

**Authority:** Item 2, GIC Committee  
Report 17-010 (FCS17045)  
CM: May 10, 2017  
Ward: City Wide

**Bill No. 103**

## **CITY OF HAMILTON**

### **BY-LAW NO. 17-**

#### **To Adopt Municipal Options for Tax Capping**

**WHEREAS** subsection 329 of the *Municipal Act, 2001*, S.O. 2001, c. 25, provides for a cap which determines the maximum taxes for which particular classes of real property are liable during the taxation year; and

**WHEREAS** paragraph 329.1(1)1 of the *Municipal Act, 2001*, S.O. 2001, c. 25, authorizes the City of Hamilton to enact a by-law to establish a percentage greater than 5% and less than or equal to 10% by which tax increases shall be limited in respect of properties in the Commercial, Industrial, Landfill and Multi-Residential property tax classes; and

**WHEREAS** paragraph 329.1(1)3 of the *Municipal Act, 2001*, S.O. 2001, c. 25, authorizes the City of Hamilton to enact a by-law to establish a dollar amount threshold greater than \$0 and less than or equal to \$500 by which capped properties in the Commercial, Industrial, Landfill and Multi-Residential property tax classes move to their full Current Value Assessment taxes if they are at or below this dollar amount threshold of their Current Value Assessment taxes; and

**WHEREAS** paragraph 329.1(1)8 of the *Municipal Act, 2001*, S.O. 2001, c. 25, authorizes the City of Hamilton to enact a by-law to establish a percentage greater than 0% and less than or equal to 100% by which the amount of full Current Value Assessment taxes for a property which becomes an eligible property within the meaning of subsection 331(20) of the *Municipal Act, 2001*, S.O. 2001, c. 25 shall be limited in respect of properties in the Commercial, Industrial, Landfill and Multi-Residential property tax classes; and

**WHEREAS** Ontario Regulation 73/03 authorizes the City of Hamilton to enact a by-law to exempt a property from the application of Part IX of the *Municipal Act, 2001*, S.O. 2001, c. 25, if taxes for the property in the previous year were equal to its full Current Value Assessment taxes for that year.

**WHEREAS** Ontario Regulation 73/03 authorizes the City of Hamilton to enact a by-law to exclude reassessment increases from the application of Part IX of the *Municipal Act, 2001*, S.O. 2001, c. 25, properties in the Commercial, Industrial, Landfill and Multi-Residential property tax classes.

**NOW THEREFORE** the Council of the City of Hamilton enacts as follows:

#### **Tax Increase - Maximum Percentage**

To Adopt Municipal Options for Tax Capping

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1. For the purpose of paragraph 329.1(1)1 of the *Municipal Act, 2001*, the City of Hamilton establishes the maximum assessment-related tax increase allowed on the Commercial, Industrial and Multi-Residential property tax classes as 10% and accordingly limits properties in these classes to a maximum assessment-related tax increase of 10%.

**Tax Increase – Maximum Dollar Amount**

2. For the purpose of paragraph 329.1(1)3 of the *Municipal Act, 2001*, the City of Hamilton establishes the maximum dollar amount threshold allowed on the Commercial, Industrial and Multi-Residential property tax classes as \$500 and accordingly properties in these classes move to their full Current Value Assessment taxes if they are at or below \$500 of their Current Value Assessment taxes in the current year.

**Tax Increase – New Construction / New to Class**

3. For the purpose of paragraph 329.1(1)8 of the *Municipal Act, 2001*, the City of Hamilton establishes the maximum taxes allowed on a Commercial, Industrial and Multi-Residential property which becomes an eligible property within the meaning of subsection 331(20) of the *Municipal Act, 2001* as 100% of its full Current Value Assessment taxes in the current year.

**Tax Capping Exemption**

4. For the purpose of paragraph 8.0.2 of Ontario Regulation 73/03, the City of Hamilton exempts any property in the Commercial, Industrial or Multi-Residential property tax classes which paid full Current Value Assessment taxes for the previous year from Part IX of the *Municipal Act, 2001* in the current year.
5. For the purpose of Part III.1 of Ontario Regulation 73/03, the City of Hamilton limits the capping protection to reassessment related increases prior to 2017.

**General**

6. The purpose of this By-law is to clarify the respective rights and obligations of the City of Hamilton and all persons liable for tax during the fiscal year.
7. This By-law is deemed to come into force on January 1<sup>st</sup>, 2017.

**PASSED** this 24<sup>th</sup> day of May, 2017.

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T. Whitehead  
Acting Mayor

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R. Caterini  
City Clerk