

By-law Number 25-2020
of The Regional Municipality of Durham

Being a by-law to implement the 2020 options for the Mandated Provincial Business Protection Program (“Capping Program”).

Whereas the Council of The Regional Municipality of Durham wishes to take certain action relating to property tax issues for the year 2020 and wishes to adopt certain Provincial Tools made available to the Region pursuant to Section 329.1 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended and by other Statutes and Regulations.

Now therefore, the Council of The Regional Municipality of Durham hereby enacts as follows:

1. Part IX of the *Municipal Act, 2001* no longer applies to any properties within the Multi-Residential and Industrial broad property tax classes in The Regional Municipality of Durham as the requirements of O. Reg. 73/03 Section 8.2 (1) as amended have been met including the requirement that there were no properties within the Multi-Residential and Industrial broad property tax classes requiring adjustments under the Capping Program for the 2019 property tax year.
2. The municipal options made available by the Province and implemented by Regional Council for 2020, for the Commercial broad property tax class are as outlined below:
 - (a) Set the minimum annual increase at 10 per cent of total CVA level property taxation for properties that are provided protection;
 - (b) Set the maximum percentage increase in property taxation due to reassessment at 10 per cent of the previous year’s taxes;
 - (c) Set the billing increase threshold at \$500, such that any capped property components whose taxation amount under the mandated Provincial Business Protection Program is within \$500 of its CVA level taxation be required to pay its full CVA property taxation amount and the clawback percentage be adjusted accordingly;
 - (d) No decrease billing threshold be set for 2020; and
 - (e) Exclude the 2016 reassessment related increases from the Capping Program calculations.
3. The Region implements, for the Commercial broad property tax class, the option made available by the Province in 2009 allowing municipalities to permanently exclude any property’s components from the Capping Program if it was at CVA level taxation in 2019, at CVA level taxation in 2020 or crosses CVA level taxation in 2020 while moving from a clawback to a capped property. In 2020, a property component that moves from a capped to a clawback property will not be excluded.
4. The Region implements, for the Commercial broad property tax class, the four-year phase-out option, beginning in 2018 and continuing until 2021 such that all property components in this broad property tax class achieve CVA level taxation in the year 2021 after which the Capping Program can be exited. Vacant land is to be excluded from the eligibility criteria for the four-year phase-out option.
5. The cost of capping reassessment property tax increases in the Commercial broad property tax class pursuant to the Capping Program shall be financed by withholding a portion of the reassessment related decreases owing to other properties within the corresponding broad property tax class.

6. In the event the Region experiences a shortfall as a result of the application of this by-law, any shortfall shall be shared by the Region and lower-tier municipalities in the same proportion as those municipalities share in the taxes levied on the property class for municipal purposes.

This By-law Read and Passed on the 24th day of June 2020.

J. Henry, Regional Chair and CEO

R. Walton, Regional Clerk