

THE REGIONAL MUNICIPALITY OF PEEL

BY-LAW NUMBER 35-2021

**A by-law to establish a percentage by which tax decreases are limited for 2021 for properties in the commercial property class.**

WHEREAS subsection 330(1) of the *Municipal Act, 2001* S.O. 2001 c. 25 (the "Act") provides that a municipality, other than a lower-tier municipality, may pass a by-law to establish a percentage by which tax decreases are limited for a taxation year in respect of properties in any property class subject to Part IX of the Act in order to recover all or part of the revenues foregone as a result of the application of section 329 to other properties in the property class;

AND WHEREAS, subsection 330(2) of the Act provides that such a by-law must apply to all properties in the property class whose taxes for municipal and school purposes for the previous year, as determined under subsection 329(2) exceed their taxes for municipal and school purposes for the taxation year as adjusted in accordance with the regulations in respect of changes in taxes for municipal purposes and changes in taxes for school purposes;

AND WHEREAS, subsection 330(3) of the Act provides that such a by-law must establish the same percentage for all properties in a property class, but may establish different percentages for different property classes;

AND WHEREAS, subsection 330(4) of the Act requires that a tax decrease limitation percentage for a property for a year shall be determined in accordance with paragraphs 1 through 4 of the subsection;

AND WHEREAS, subsection 327(4) of the Act provides that Part IX of the Act applies to the commercial property class;

AND WHEREAS, subsection 329.1(1) of the Act provides that a municipality, other than a lower-tier municipality, may pass a by-law to have one or more of the optional tools in subsection 329.1(1) and Ontario Regulation 73/03 as amended apply in the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial class for 2021;

AND WHEREAS, section 8.0.2 of Ontario Regulation 73/03 as amended (the "Regulation") provides that if a by-law has been enacted by a municipality providing that that section applies within the municipality for the taxation year then a property meeting any conditions set out in the by-law pursuant to subsection 8.0.2 (2) of the Regulation is exempt from the application of Part IX of the Act for the taxation year;

AND WHEREAS, section 8.3 of Ontario Regulation 73/03 as amended provides that if a by-law has been enacted by a municipality providing that that section applies within the municipality for the taxation year then a property meeting any conditions set out in the by-law pursuant to section 8.3 of the

Regulation is phased out from the application of Part IX of the *Act* for the taxation year;

AND WHEREAS, Regional Council enacted By-law 35-2021 which adopted the optional tools that may be applied in determining the amount of taxes for municipal and school purposes payable in respect of property in the commercial property class for the 2021 taxation year, and which further provided that section 8.0.2 and section 8.3 of the Regulation apply within the Region of Peel for the 2021 taxation year and set out the conditions provided for in section 8.0.2 and section 8.3 of the Regulation;

AND WHEREAS, subsection 330(6) of the *Act* requires that a by-law made under subsection 330(1) to establish a tax decrease limitation percentage shall also require that adjustments shall be made between the upper-tier municipality and lower-tier municipalities so that no lower-tier municipality has a surplus or shortfall as a result of the application of the by-law;

AND WHEREAS, subsection 330(7) of the *Act* provides that if the upper-tier municipality experiences a shortfall as a result of the application of subsection 330(6), the by-law made under subsection 330(1) shall provide that any shortfall shall be shared by the upper-tier municipality and the lower-tier municipalities in the same proportion as those municipalities share in the taxes levied on the property class for municipal purposes.

NOW THEREFORE, the Council of the Regional Corporation enacts as follows:

1. That tax decreases for the 2021 taxation year on properties in the Regional Municipality of Peel referred to in subsection 330(2) of the *Act* which are in the property class set out in Column I shall, in 2021, be limited by the percentage of the tax decrease set out in Column II in order to recover the revenues foregone as a result of the application of section 329 of the *Act* to other properties in the property class, so that the percentage of the tax decrease set out in Column III is the maximum tax decrease permitted to be received in 2021 by such properties;

<b>Column I (Property Class)</b>	<b>Column II (Clawback %)</b>	<b>Column III (Allowable Decrease %)</b>
Commercial	33.0980%	66.9020%

2. That adjustments shall be made between the Regional Municipality of Peel and its lower-tier municipalities so that no lower-tier municipality has a surplus or shortfall as a result of the application of the by-law;
3. That if the Regional Municipality of Peel experiences a shortfall as a result of the adjustments made in order to eliminate any surplus or shortfall at each of its lower-tier municipalities, the shortfall shall be shared by the Regional Municipality of Peel and its lower-tier municipalities in the same proportion as those municipalities share in the taxes levied on the property class for municipal purposes.

READ THREE TIMES AND PASSED IN OPEN COUNCIL this 27<sup>th</sup> day of May, 2021.

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Deputy Regional Clerk

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Regional Chair