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Ministère des Finances

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February 5, 2001

Dear Municipal Treasurer,

As you may be aware, the Minister of Finance will be introducing a regulation governing both the content and form of property tax bills. This regulation will come into effect for the final 2001 tax bills. Interim bills for 2001 will not be affected.

A key objective of property tax reform in Ontario is to achieve a fair, consistent and transparent tax system. As part of this system, every taxpayer should have a clear understanding of how his or her tax liability has been calculated. The introduction of a standardized tax bill will ensure that bills across the province are understandable and comparable.

Attached to this letter please find a draft version of the proposed regulation along with representative samples of the tax bill and explanatory notices for business and non-business properties. Each bill will be accompanied by the appropriate explanatory notice(s) depending on the class of property being billed.

The attached draft regulation is the product of over two years of consultation with billing suppliers, municipal staff and municipal associations. The draft is designed to accommodate the almost 500 municipalities and school boards with taxing and collection authority.

Taxpayers with properties in the commercial, industrial or multi-residential property classes will receive a bill as well as an explanation of tax calculations (schedule 3). Taxpayers with properties in the residential/farm, farmlands or managed forests property classes will receive an explanation of year-over-year tax changes (schedule 3) with their property tax bill. For properties with multiple classes, the appropriate combination of explanatory notices will be issued along with the bill.

As in past years, municipalities using the OPTA system to assist in billing business-class properties, will be able to order tax capping reports for properties within the commercial, industrial and multi-residential property classes. Municipalities will be responsible for producing the required disclosure notices for these classes. The data for these notices will be available upon request from OPTA.

The Province will not provide data for schedule 2. Municipalities will be required to produce the data necessary to complete these notices as well as the actual forms.

Please review the attached material carefully. It will be the responsibility of each municipality to ensure that all tax bills issued meet the requirements laid out in the final version of the regulation. Please share this information with your tax collector and any software vendor or billing supplier that will be involved with producing your final 2001 tax bills.

If you have any questions or require further clarification, please contact Peter Frise,

Property Tax Policy Branch, Ministry of Finance,
2nd Floor Frost Building North
95 Grosvenor Street
Toronto ON M7A 1Z1
Tel. 416-325-2635
Fax. 416-314-7670
e-mail

Yours sincerely,

Original Signed by
Fareed Amin

Fareed Amin
Assistant Deputy Minister

c: Janet Mason, ADM, Policy Division, MMAH
Edward Sajecki, ADM, Provincial-Municipal Relations Division, MMAH
Norbert Hartmann, ADM, Elementary/Secondary Business and Finance Division,
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PROPOSED REGULATION TO BE MADE UNDER THE MUNICIPAL ACT
Content and Format of Standardized Property Tax Bill

1. For the purposes of section 393.1 of the Act, a tax notice under section 392 or 393 for 2001 and subsequent taxation years shall consist of Schedule 1 for all properties and
 - (a) Schedule 2 for properties classified in the residential/farm property class, farmlands property class or the managed forests property class.
 - (b) Schedule 3 for properties classified in the multi-residential property class, the commercial classes or the industrial classes.

2. Schedule 1 shall contain the information set out below that correspond to the numbers found on the Schedule:

A. BILL IDENTIFIER SECTION

- 1.0 This section would be positioned at the top of the tax bill.
- 1.1 Clear identification of the issuing municipality.
- 1.2 Prominent positioning of "Tax Bill".
- 1.3 Identification of taxation year and purpose of the bill.
 - Eg: *Final 2001 Tax Bill* .
- 1.4 "Billing Date" noted and labeled.

B. TAXPAYER AND PROPERTY IDENTIFICATION SECTION

- 2.0 This section would be positioned directly below the bill identification section and above all other sections.
- 2.1 Assessment Roll Number noted and labeled.
- 2.2 Any applicable municipal account identification information.
- 2.3 Any mortgage and/or mortgage firm information.
- 2.4 An area to identify the taxpayer and the taxpayer's mailing address labeled "Assessed Owner / Mailing Address"
- 2.5 An area to identify the subject property though the legal description or the legal description and the civic address labeled "Assessed Property".

C. RATE DRIVEN TAX LEVY DETAIL SECTION

- 3.0 This section would be positioned directly below the taxpayer and property identification section.
- 3.1 Three primary vertical columns labeled “Assessment”, “Municipal” and “Education”, in that order from left to right.
- 3.2 Assessment Column
- A. Divided into two sub-columns labeled “Tax Class” and “Value”
- 3.2.1 The *Tax Class Column* lists the tax class code for the property or portion of property that is the subject of the bill. These codes will match the codes listed on the assessment notice.
- B. A separate code will be listed for every property or portion of a property that is treated separately on the bill.
- 3.2.2 The *Value Column* lists the assessed value of each property or portion of property that is the subject of the bill.
- 3.3 Municipal Column: Divided into three sub-columns labeled “Identifier”, “Rate” and “Amount”
- 3.3.1 The *Identifier Column* lists a description of each rate applied to the property or portion of property with the exception of the education rates. In lieu of a textual description, the municipality may elect to provide code that refer to a full description contained in a key located elsewhere within the tax bill package.
- 3.3.2 A municipality within a two tier structure may choose to utilize two Identifier Columns separating the upper and lower tier levies. In this case, each column must conform to the outline above; the lower-tier column must be labeled “Local Municipality” and the upper-tier column must be labeled “Upper-Tier Municipality”.
- 3.3.3 The *Rate Column* lists each rate applied to the property or portion of property with the exception of the education rates.
- 3.3.4 The *Amount Column* lists the dollar amounts resulting from applying the rates listed in the *rate column* to the corresponding assessment value.
- 3.3.5 The *Amount Column* displays a labeled total dollar amount on the bottom line of the column.

- 3.4 Education Column: Divided into two sub-columns labeled “Rate” and “Amount”
 - 3.4.1 The *Rate Column* lists each rate applied to the property or portion of property for education purposes.
 - 3.4.2 The *Amount Column* lists the dollar amounts resulting from applying the rates listed in the *rate column* to the corresponding assessment value.
 - 3.4.3 The *Amount Column* displays a labeled total dollar amount on the bottom line of the column.

D. NON RATE DRIVEN LEVY AND CREDIT SECTION

- 4.0 Would be positioned directly below the *Rate Driven Tax Levy Detail Section*, If this section is positioned below the *Rate Driven Tax Levy Detail Section* , it would be positioned so that its right edge falls at the left edge of the printed bill.
- 4.1 Labeled, “Special Charges / Credits”.
- 4.2 Organized in the form of a primary vertical column containing two sub columns. Labeling of the sub columns would be optional.

The left column list the description of each charge; the right lists the dollar amount of each charge.
- 4.3 A total must be shown at the bottom of the amount column.

E. CVA LEVY ADJUSTMENT SECTION

- 5.0 This section would be positioned immediately after the *Non Rate Driven Levy and Credit Section*. It may either appear below that section or to the right of that section .
- 5.1 Labeled “Current Value Assessment Phase In Adjustment”.

If the acronym CVA is used in place of the full term, a reference and note must be inserted so that the taxpayer is able to see what this stands for.
- 5.2 The summary must communicate the following elements:
 - A. Destination tax amount
 - B. Number of years in phase-in program
 - C. Current year’s phase in adjustment
 - D. Current year’s adjusted taxes
 - E. Any further information or calculation details may be provided at municipal discretion.

F. SUMMARY SECTION

- 6.0 Would be positioned to either the immediate right of or directly below the *CVA levy adjustment section*.
- 6.1 Labeled, "Summary".
- 6.2 The details and amounts listed within this section must be organized vertically and appear in the following order.
 - 6.2.1 Current Year's CVA based tax amount, municipal + education
 - 6.2.2 Special Charges / Credits
 - 6.2.3 Current Year's CVA Phase-In Adjustment (If Applicable)
 - 6.2.4 Current Year's Tax Cap Adjustment (If Applicable)
 - 6.2.5 Current Year's Final Taxes
 - 6.2.6 Less Interim Billing
 - 6.2.7 Past Due Credit (As of <Date>) Inclusion of this line is optional
 - 6.2.8 Total Amount Due

G. RECEIPT PORTION INSTALLMENT IDENTIFIERS

- 7.0 Would be positioned immediately adjacent to the remittance portion of the bill.
- 7.1 A labeled list of all installments identifying the amount and due date of each.

H. PAYMENT INFORMATION

- 8.0 Would be positioned below or to the right of the receipt portion of the bill.
- 8.1 Content produced at municipal discretion.

I. REMITTANCE PORTION

- 9.0 Would be positioned below or to the right of the receipt portion of the bill.
- 9.1 Payment stubs designed by municipalities.
- 9.2 Minimum content requirements:
 - A. Account identification (Roll number or Municipal account number)
 - B. Payment amount
 - C. Payment due date
 - D. Identification of issuing municipality.

3. Schedule 2 shall contain the information set out below that correspond to the numbers found on the Schedule:

A. NOTICE, TAXPAYER AND PROPERTY IDENTIFIER SECTION

- 1.0 This section would be positioned at the top of the tax bill.
- 1.1 Prominent positioning of “Explanation of Tax Changes”.
- 1.2 Clear identification of the tax years being compared.
- 1.3 Clear identification of the issuing municipality.
- 1.4 Assessment Roll Number noted and labeled.
- 1.5 Property Class noted and labeled.
- 1.6 Current Value Assessment for current taxation year noted and labeled.
- 1.7 Assessed Owner noted and labeled.
- 1.8 Civic and or Mailing address Noted and Labeled.
- 1.9 Legal Description noted and labeled.

B. TAX CHANGE SUMMARY SECTION

- 2.1 Actual previous year’s final taxes noted and labeled.
- 2.2 Current year’s final taxes noted and labeled.
- 2.3 Total difference between amount shown in 2.1 and amount shown in 2.2 noted and labeled as “Total Year-Over-Year Tax Change”.

C. TAX CHANGE DETAIL SECTION

- 3.1 Labeled “Explanation of Tax Changes”
- 3.2 Actual previous year’s final taxes noted and labeled.
- 3.3 Previous year’s annualized taxes noted and labeled.
- 3.4 Current year’s local municipal levy change noted and labeled.
- 3.5 For all municipalities that are part of an upper-tier municipality, the upper-tier municipal levy change must be noted and labeled.

- 3.6 Current year's Provincial education levy change noted and labeled.
- 3.7 Current value reassessment impact in tax dollars noted and labeled.
Not applicable for 2002 tax year.
- 3.8 Final 2001 Taxes Noted and Labeled.

D. NOTATIONS TO BE INCLUDED

- 4.1 The following text will be included as a footnote providing an explanation of "Annualized Taxes"

"Annualized taxes reflect the tax implications of in-year changes to a property as if the changes had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared"

- 4.2 Schedule will include the following notation. "All figures are shown to the nearest dollar".

- 4. Schedule 3 shall contain the information set out below that correspond to the numbers found on the Schedule:

A. NOTICE, TAXPAYER AND PROPERTY IDENTIFIER SECTION

- 1.0 This section would be positioned at the top of the tax bill.
- 1.1 Prominent positioning of "Explanation of Property Tax Calculations".
- 1.2 Clear identification of the current tax year.
- 1.3 Clear identification of the issuing municipality.
- 1.4 Assessment Roll Number noted and labeled.
- 1.5 Property Class noted and labeled.
- 1.6 Current Value Assessment for current taxation year noted and labeled.
- 1.7 Assessed Owner noted and labeled.
- 1.8 Civic and or Mailing address Noted and Labeled.
- 1.9 Legal Description noted and labeled.

B. TAX PROTECTION SUMMARY SECTION

- 2.1 Current Year's Current Value Assessment based taxes noted and labeled.
- 2.2 Current year's final taxes noted and labeled.

C. TAX CALCULATION DETAIL SECTION

- 3.1 Labeled "Calculation for Total Final Billing".
- 3.2 Current Year's Current Value Assessment based taxes noted and labeled.
- 3.3 Previous year's annualized taxes noted and labeled.
- 3.4 Current year's tax cap adjustment noted and labeled
- 3.5 Current year's Provincial education levy change noted and labeled.
- 3.6 Current year's levy change noted and labeled.
- 3.7 Final 2001 Taxes Noted and Labeled.

D. NOTATIONS TO BE INCLUDED

- 4.1 The following text will be included as a footnote providing an explanation of "Annualized Taxes"

"Annualized taxes reflect the tax implications of in-year changes to a property as if the changes had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared"

- 4.2 Schedule will include the following notation. "All figures are shown to the nearest dollar".

**Schedule 1:
Final Tax Bill; All Property Classes**

1.1		1.2				1.3	
						1.4	
Roll No.			2.1		2.2		
2.3							
Assessed Owner/Mailing Address				Assessed Property			
2.4				2.5			
3.2 Assessment		3.3 Municipal				3.4 Education	
Tax Class	Value	Lower-Tier	Upper-Tier	Rate	Amount	Rate	Amount
3.2.1	3.2.2	3.3.1	3.3.2	3.3.3	3.3.4	3.4.1	3.4.2
Sub Totals		Municipal Levy		3.3.5		Education Levy	3.4.3
4.1 Special Charges/Credits		5.1 CVA Phase-In		6.1 Summary			
4.2		5.2		CVA Tax Amount Municipal + Education		6.2.1	
				Special Charges/Credits		6.2.2	
				CVA Phase-In Adjustment		6.2.3	
				YYYY Tax Cap Adjustment		6.2.4	
				Final YYYY Taxes		6.2.5	
				Less Interim Billing		6.2.6	
				Past Due/ Credit (As of MMM/DD/YYYY)		6.2.7	
Total		4.3		Total Amount Due		6.2.8	
				1st Instalment Due		2nd Instalment Due	
				7.1		7.1	
8.0							
9.0							

Schedule 2:
Explanation of Year-Over-Year Tax Changes;
Residential, Farm and Managed Forests Property Classes.

1.1 Explanation of Tax Changes
1.2 YYYYY to YYYYY

Municipality	Assessment Roll No. 1.4
1.3	Property Class 1.5
	YYYYY Current Value Assessment (CVA) 1.6

Assessed Owner	1.7
Municipal Address	1.8
Legal Description	1.9

Final YYYYY Taxes
2.1

Final YYYYY Taxes
2.2

Total Year-Over-Year Tax Change
2.3

3.1 Explanation of Tax Changes

3.2	Final YYYYY Taxes:	\$
3.3	* YYYYY Annualized Taxes:	\$
3.4	YYYYY Local Municipal Levy Change:	\$
3.5	YYYYY Upper-Tier Municipal Levy Change:	\$
3.6	YYYYY Provincial Education Levy Change:	\$
3.7	Current Value Reassessment Impact:	\$
3.8	Final YYYYY Taxes:	\$

4.1 **Annualized taxes reflect the tax implications of in-year changes to a property as if the change had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared.*

4.2 *All Figures are shown to the nearest dollar.*

Schedule 3:
Explanation of Tax Cap Adjustments;
Commercial, Industrial and Multi-Residential Property Classes

1.1 Explanation of Property Tax Calculations
1.2 2001 Taxation Year

Municipality 1.3	Assessment Roll No. 1.4
	Property Class 1.5
	YYYY Current Value Assessment (CVA) 1.6

Assessed Owner	1.7
Municipal Address	1.8
Legal Description	1.9

Total YYYY CVA Taxes	Total Final Billing
2.1	2.2

3.1 Calculation for Total Final Billing

3.2	YYYY CVA Taxes:	\$
3.3	* YYYY Annualized Taxes:	\$
3.4	YYYY Tax Cap Adjustment:	\$
3.5	YYYY Provincial Education Levy Change:	\$
3.6	YYYY Municipal Levy Change:	\$
3.7	Final YYYY Taxes:	\$

4.1 **Annualized taxes reflect the tax implications of in-year changes to a property as if the change had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared.*

4.2 *All Figures are shown to the nearest dollar.*



Town of Anyville
 000 Any Street
 Anyville ON L1L 1L1
 (000) 000-0000

Tax Bill

Final 2001
 Billing Date **May 30, 2001**

Roll No.	Account Identification No.
Mortgage Company	Mortgage No.
Assessed Owner/Mailing Address	Assessed Property

Assessment		Municipal				Education	
Tax Class	Value	Lower-Tier	Upper-Tier	Rate	Amount	Rate	Amount
Draft							
Sub Totals		Municipal Levy				Education Levy	
Special Charges/Credits		CVA Phase-In		Summary			
				CVA Tax Amount Municipal + Education Special Charges/Credits CVA Phase-In Adjustment 2001 Tax Cap Adjustment Final 2001 Taxes			
				Less Interim Billing Past Due/ Credit (As of MMM/DD/YYYY)			
				Total Amount Due ▶			
Total				1st Instalment	Due	2nd Instalment	Due

Bill Payment Information

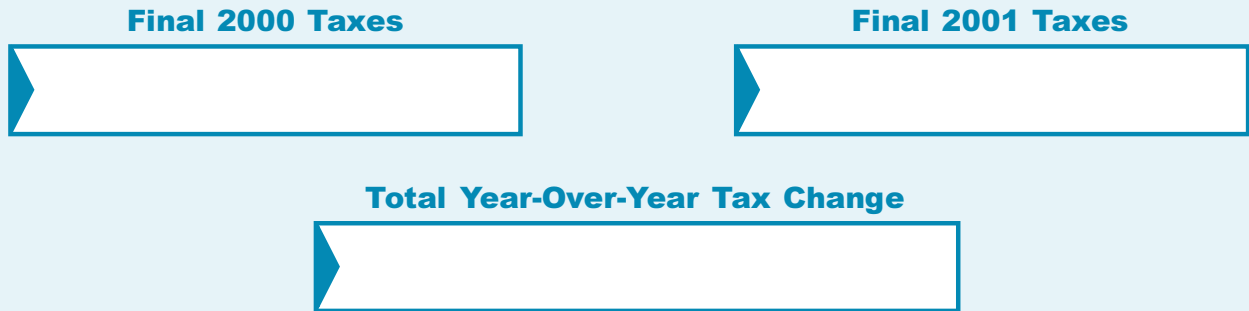
Reserved for Remittance Portion

Explanation of Tax Changes 2000 to 2001

Municipality Town of Anyville 000 Any Street Anyville ON L1L 1L1 (000) 000-0000	Assessment Roll No. Property Class 2000 Current Value Assessment (CVA)
--	--

Assessed Owner	
Municipal Address	
Legal Description	

Draft



Explanation of Tax Changes	
Final 2000 Taxes:	\$
* 2000 Annualized Taxes:	\$
2001 Local Municipal Levy Change:	\$
2001 Upper-Tier Municipal Levy Change:	\$
2001 Provincial Education Levy Change:	\$
Current Value Reassessment Impact:	\$
Final 2001 Taxes:	<div style="border: 2px solid #0070c0; width: 300px; height: 20px; display: inline-block;"></div>

** Annualized taxes reflect the tax implications of in-year changes to a property as if the changes had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared.*

All Figures are shown to the nearest dollar.

Explanation of Property Tax Calculations 2001 Taxation Year

Municipality Town of Anyville 000 Any Street Anyville ON L1L 1L1 (000) 000-0000	Assessment Roll No. Property Class 2000 Current Value Assessment (CVA)
--	--

Assessed Owner	
Municipal Address	
Legal Description	

Draft

Total 2001 CVA Taxes

▶

Total Final Billing

▶

Calculation for Total Final Billing	
2001 CVA Taxes:	\$
*2000 Annualized Taxes:	\$
2001 Tax Cap Adjustment:	\$
2001 Provincial Education Levy Change:	\$
2001 Municipal Levy Change:	\$
Final 2001 Taxes:	\$

** Annualized taxes reflect the tax implications of in-year changes to a property as if the changes had occurred at the beginning of the year. These figures allow for consistent tax comparisons where a property-specific change has changed the general tax treatment between the two years being compared.*

All Figures are shown to the nearest dollar.