

By-law Number 34-2019

of The Regional Municipality of Durham

Being a by-law to implement the 2019 options for the Mandated Provincial Business Protection Program (“Capping”).

Whereas the Council of The Regional Municipality of Durham wishes to take certain action relating to property tax issues for the year 2019 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. The municipal options made available by the Province and implemented by Regional Council for 2019, for the Multi-Residential, Commercial and Industrial broad property tax classes 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 2019; and
 - (e) Exclude the 2016 reassessment related increases from the capping calculations.
2. The Region implements, for the Multi-Residential, Commercial and Industrial broad property tax classes, the option made available by the Province in 2009 allowing municipalities to permanently exclude any property’s components from the Program if it was at CVA level taxation in 2018, at CVA level taxation in 2019 or crosses CVA level taxation in 2019 while moving from a clawback to a capped property. In 2019, a property component that moves from a capped to a clawback property will not be excluded.
3. The Region implements, for the Commercial and Industrial broad property tax classes, the four-year phase-out option, beginning in 2018 and continuing until 2021 such that all property components in these broad property tax classes 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.
4. The cost of capping reassessment property tax increases in the Multi-Residential, Commercial, and Industrial broad property tax classes pursuant to the Program shall be financed by withholding a portion of the reassessment related decreases owing to other properties within the corresponding broad property tax class.

5. 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 26th day of June, 2019.

J. Henry, Regional Chair and CEO

R. Walton, Regional Clerk