



2011 FINAL CAPPED 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 (*Part IX, Municipal Act, 2001*, as amended).

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 2011 tax levy.

2011 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 – 2011 Capping Factors, line i)
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 2010 annualized taxes	A x Annualized Tax Limit (see table on page 2 – 2011 Capping Options, line 1)
I. CVA Tax Limit based on 2010 uncapped tax	B x CVA Tax Limit (see table on page 2 – 2011 Capping Options, line 2)
J. 2011 Capping Adjustment	If $G \geq 0$ then $\text{Min}(G, \text{Max}(H, I))$ If $G < 0$ then $G * \text{Decrease \% Retained Limit}$ (see table on page 2 - 2011 Capping Factors, line ii)
K. Overall Levy Change Adjustment	$(A + J) \times D$
L. 2011 Adjusted Taxes (pre-threshold)	$A + J + K$
M. CVA Tax Threshold Adjustment	If $C - L =$ within threshold limit, then $C - L$, else 0 (see table on page 2 - 2011 Capping Options, lines 3a,b)
N. 2011 Adjusted Taxes	$L + M$

The *Municipal Act* provides a number of 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 (Increases) or clawed-back (Decreases) 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. Stay at CVA options include removing 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.

The 2011 capping options adopted by Council to set the 2011 limits, as well as the capping factors used in calculating 2011 capped taxes, are listed in the table below.

		2011 Capping Options/Factors		
Capping Options		Multi-residential	Commercial	Industrial
1	Annualized Tax Limit	5%	10%	10%
2	CVA Tax Limit	n/a	5%	5%
3 a	CVA Tax Threshold – Increases	n/a	\$250	\$250
3 b	CVA Tax Threshold – Decreasers	n/a	\$250	\$250
4	New To Class Limit	100%	100%	100%
5	Stay at CVA Options	n/a	n/a	n/a
Capping Factors		Multi-residential	Commercial	Industrial
i	Overall Levy Change (OLC)*	3.2007%	1.7070%	1.1039%
ii	Decrease % Retained Limit	91.8128%	44.5845%	87.7229%
iii	Decrease % Clawback Limit	8.1872%	55.4155%	12.2771%

*The overall levy change is the 2011 tax increase, which includes both municipal and education tax rate changes.

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 ext. 2015.

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 ext.2015.

Mixed use properties

If your property is assessed in both capped and uncapped* property classes, you will receive 2 tax bills. To determine your property's total taxes, add together the 2011 final taxes from the tax bill summary sections. If you receive two final tax bills, please be aware that any arrears or credits will show on uncapped tax bills ONLY. Payments will be applied according to payment application information, which is noted on the front of the tax bill. (***uncapped properties** include property assessed in the residential, farm, new multi-residential, managed forests and pipeline property classes)

Payment application and late payment charges

Payments must be received on or before the due date to avoid late payment charges. ***Please note that changes to Canada Post mail pick-up and sorting may require you to mail your tax bill well in advance of the due date.*** Postdating your cheque for the due date and mailing as soon as possible is recommended. If paying online, please be aware of your bank's processing times. Payments will be recorded as of the date of the teller stamp or bank confirmation page (include processing time) confirming payment.

New! 2011 Fees

If you have recently purchased or transferred title, or if your property is new to the tax roll in 2011, you will incur a fee of \$25.75 to cover the costs associated with setting up your tax roll.

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

Questions or Concerns

If you require additional information, please contact our Taxation Services representatives at 613-546-4291, ext. 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/taxes.