



2009 FINAL PROPERTY TAXES

Multi-residential, Commercial, and Industrial Property Classes

Tax Capping Program

Property taxes in the commercial, industrial and multi-residential property classes are calculated pursuant to the capping program.

Mandatory assessment phase-in program

The Municipal Property Assessment Corporation (MPAC) has reassessed all properties in Ontario using a base year of Jan. 1, 2008. Provincial legislation requires assessment increased to be phased-in equally over four years from 2009-12, while decreases will not be phased in and the lower assessment will be the assessed value for the four years. Taxes are still subject to capping.

The following table describes the steps used to calculate your 2009 tax levy, as required by the *Municipal Act, 2001*, pursuant to Part IX – Limitation on Taxes.

2009 CAPPING CALCULATOR		
Description		Formula
A.	Previous Year's Annualized Taxes	Previous year's capped tax (incl. Supp/Omit)
B.	Previous Year's CVA tax	Previous year's uncapped tax (incl. Supp/Omit)
C.	Current Year's CVA Taxes before capping	CVA x Tax Rate(s)
D.	Overall Levy Change	OLC % (see table on page 2 – 2009 Capping Factors, line 4)
E.	Current Year's CVA Taxes before levy change	$C / (1 + \text{OLC})$
G.	Tax Change Subject to Capping	$E - A$
H.	Annualized Tax Limit based on 2008 annualized taxes	$A \times \text{Annualized Tax Limit}$ (see table on page 2 – 2009 Capping Options, line 1)
I.	CVA Tax Limit based on 2008 uncapped tax	$B \times \text{CVA Tax Limit}$ (see table on page 2 – 2009 Capping Options, line 2)
J.	2009 Capping Adjustment	If $G \geq 0$ then $\text{Min}(G, \text{Max}(H, I))$ If $G < 0$ then $G \times \text{Decrease \% Retained Limit}$ (see table on page 2 - 2009 Capping Factors, line 5)
K.	Overall Levy Change Adjustment	$(A + J) \times D$
L.	2009 Adjusted Taxes – pre-threshold	$A + J + K$
M.	CVA Tax Threshold Adjustment	If $C - L = \text{within threshold limit}$, then $C - L$, else 0 (see table on page 2 - 2009 Capping Options, lines 3a,b)
N.	2009 Adjusted Taxes	$L + M$

The *Municipal Act* provides a number of the capping options that will accelerate the movement of capped properties to full taxation.

1. Increase the annual cap from 5% to up to 10% of the previous year's annualized taxes (Annualized Tax Limit); and/or

2. Implement a minimum annual cap based on up to 5% of previous year's annualized CVA (uncapped) taxes (CVA Tax Limit); and/or
3. Move capped (Increasers) or clawed-back (Decreasers) tax directly to CVA tax if it is within \$250 of CVA taxes (CVA Tax Threshold).
4. Set capping limits to apply to properties that are new to the capping program.
5. Remove properties from the capping program when: i) properties reached CVA taxation in the previous year; ii) when properties went from capped to clawed back; and iii) when properties went from clawed back to capped. (This option was not selected by Kingston.)

The 2009 capping options adopted by Council to set the 2009 limits, as well as the capping factors used in calculating 2009 capped taxes, are listed in the table below.

Capping Options		2009 Capping Options/Factors		
		Multi-residential	Commercial	Industrial
1	Annualized Tax Limit	5%	10%	10%
2	CVA Tax Limit	n/a	5%	5%
3 a	CVA Tax Threshold – Increasers	n/a	\$250	\$250
3 b	CVA Tax Threshold – Decreasers	n/a	\$250	\$250
	New To Class Limit	100%	100%	100%
Capping Factors		Multi-residential	Commercial	Industrial
		4	Overall Levy Change (OLC)*	3.0125%
5	Decrease % Retained Limit	84.0317%	73.4334%	57.2420%
6	Decrease % Clawback Limit	15.9683%	26.5666%	42.7580%

*The overall levy change is the 2009 tax increase, which includes both municipal and education tax rate changes. (In comparison, residential property overall tax increases range from 2.8% – 3.8%).

Tax rebate program for vacant units in commercial & industrial buildings

Owners of eligible property must submit an application in order to receive a rebate. The deadline to submit applications for a tax year is February 28 of the following year. Eligibility criteria and applications are available on our website www.cityofkingston.ca/taxrebates or by contacting our Taxation Services representatives at 613-546-4291 extension 2015.

Assessment appeal information

Changes to the assessment appeal process became effective Jan. 1, 2009. Under the new rules, the deadline for filing a request for reconsideration, with MPAC, was Mar. 31, 2009. Assessment appeals, filed with the Assessment Review Board, were also to be filed by Mar. 31, 2009.

Tax rebate program for eligible charities

Eligible charities must submit an application in order to receive a rebate. Landlords are required to complete a declaration in the application, and must provide a copy of the tax bill and a statement of calculations for tax amounts billed to the charity. Eligibility criteria and applications are available on our website www.cityofkingston.ca/taxrebates or by contacting our Taxation Services representatives at 613-546-4291 extension 2015.

Questions or Concerns

If you require any additional information, please contact our Taxation Services representatives at 613-546-4291, extension 2015. Our office hours are 8:30 a.m. to 4:30 p.m., Monday to Friday; or contact us by email at tax@cityofkingston.ca. Please visit our web site at www.cityofkingston.ca.

New! ECity Property assessment and Tax Levy Lookup Tool

Find out the amount of property taxes and the assessment used calculating them. Go to www.cityofkingston.ca/assessment