THE ASSOCIATION OF

MUNICIPAL TAX COLLECTORS OF ONTARIO

REGION OF YORK
CLERK'S OFFICE
FILE No. - P04

March 9, 2005

TO MUNICIPAL COUNCIL

At the February 5, 2005 Executive meeting of the Association of Municipal Tax Collectors of Ontario, the following resolution was passed:

Background

In the 2004 Ontario Budget, the Province announced a plan to give municipalities a range of options to modify the parameters of the tax capping program in order to increase progress towards taxation based on CVA; however, the legislation does nothing to keep properties at CVA taxation for future years.

Property tax protection for increasing properties has now been in place for 8 years, with decreasing properties shouldering the burden of that protection in most municipalities. Municipalities strongly believe that once a property reaches CVA taxes, it should no longer be protected from normal economic assessment increases and that decreasing properties should be allowed the benefit of paying property taxes in accordance with their current value assessment, and not be subject to unpredictable and fluctuating clawback rates, calculated annually.

RESOLUTION

WHEREAS mandatory property tax increase protection has been in place for the business sector since the original implementation of current value assessment (CVA) in 1998; and

WHEREAS many protected properties continue to pay property taxes at a level far below CVA tax; and

WHEREAS properties that should be receiving property tax decreases continue to pay at an unfair level of over 100% of CVA tax in order to fund tax dollars not levied to properties protected by the capping regime; and

WHEREAS the Province of Ontario has provided optional capping tools which may be utilized to increase progress towards taxation based on CVA; and

WHEREAS property taxation based on CVA has been the goal since the implementation of current value assessment in 1998; and

WHEREAS property taxation based on CVA is considered to be a fair and equitable method of distributing taxes; and

WHEREAS assessment value volatility is naturally controlled through the process of annual reassessments;

NOW THEREFORE BE IT RESOLVED THAT the Association of Municipal Tax Collectors of Ontario (AMTCO) strongly urges the Province of Ontario to amend the legislation commencing for the 2006 taxation year, to specify that once a property reaches CVA taxation, it remains at CVA taxes, regardless of the result of future reassessments; and

THAT A COPY OF THIS RESOLUTION BE FORWARDED to The Honourable Dalton McGuinty, The Honourable Greg Sorbara, The Honourable John Gerretson, the Municipal Finance Officers Association (MFOA), the Association of Municipal Managers, Clerks & Treasurers of Ontario (AMCTO), the Association of Municipalities of Ontario (AMO), and all the AMTCO member municipalities, requesting endorsement.

Yours truly,

Tony Derro,
Secretary.

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R.M.Y.
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· Chair
· CAO
· S. Cartwright

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