
Commercial (CT/DT/ST/GT)	7,580,552,585	1.019142%	77,256,595
Commercial (XT/YT/ZT)	876,423,522	1.019142%	8,932,000
Commercial (CU/DU/SU)	139,780,045	0.713399%	997,190
Commercial (XU/YU/ZU)	48,875,186	0.713399%	348,675
Commercial (CX)	341,982,637	0.713399%	2,439,702
Commercial (C1)	37,294,721	0.048750%	18,181
Industrial (IT/LT)	973,065,702	1.190000%	11,579,482
Industrial (IU)	10,816,113	0.773500%	83,663
Industrial (IX)	191,123,867	0.773500%	1,478,343
Industrial (JT)	13,700,500	1.190000%	163,036
Industrial (I1)	41,158,215	0.048750%	20,065
Pipeline (PT)	66,647,648	1.458488%	972,048
Farmlands (FT)	122,518,211	0.048750%	59,728
Managed Forest (TT)	1,734,440	0.048750%	846
Total	64,329,406,005		\$209,394,551

Plus: Taxable – Full Share PIL (CH/CJ/IH/IK/RH)	
Taxed at education rate but revenue retained by City	\$356,077
Total Education Levy	\$209,750,628

5. **THAT** a Waste Collection and Disposal Grant totaling **\$155,000** shall be provided proportionately to the following Residential Condominium properties.

Condominium Number	Address	Units
YRC #226	7811 Yonge Street	148
YRC #344	8111 Yonge Street	199
YRC #550	7451 Yonge Street	21
YRC #618	55 Austin Drive	142
YRC #636	25 Austin Drive	149
YRC #784	7805 Bayview Avenue	341
YRC #792	610 Bullock Drive	235
YRC #794	7825 Bayview Avenue	337
YRC #887	Bethune Way	28

6. **THAT** the sum of **\$223,445** shall be levied on non-residential properties located within the boundaries of the City of Markham's **Markham Village Business Improvement Area** for the year 2015, such amount to be provided for as follows:

CLASSES	ASSESSMENT	TAX RATE	TAXES
Commercial (CT/ST)	\$63,110,662	0.354053%	\$223,445

7. **THAT** the sum of **\$205,982** shall be levied on non-residential properties located within the boundaries of the City of **Markham's Unionville Business Improvement Area** for the year 2015, such amount to be provided for as follows:

CLASSES	ASSESSMENT	TAX RATE	TAXES
Commercial (CT/ST)	\$45,147,868	0.456239%	\$205,982

8. **THAT** the sum of **\$1,286** shall be levied against all properties in the Farmland Class and collected for membership fees in the **Federation of Agriculture** for the Region of York for the year 2015, such amount to be provided for as follows:

CLASSES	ASSESSMENT	TAX RATE	TAXES
Farmland (FT)	\$122,518,211	0.001050%	\$1,286

9. **THAT** there shall be a levy upon the **Markham Stouffville Hospital** in the estimated amount of **\$25,200** pursuant to Subsection 323(3) of the *Municipal Act, 2001*, such amount being the sum of \$75.00 for each of the estimated 336 provincially rated beds and a levy upon **Seneca College** in the estimated amount of **\$120,375** pursuant to Subsection 323(1) of the *Municipal Act, 2001*, such sum being \$75.00 for each of the estimated 1,605 full time enrolled students as determined by the Minister of Training, Colleges and Universities. The figures included here are 2014 figures as the 2015 information is not yet available from the Minister of Training, Colleges and Universities.

10. **THAT** there shall be levied upon **Utility Transmission Lines (UT)** the sum of **\$895,103** for the year 2015, such amount to be provided for as follows:

Description	Acres	Rate per Acre	City	Region	Education	Total
Hydro One	438.20	\$834.02	\$122,262	\$243,206	--	\$365,468
Hydro One	438.20	\$1,208.66	--	--	\$529,635*	\$529,635
Total			\$122,262	\$243,206	\$529,683	\$895,103

* Education revenue retained by City

11. **THAT** there shall be levied upon **Railway Rights of Ways (WT)** the sum of **\$475,279** for the year 2015, such amount to be provided for as follows:

Description	Acres	Rate per Acre	City	Region	Education	Total
Canadian National Railways	246.69	\$611.33	\$50,451	\$100,358	--	\$150,809
Canadian National Railways	246.69	\$822.69	--	--	\$202,949	\$202,949
Canadian Pacific Railways	48.42	\$611.33	\$9,903	\$19,698	--	\$29,601
Canadian Pacific Railways	48.42	\$822.69	--	--	\$39,835	\$39,835
Metrolinx	85.20	\$611.33	\$17,424	\$34,661	--	\$52,085
Total			\$77,778	\$154,717	\$242,784	\$475,279

12. **THAT** for the purposes of paying the owners' portion of debt charges pursuant to *Ontario Regulation 390/02* under the *Municipal Act, 2001* (previously the *Local Improvement Act*), as authorized by the following by-laws, the amounts listed below shall be levied and collected from the owners of the properties liable therefore:

CITY BY-LAWS	PURPOSE	AMOUNT
(2006-2025)	Buttonville	\$6,178.67

13. **THAT** for the purposes of paying the owners' portion of debt charges pursuant to Section 391 of the *Municipal Act, 2001* as authorized by the following by-laws, the amounts listed below shall be levied and collected from the owners of the properties liable therefore:

CITY BY-LAWS	PURPOSE	AMOUNT
(2007-2016)	Cachet Estates/Glenbourne Park Drive	\$627,068.80
(2007-2021)	Milmar Court	\$10,489.16
(2006-2015)	Jennings Gate	\$120,508.30
(2010-2024)	Robinson St	\$3,791.88
(2013-2022)	Glenridge	\$56,708.41
TOTAL		\$818,566.55

14. **THAT** pursuant to Regional By-law No. A-0303-2002-020, a tax rebate totaling \$6,310.90 (City share is \$1,600.27) be provided to the Markham District Veterans Association for its property located at 7 Washington Street for 2015 upon the provision of documentation in a form satisfactory to the Treasurer.
15. **THAT** the Treasurer shall add to the Collector's Roll, all or any arrears for service provided by: the *Power Commission Act* (hydro-electric power), the *Weed Control Act*, the *Ditches and Watercourses Act*, the *Public Utilities Act*, the *Tile Drainage Act*, and the *Ontario Building Code*; and any other collection agreements charges approved by Council which shall be collected by the Collector in the same manner and at the same time as all other rates and levies.
16. **THAT** the Interim Tax Levies which were payable in two instalments on February 5, 2015, and March 5, 2015 shall be shown as a reduction on the final levy.
17. **THAT** the net amount of taxes levied by this By-law shall be due and payable in equal instalments as follows.

Properties	Instalments
Residential, Farmland and Pipelines	1. July 6, 2015 2. August 5, 2015
Commercial, Industrial and Multi-Residential	1. October 5, 2015 2. November 5, 2015

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18. **THAT** those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in six (6) equal instalments:
- i. July 1, 2015;
 - ii. August 1, 2015;
 - iii. September 1, 2015;
 - iv. October 1, 2015;
 - v. November 1, 2015; and
 - vi. December 1, 2015.
19. **THAT** those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in three (3) equal instalments:
- i. July 6, 2015;
 - ii. August 5, 2015; and
 - iii. September 8, 2015.
20. **THAT** those commercial, industrial and multi-residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in three (3) equal instalments:
- i. October 5, 2015;
 - ii. November 5, 2015; and
 - iii. December 7, 2015.
21. **THAT** those residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in two (2) equal instalments:
- i. July 6, 2015; and
 - ii. August 5, 2015.
22. **THAT** those commercial, industrial and multi-residential property owners who have applied and meet the conditions for the Pre-authorized Payment Program for taxes as approved by Council will have the taxes levied under this By-law paid by automatic withdrawal in two (2) equal instalments:
- i. October 5, 2015; and
 - ii. November 5, 2015.
23. **THAT** as provided in Subsections 345(1) and (2) of the *Municipal Act 2001*, if the taxes or any class or instalment thereof so levied in accordance with this By-law remain unpaid following the due date, or on the first day of each calendar month thereafter, a penalty of one and one quarter per cent (1.25%) per month (15% per annum) of the taxes remaining unpaid shall be levied until December 31, 2015.

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24. **THAT** as provided in Subsection 345(3) of the *Municipal Act, 2001*, if any taxes levied pursuant to this By-law remain unpaid as at December 31, 2015, interest at the rate of one and one quarter per cent (1.25%) per month (15% per annum) of the unpaid taxes shall be levied from January 1, 2016 and for each month or fraction thereof until such taxes are paid.
25. **THAT** all taxes levied by any By-law and which remain unpaid as at the date of passing this By-law, shall have interest charged at the same rate of one and one quarter per cent (1.25%) per month (15% per annum) calculated on the unpaid taxes, on the first day of each calendar month for so long as the taxes remain unpaid.
26. **THAT** the Treasurer of The Corporation of The City of Markham is hereby authorized and directed to serve personally or to mail or cause to be mailed notices of the taxes hereby levied to the person or persons taxed at the person's residence or place of business or upon the premises in respect of which the taxes are payable by such person, or the ratepayer's mortgage company or third party designated by the property owner.
27. **THAT** taxes are payable to The Corporation of The City of Markham, 101 Town Centre Boulevard, Markham, Ontario, L3R 9W3. Upon payment of any applicable fee, and if paid on or before the due date imprinted on the bill, taxes may also be paid at most chartered banks in the Province of Ontario.
28. **AND THAT** those residents who qualify for the Low Income Seniors and Low Income Disabled Tax Deferral program shall apply to the City of Markham – Property Tax Division in accordance with the program policies as established by The Regional Municipality of York. The amount of deferral for 2015 will be determined once the application has been received and approved. The deferral amount may not be reflected on the 2015 final tax billing issued in accordance with this By-law.

READ A FIRST, SECOND AND THIRD TIME AND PASSED THIS XTH DAY OF XX, 2015.

X _____
KIMBERLEY KITTINGHAM
CITY CLERK

X _____
FRANK SCARPITTI
MAYOR