



**City of Kingston
Report to Council
Report Number 19-145**

To:	Mayor and Members of Council
From:	Desirée Kennedy, Chief Financial Officer and City Treasurer
Resource Staff:	Jeff Walker, Manager of Taxation and Revenue
Date of Meeting:	May 21, 2019
Subject:	2019 Final Tax Levy and Tax Rates

Executive Summary:

The *Municipal Act, 2001* requires municipalities to pass a by-law to enable the levying and collecting of property taxes. The 2019 operating budget, passed by Council on February 19, 2019, included the amount of \$232,491,076 to be raised by taxation as approved by By-Law Number 2019-28. As part of the 2019 operating budget deliberations, Council approved an overall average municipal tax levy increase of 2.5%, recognizing that the actual tax bill change may differ for each property class and from property to property based on area rated services and tax shifts resulting from reassessment. The recommendations in this report serve to formalize the appropriate by-laws to enable the levying of taxation.

In the past few years, provincial education tax rates have decreased creating “education tax room” that has provided Kingston with the ability to further reduce the impact of municipal tax increases. For 2019, staff is recommending utilizing a portion of this education tax room to offset anticipated shortfalls in provincial funding as a result of the recent Provincial budget. After incorporating this adjustment, as well as other reassessment and tax policy shifts, the tax rate recommendations reflect an overall average residential tax rate increase, including education taxes, of 1.84%.

The 2019 tax levy by-law includes provisions for a final 2019 tax installment to be due on the last business day in June, with a due date of June 28, 2019, separate billings for capped and non-capped property classes, penalty and interest charges to be applied for non-payment of taxes and payments to be made at financial institutions or Canada Post outlets.

In order to meet tax billing process deadlines, staff requests Council to waive the requirements of By-Law Number 2010-1 so that the by-law to levy taxes for year 2019, being presented as Exhibit B to this report, may be given three readings at the same Council meeting.

May 21, 2019

Page 2 of 9

Recommendation:

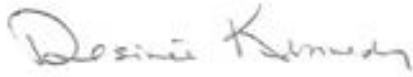
That the by-law attached as Exhibit B to Council Report Number 19-145 be presented to Council for three readings on May 21, 2019 in order to levy taxes for the year 2019 to:

1. Set the tax rates to be levied upon the assessment in each property class to raise the amounts required by taxation:
 - a. Municipal Tax Levies
 - i. General Tax Levy \$ 200,169,929
 - ii. Regulated Tax Levy 57,389
 - b. Special Area Levies
 - i. Fire Central \$ 17,183,625
 - ii. Fire West 9,730,709
 - iii. Fire East 1,670,722
 - iv. Garbage Disposal 1,674,559
 - c. Business Improvement Area Levies
 - i. Operating Levy \$ 1,345,019
 - ii. Capital Levies 214,240
2. Adopt the education tax rates to levy education taxes on behalf of the Province; and
3. Utilize a portion of the education tax room to offset anticipated shortfalls in provincial funding as a result of the recent Provincial budget; and
4. Establish the necessary provisions to enable preparation and collection of 2019 final taxes.

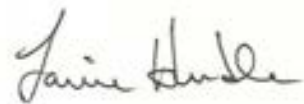
May 21, 2019

Page 3 of 9

Authorizing Signatures:



**Desirée Kennedy, Chief Financial
Officer and City Treasurer**



**Lanie Hurdle, Acting Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Gary Dyke, Commissioner, Corporate Enterprise Services	Not required
Peter Huigenbos, Acting Commissioner, Community Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Sheila Kidd, Commissioner, Transportation & Public Works	Not required

May 21, 2019

Page 4 of 9

Options/Discussion:

The 2019 operating budget (By-Law Number 2019-28) and tax ratio (By-Law Number 2019-65) by-laws have been approved by Council. As part of the operating budget, Council approved an overall average municipal tax rate increase of 2.5%. In addition, Council approved 2019 tax ratios which incorporate a reduction to the multi-residential tax ratio and a phased-in reduction to the farm tax ratio.

In the past few years, provincial education tax rates have decreased to offset related assessment increases. The education decreases have been greater than Kingston's average assessment increase resulting in a tax shift away from Kingston to other municipalities. In the past, this "education tax room" has provided Kingston with the ability to further reduce the impact of municipal tax increases; however, staff is recommending utilizing a portion of this education tax room in 2019 to offset anticipated shortfalls in provincial funding as a result of the recent Provincial budget. Recommended tax rates have incorporated this adjustment which will provide an additional \$500K in tax revenues to address current and future year provincial funding reductions.

After incorporating reassessment and tax ratio shifts and utilizing a portion of the provincial education tax room, the total average tax increase for residential properties is calculated at 1.84%. As a result of different reassessment and tax ratio shifts, the average tax increase will vary for each property class and final tax bill changes will also vary from property to property based on property specific reassessment changes.

The aforementioned budget and tax policies have been used in calculating the tax rates, which will be applied against the assessment to raise the taxation revenue required for general municipal purposes and area-rated services for fire and garbage. The draft by-law also includes tax rates required to raise amounts for the Downtown Kingston! Business Improvement Area.

As part of the 2019 budget recommendations, Council approved that any variance between final assessment growth and budget projections be transferred to or funded from the Working Fund Reserve, in order to offset unanticipated variances in assessment growth as a stabilization measure. The final analysis of 2019 assessment growth has confirmed amounts as projected and, therefore, a Working Fund Reserve transfer is not required.

The draft by-law to levy taxes for year 2019, attached to this report as Exhibit B, sets the tax rates and assessments upon which the taxes are calculated to provide the required levies. Except for BIA levies, and education levies which are discussed later in this report, all tax rates have been determined for each property class by calculating the residential tax rate and multiplying it against the ratio and subclass reduction, if applicable, for each class.

Attached to the draft by-law to levy taxes for year 2019 are the following schedules:

Schedule 1 2019 Taxation Revenue Summary

Schedule 2 2019 Tax Rate Schedule – Residential & Farm Properties

May 21, 2019

Page 5 of 9

Schedule 3	2019 Tax Rate Schedule – Business Properties
Schedule 4	2019 General Municipal Levy
Schedule 5	2019 Regulated Municipal Levy
Schedule 6	2019 Fire Levy
Schedule 7	2019 Garbage Disposal Levy
Schedule 8	2019 BIA Operating Levy
Schedule 9	2019 BIA K-Rock Centre Levy
Schedule 10	2019 Education Levy

Tax Bill Comparison by Class - Residential

The following two tables provide a comparison and explanation of tax increases for residential taxpayers. Tax increases differ by area due to the policies associated with levying fire costs by area. It is noted that the overall assessment base for the City increased in value by 3.60%; whereas residential properties increased in value by an average 2.92% resulting in a tax shift off of the residential property class.

Table 1 provides further information on the 2019 residential tax increase for an average residential property, including education taxes. Final tax bill changes will vary from property to property based on property specific reassessment changes. Changes to the education tax rates are explained later in the report.

Table 2 compares 2018 taxes by area for an average residential property valued at \$310,031 to the same property now valued at \$319,073, a 2.92% increase.

Table 1: 2019 Residential Tax Increase

	Average Residential Change	
	%	\$
Municipal Budget Increase	2.50	87.48
Reassessment Tax Shift ⁽¹⁾	(0.70)	(24.46)
Multi-Res Tax Ratio Reduction Tax Shift ⁽²⁾	0.48	16.83
Farm Tax Ratio Reduction Tax Shift ⁽³⁾	0.01	0.17
Average Tax Increase - Municipal	2.28	80.02
Education Tax Room Adjustment	0.22	7.78
Total Average Tax Increase - Municipal ⁽⁴⁾	2.50	87.80
Total Average Tax Change - including Education ⁽⁴⁾	1.84	74.45

May 21, 2019

Page 6 of 9

- (1) The residential property tax class increased an average of 2.92% compared to the overall assessment base increase of 3.60%. As a result, taxes were shifted off of the residential class.
- (2) The reduction of the multi-residential tax ratio to 1.80 for 2019, shifts taxes onto all other property classes.
- (3) The four-year phase-in reduction of the farm tax ratio, approved in 2017, shifts taxes onto all other property classes.
- (4) The provincial education tax rate for residential properties decreased by 5.29% compared to a 2.92% increase in Kingston's average assessment for residential properties. This results in a decrease in education taxes payable for these properties.

Table 2: 2018-2019 Residential Tax Bill Comparison

	2018			2019		
	Assessment = \$310,031			Assessment = \$319,073		
<u>Taxation</u>	Central	West	East	Central	West	East
General	\$ 3,025.03	\$ 3,025.03	\$ 3,025.03	3113.60	3113.60	3113.60
Fire	619.64	332.34	228.01	611.62	337.82	226.09
Garbage	42.76	42.76	42.76	43.80	43.80	43.80
Municipal Total	\$ 3,687.43	\$ 3,400.13	\$ 3,295.79	3769.01	3495.22	3383.49
Education	527.05	527.05	527.05	513.71	513.71	513.71
Tax Total	\$ 4,214.48	\$ 3,927.18	\$ 3,822.84	4,282.72	4,008.93	3,897.20
				<u>Percentage Change</u>		
Average Total Increase (including Education)				1.62	2.08	1.95

Tax Bill Comparison by Class – Other Classes

Similar to residential classes above, Exhibit A provides a breakdown of budget increases, reassessment and tax ratio shifts and average tax changes, including education taxes, for other property classes.

Education Tax Rates

The provincial government sets the education tax rates for all property classes in Ontario Regulation 400/98, as amended. The 2019 education tax rate for residential, new multi-residential, multi-residential, farm and managed forest property classes is 5.29% lower than the 2018 education tax rate. The 2019 commercial and industrial business education tax (BET) rates were also reduced to reflect increases in the provincial average assessment. A 2018 to 2019 comparison by property class is provided in Table 3 below.

Provincial strategy for the future of education rates is unknown at this time as the Province continues to review education property tax frameworks. As discussed above, provincial

May 21, 2019

Page 7 of 9

education tax rates have decreased in the past few years creating “property tax room” which has contributed to the municipality’s strategies for limiting tax rate increases in prior years. It is anticipated that the Province will continue to decrease education rates in 2020 to offset the final year of the four year reassessment phase-in, providing a strategy for managing tax rate increases in 2020. After 2020, “property tax room” will be dependent on provincial policy as well as the results of the 2020 property reassessment process.

In order to eliminate a wide variation in BET rates across the Province, the Minister of Finance announced in the March 2007 budget that the BET rates would be reduced each year until they reached a target maximum rate. This initiative was subsequently postponed with the Province projecting that any further reductions towards the target rate would not occur until after the province balanced its budget. However, the target BET rate continues to be reset each year, and is applied to new construction commercial and industrial properties, which were issued a building permit after March 22, 2007. For existing commercial and industrial property, the assessment must increase by a minimum of 50% to be eligible for the target rate.

The total 2019 education taxes being levied are \$55,980,318. This amount was calculated by applying the regulated rate to the appropriate assessment class and is included in Schedule 10 to the draft by-law.

Table 3: 2018 - 2019 Education Tax Rates Comparison

Property Class	2018 Education Tax Rates	2019 Education Tax Rates
Residential, New Multi-residential, Multi-Residential	0.00170000	0.00161000
Farm, Managed Forest	0.00042500	0.00040250
Pipeline	0.01281245	0.01243815
Commercial	0.01340000	0.01290000
Industrial	0.01340000	0.01290000
Commercial New Construction (set at target BET rate) ⁽¹⁾	0.01090000	0.01030000
Industrial New Construction (set at target BET rate) ⁽¹⁾	0.01090000	0.01030000

⁽¹⁾ The target BET rate is applied to new construction commercial and industrial properties, which were issued a building permit after March 22, 2007. For existing commercial and industrial property, the assessment must increase by a minimum of 50% to be eligible for the target rate.

Tax Bill Provisions

Also included in the draft by-law to levy taxes for year 2019 are provisions for installment due dates, separate billings for capped and non-capped property classes, penalty and interest charges to be applied for non-payment of taxes and a number of payment options. All of these items are required to be passed by by-law, pursuant to the *Municipal Act, 2001*.

May 21, 2019

Page 8 of 9

Separate tax billings are recommended for both non-capped property and capped property classes. Due dates for both billings are June 28, 2019; accordingly, tax bills must be sent out by June 7, 2019 to comply with the 21-day notice period.

With respect to payment at financial institutions, it has been the City's practice to allow property owners to pay taxes at financial institutions and this provision is set out in the draft by-law. In addition to paying at financial institutions, taxpayers also have the option to pay at Canada Post outlets where MoneyGram Bill Payment Services are offered. Taxpayers pay a fee for this service.

Taxpayers also have the option to make payments by VISA or MasterCard online or over the telephone. The City has partnered with Paymentus Corporation, pursuant to By-Law Number 2014-69, to provide the option of making a payment by credit card. Paymentus will charge a convenience fee for each transaction. Property tax payments by credit card cannot be made in person at City Hall.

The application of late payment charges for non-payment of taxes is provided at the maximum amount permitted in the *Municipal Act, 2001*, which is 1.25% per month (15% per annum). These charges are consistent with previous years.

Existing Policy/By Law:

Municipal Act, 2001, as amended

City of Kingston By-Law Number 87-315, A By-Law to Establish a Business Improvement Area

City of Kingston By-Law Number 2003-368, A By-Law to Provide for an Alternative Instalment (Pre-Authorized) Tax Payment Program

City of Kingston By-Law Number 2006-137, A By-Law to Levy a Special Charge of \$3,000,000.00 Upon Rateable Property in the Downtown Kingston Business Improvement Area on Account of the Cost of the Kingston Sports and Entertainment Centre

City of Kingston By-Law Number 2014-69, A By-Law to Establish a Service Fee for Payment Card Processing Services

City of Kingston By-Law Number 2019-28, A By-Law to Approve the 2019 Operating Budget

City of Kingston By-Law Number 2019-65, A By-Law to Establish the 2019 Tax Ratios

Notice Provisions:

Due dates for both non-capped property and capped property classes are June 28, 2019; accordingly, tax bills must be sent out by June 7, 2019 to comply with the 21-day notice period.

May 21, 2019

Page 9 of 9

Accessibility Considerations:

Not applicable

Financial Considerations:

With the approval of this report and related draft by-law, 2019 taxation revenue will be billed and collected in accordance with existing policy and practice.

Contacts:

Desiree Kennedy, Chief Financial Officer and City Treasurer 613-546-4291 extension 2220

Jeff Walker, Manager, Taxation and Revenue 613-546-4291 extension 2484

Other City of Kingston Staff Consulted:

Not applicable

Exhibits Attached:

Exhibit A 2019 Tax Changes - Other Classes

Exhibit B Draft By-Law to Levy Taxes for Year 2019, including Schedules 1 to 10

2019 Tax Changes - Other Classes

Item	Average Commercial %	Average Industrial %	Average Multi- Residential %	Average New Multi-Residential %	Average Farm %
Municipal Budget Increase	2.50	2.50	2.50	2.50	2.50
Reassessment Tax Shift ⁽¹⁾	(0.02)	(1.16)	4.70	1.86	10.61
Multi-Res Tax Ratio Reduction Tax Shift ⁽²⁾	0.48	0.48	(4.81)	0.48	0.48
Farm Tax Ratio Reduction Tax Shift ⁽³⁾	0.01	0.01	0.01	0.01	(5.57)
Average Tax Increase – Municipal	2.99	1.81	2.17	4.93	7.62
Education Tax Room Adjustment	0.22	0.22	0.22	0.22	0.22
Total Average Tax Increase – Municipal	3.21	2.03	2.39	5.15	7.84
Total Average Tax Increase – including Education ⁽⁴⁾	1.91	0.96	2.42	4.47	7.95

- (1) In comparison to an overall assessment base increase of 3.60%, average assessment changes for other property tax classes were as follows: commercial 3.63%, industrial 2.44%, multi-residential 8.52%, new multi-residential 5.57% and farm 14.65%.
- (2) The reduction of the multi-residential tax ratio to 1.80 for 2019 shifts taxes onto all other property classes.
- (3) The four-year phase-in reduction of the farm tax ratio, approved in 2017, shifts taxes onto all other property classes.
- (4) The provincial education tax rate was reduced for all property classes; however the decrease was insufficient after reassessment increases to provide an education tax decrease for the multi-residential and farm property tax classes.

By-Law Number 2019-XX

A By-Law to Levy Taxes for Year 2019

Passed: May 21, 2019

The Council of The Corporation of the City of Kingston enacts as follows:

Whereas pursuant to Section 290 of the *Municipal Act, 2001*, as amended, provides that the Council of a local municipality, shall in each year prepare and adopt estimates of the sums it requires during the year for the purposes of the municipality; and

Whereas the Council of the Corporation of the City of Kingston has passed By-Law Number 2019-28 to adopt the estimates for the sums required to be levied by taxation during the year 2019 for the purposes of the City of Kingston; and

Whereas pursuant to subsection 312(2) of the *Municipal Act, 2001*, as amended, the sums required to be levied by taxation for general local municipality levies are to be levied by separate tax rates on the assessment in each property class for general local municipality rateable for local municipality; and

Whereas pursuant to subsection 312(4) of the *Municipal Act, 2001*, as amended the sums required to be levied by taxation for special local municipality levies are to be levied by separate tax rates on all or part of the assessment in each property class in the local municipality rateable for local municipality purposes; and

Whereas pursuant to Section 307 of the *Municipal Act, 2001*, as amended, the rates must be set so that when they are levied on the applicable assessment rateable for local municipality purposes, an amount equal to the general local municipality or special local municipality levy is raised and that the rates on the different classes of property must be in the same proportion to each other as the tax ratios established under City of Kingston By-Law Number 2019-65; and

Whereas Section 313 provides the subclass tax reductions, which apply to the tax rates that would otherwise be levied for subclasses prescribed under subsection 8(1) of the *Assessment Act*; and

Whereas subsection 342(1)(a) of the *Municipal Act, 2001*, as amended, provides that a local municipality may pass by-laws providing for the payment of taxes in one amount or by installments and the date or dates in the year for which the taxes are imposed on which the taxes or installments are due; and

Whereas subsection 343(4) of the *Municipal Act, 2001*, as amended, provides that a local municipality may pass a by-law providing for the billing of a property class separately from the other property classes; and

Whereas subsection 345(1) of the *Municipal Act, 2001*, as amended, provides that a local municipality may pass by-laws to impose late payment charges for the non-payment of taxes or any installment by the due date; and

Whereas sub-sections 345(2) and (3) of the *Municipal Act, 2001*, as amended, contains the following additional rules:

1. A percentage charge, not to exceed 1¼ per cent of the amount of taxes due and unpaid, may be imposed as a penalty for the non-payment of taxes on the first day of default or such later date as the by-law specifies;
2. Interest charges, not to exceed 1¼ per cent each month of the amount of taxes due and unpaid, may be imposed for the non-payment of taxes in the manner specified in the by-law but interest may not start to accrue before the first day of default; and

Whereas subsection 346(2) of the *Municipal Act, 2001*, as amended, provides that the Council of a local municipality may pass by-laws to provide for the payment of taxes by any person into a financial institution to the credit of the treasurer of the municipality and, in that case, the person making the payment shall be entitled to be issued a receipt by the institution for the amount paid; and

Whereas By-Law Number 87-315 of the Corporation of the City of Kingston, passed December 15, 1987, established a Business Improvement Area in the City of Kingston; and

Whereas Section 208 of the *Municipal Act, 2001*, as amended, provides that the municipality shall annually raise the amount required for the purposes of the Business Improvement Area in the City of Kingston; and

Whereas the sums required for the 2019 Budget are detailed in Schedule 1 attached hereto; and

Whereas the Tax Rate Schedule, for all tax rates and charges to be levied are detailed in Schedules 2 and 3 attached hereto; and

Whereas the amount to be raised on the assessment for the general local municipality levies and the special local municipality levies is detailed in Schedules 4, 5, 6, 7, 8 and 9 attached hereto; and

Whereas the amount to be levied on the assessment for education purposes is detailed in Schedule 10;

Therefore be it resolved that the Council of the Corporation of the City of Kingston hereby enacts as follows:

1. The whole of the assessment for real property within the Corporation of the City of Kingston for the year 2019 is as follows:

	Central Area	West Area	East Area	Total Assessment
General and Local Municipal	Calculated on Total Assessment			17,258,697,059
Fire	7,108,566,189	7,869,510,596	2,280,620,274	17,258,697,059
Garbage Disposal	Calculated on Total Residential Assessment, except Condominium Property			12,199,641,931

2. a) There shall be levied and collected upon the whole of the assessment for real property within the Corporation of the City of Kingston, the sum of \$200,169,929 as per the line titled "Municipal - General" on Schedule 1 attached hereto the estimated property tax levy required during the year 2019 for general municipal purposes. Schedule 4 attached hereto details the tax rate to be applied to the assessment on each class producing the amount to be raised.
- b) The sum required to defray expenses of fire protection, as set out in the table below, shall be raised by the levy of special rates upon the whole of the assessment for real property within that area, which rate shall be in addition to other rates for which the same land is and shall be liable. Schedule 6 attached hereto details the tax rate to be applied to the assessment on each class producing the amount to be raised for this special area rate.

Area	Fire Levy
Central	\$17,183,625
West	9,730,709
East	1,670,722

- c) The sum of \$1,674,559 shall be raised by the levy of special rates to defray expenses of residential garbage disposal and shall be levied upon the whole of the residential property assessment, except for condominium properties, and which rate shall be in addition to other rates for which the same land is and shall be liable. Schedule 7 attached hereto details the tax rate to be applied to the assessment on each class producing the amount to be raised for this special area rate.
3. That a special rate be levied and collected upon the rateable property that is in the Utility Right-of-Way and Railway Right-of-Way property classes, as defined in the *Assessment Act*, R.S.O. 1990, c.A.31, as amended. Schedule 5 details the special rate and amount of \$57,389 to be raised.

4. That a special rate shall be levied and collected upon the rateable property that is in the Commercial Assessment and Industrial Assessment property classes, as defined in the *Assessment Act*, R.S.O. 1990, c.A.31, as amended, within the area defined as the Business Improvement Area within the City of Kingston, for the purposes of raising \$1,345,019 for the Business Improvement Area (BIA) as required for the operating budget approved and which rate shall be in addition to other rates for which the same land is and shall be liable. Schedule 8 details the amount to be raised on the assessment.
5. That a special rate, as prescribed pursuant to By-Law Number 2006-137, for the purposes of raising \$214,240 for the Rogers K-Rock Centre loan repayment, shall be levied and collected upon the rateable property that is in the Commercial Assessment and Industrial Assessment property classes as defined in the *Assessment Act*, R.S.O. 1990, c.A.31, as amended, which rate shall be in addition to other rates for which the same land is and shall be liable. Schedule 9 details the amount to be raised on the assessment.
6. That education tax levies, in the amount of \$55,980,318, shall be levied and collected upon the whole of the assessment for real property within The Corporation of the City of Kingston. Schedule 10 attached hereto details the education tax rates, as set in O.Reg.400/98 and O.Reg.382/98, to be applied to the assessment producing the amount to be levied and collected.
7. That the following subclass tax reductions apply to:
 - i. the vacant land and excess land subclasses in the commercial property class is 30% on tax rates for municipal purposes and 15% on tax rates for school purposes;
 - ii. the vacant land and excess land subclasses in the industrial property class is 35% on tax rates for municipal purposes and 17.5% on tax rates for school purposes;
 - iii. the first subclass factor in the industrial farmland awaiting development class is 35% on tax rates for municipal purposes and 17.5% on tax rates for school purposes.
8. Taxes levied for Residential, New Multi-residential, Managed Forests and Farm property classes for the year 2019 will be billed together and shall become due and payable on the 28th day of June, 2019.
9. Taxes levied for Commercial, Industrial, Multi-residential, Pipeline, Railway and Utility Transmission & Distribution Corridor property classes for the year 2019 will be billed together and shall become due and payable on the 28th day of June, 2019.

10. There shall be imposed a penalty of one and one-quarter percent per month (15% per annum) on the first day of default of payment on all rates and taxes of the current year remaining unpaid after the due date of the said rates and taxes.
11. There shall be imposed interest of one and one-quarter percent per month (15% per annum) on the first day of each month on all rates and taxes remaining unpaid, except that interest will not be charged before the first day of default.
12. All omitted and supplementary taxes levied under the *Assessment Act* will be due not less than 21 days after demand, and penalties and interest will be added in the same manner as other taxes levied under this by-law. Omitted and supplementary taxes will be payable in one installment.
13. Taxes are payable at the following:
 - a) City of Kingston municipal office at 216 Ontario Street, Kingston, Ontario,
 - b) At any financial institution in the City of Kingston area having payment arrangements with the City of Kingston,
 - c) Through banks offering telephone and internet payment plans registered with the City of Kingston,
 - d) By using one of the 24 hour drop boxes located at City Hall and 1211 John Counter Boulevard,
 - e) By mail,
 - f) At Canada Post outlets where MoneyGram Bill payment services are offered,
 - g) Under the City's pre-authorized property tax payment program and provided the City Treasurer has received and approved a taxpayer's request to use the alternative installments and due dates under that program pursuant to City of Kingston By-Law Number 2003-368, and
 - h) By VISA or MasterCard online or over the telephone through Paymentus Corporation, a third party automated bill payment service, subject to a convenience fee, pursuant to By-Law Number 2014-69.
14. Pursuant to section 347 of the *Municipal Act, 2001* as amended, where any payment is received on account of taxes, the following applies:
 - i. The payment shall first be applied against late payment charges owing in respect of those taxes according to the length of time the charges have been

owed, with the charges imposed earlier being discharged before charges imposed later.

- ii. The payment shall then be applied against the taxes owing according to the length of time they have been owed, with the taxes imposed earlier being discharged before taxes imposed later.
- iii. No part payment shall be accepted on account of taxes in respect of which a tax arrears certificate is registered except under an extension agreement entered into.

15. This By-Law shall come into force and take effect on the date of its passing.

Given All Three Readings and Passed: May 21, 2019

John Bolognone
City Clerk

Bryan Paterson
Mayor

**City of Kingston
 2019 Revenue to be Raised by Taxation**

Municipal - General Tax Rate (Schedule 4)

Residential	\$	127,996,851
New Multi-Residential	\$	4,606,733
Multi-Residential	\$	16,865,795
Commercial	\$	45,465,729
Industrial	\$	4,448,642
Farm	\$	174,487
Managed Forest	\$	5,326
Pipeline	\$	606,365

Municipal - General \$ 200,169,929

Municipal - Regulated Tax Rate (Schedule 5)

Hydro Right-Of-Ways	\$	20,464
Railway Right-Of-Ways	\$	36,925

\$ 57,389

Fire, Special Area Rate (Schedule 6)

Central	\$	17,183,625
West	\$	9,730,709
East	\$	1,670,722

\$ 28,585,056

Garbage Disposal, Special Area Rate (Schedule 7)

\$ 1,674,559

Levied on Residential Assessment, except condominium properties

Supplementary Revenue

\$ 2,004,143

Amount budgeted for 2019 Omitted and Supplementary Assessment

Total Taxation Revenue per Budget

\$ 232,491,076

Other Taxation Related Items (Schedules 8, 9)

Downtown Kingston! BIA Levy - Operating	\$	1,345,019
Downtown Kingston! BIA Levy - Rogers K-Rock Centre	\$	214,240

\$ 1,559,259

Total Municipal Taxation

\$ 234,050,335

Total Education Taxation (Schedule 10)

\$ 55,980,318

Total to be Raised by Taxation

\$ 290,030,653

City of Kingston - 2019 Tax Rates

Property Type		Service	Central	West	East
1	Residential RT, RF, RG, RP Ratio = 1.000000 •Garbage rates are not levied on condominium properties	Municipal	0.00975826	0.00975826	0.00975826
		Fire	0.00191686	0.00105877	0.00070860
		Garbage •	0.00013726	0.00013726	0.00013726
		Education ▲	0.00161000	0.00161000	0.00161000
		Total	0.01342238	0.01256429	0.01221412
2	New Multi Residential NT, NF Ratio = 1.000000	Municipal	0.00975826	0.00975826	0.00975826
		Fire	0.00191686	0.00105877	0.00070860
		Education ▲	0.00161000	0.00161000	0.00161000
		Total	0.01328512	0.01242703	0.01207686
3	Multi Residential MT, MF Ratio = 1.800000	Municipal	0.01756487	0.01756487	0.01756487
		Fire	0.00345035	0.00190578	0.00127548
		Education ▲	0.00161000	0.00161000	0.00161000
		Total	0.02262522	0.02108065	0.02045035
4	Farmland FT Ratio = 0.212500	Municipal	0.00207363	0.00207363	0.00207363
		Fire	0.00040733	0.00022499	0.00015058
		Education ▲	0.00040250	0.00040250	0.00040250
		Total	0.00288346	0.00270112	0.00262671
5	Managed Forest TT Ratio = 0.250000	Municipal	0.00243957	0.00243957	0.00243957
		Fire	0.00047921	0.00026469	0.00017715
		Education ▲	0.00040250	0.00040250	0.00040250
		Total	0.00332128	0.00310676	0.00301922
6	Utility Transmission & Distrib. Corridor ♦ UH	Municipal	0.19860000	0.19860000	0.19860000
		Education	0.34460000	0.34460000	0.34460000
		Total	0.54320000	0.54320000	0.54320000
7	Railway Right-of-Way ♦ WT	Municipal	1.10000000	1.10000000	1.10000000
		Education	0.53620000	0.53620000	0.53620000
		Total	1.63620000	1.63620000	1.63620000

▲ Education tax rate has been set by Provincial Regulation O. Reg. 400/98, as amended.

♦ Utility Transportation and Railway (acreage) tax rates set by Provincial Regulation O.Reg. 387/98 (Municipal) and 392/98 (Education), as amended

City of Kingston - 2019 Tax Rates

Property Type	Service	Central	West	East
1 a) Commercial Occupied (100%) CT, C7, DT, GT, ST, CH, CF, CG, CP, GF Ratio = 1.980000	Municipal	0.01932136	0.01932136	0.01932136
	Fire	0.00379538	0.00209636	0.00140303
	Education ▲	0.01290000	0.01290000	0.01290000
	Total	0.03601674	0.03431772	0.03362439
	1 b) Commercial New Construction Occupied (100%) XT, YT, ZT, XF, XH, XP Ratio = 1.980000	Municipal	0.01932136	0.01932136
Fire	0.00379538	0.00209636	0.00140303	
Education ▲	0.01030000	0.01030000	0.01030000	
Total	0.03341674	0.03171772	0.03102439	
1 c) Commercial Vacant (70%) CU, CX, DU, SU, CQ, CW, CY Ratio = 1.980000	Municipal	0.01352495	0.01352495	0.01352495
	Fire	0.00265677	0.00146745	0.00098212
	Education ▲	0.00903000	0.00903000	0.00903000
	Total	0.02521172	0.02402240	0.02353707
	1 d) Commercial New Construction Vacant (70%) XJ, XK, XQ, XR, XU, XV, XX, XY, YU, ZU Ratio = 1.980000	Municipal	0.01352495	0.01352495
Fire		0.00265677	0.00146745	0.00098212
Education ▲		0.00721000	0.00721000	0.00721000
Total		0.02339172	0.02220240	0.02171707
2 a) Industrial Occupied (100%) IT, I7, LT, IF, IH, IP Ratio = 2.630000		Municipal	0.02566423	0.02566423
	Fire	0.00504134	0.00278455	0.00186362
	Education ▲	0.01290000	0.01290000	0.01290000
	Total	0.04360557	0.04134878	0.04042785
	2 b) Industrial New Construction Occupied (100%) JT, KT, JF, JH, JP Ratio = 2.630000	Municipal	0.02566423	0.02566423
Fire		0.00504134	0.00278455	0.00186362
Education ▲		0.01030000	0.01030000	0.01030000
Total		0.04100557	0.03874878	0.03782785
2 c) Industrial Vacant (65%) IU, IX, LU, IK Ratio = 2.630000		Municipal	0.01668175	0.01668175
	Fire	0.00327687	0.00180996	0.00121135
	Education ▲	0.00838500	0.00838500	0.00838500
	Total	0.02834362	0.02687671	0.02627810
	2 d) Industrial New Construction Vacant (65%) JJ, JK, JQ, JR, JU, JV, JX, JY Ratio = 2.630000	Municipal	0.01668175	0.01668175
Fire		0.00327687	0.00180996	0.00121135
Education ▲		0.00669500	0.00669500	0.00669500
Total		0.02665362	0.02518671	0.02458810
3 Pipeline PT Ratio = 1.172800		Municipal	0.01144449	0.01144449
	Fire	0.00224809	0.00124172	0.00083105
	Education ▲	0.01243815	0.01243815	0.01243815
	Total	0.02613073	0.02512436	0.02471369

▲ Education tax rates set by Provincial Regulation O.Reg. 400/98, as amended.

Business Improvement Area Levy	Operating	K-Rock Centre	Total BIA
Commercial classes: 6a, 6b (above)	0.00323652	0.00054629	0.00378281
Commercial classes: 6c, 6d (above)	0.00226556	0.00038240	0.00264796
Industrial classes: 7a, 7b (above)	0.00429901	0.00072563	0.00502464
Industrial classes: 7c, 7d (above)	0.00279436	0.00047166	0.00326602

2019 General Municipal Levy

Amount to levy: \$ 200,169,929

Class	Code	Assessment	Ratio	Subclass Factor	WTD-F	Rate	Levy
Commercial							
Commercial, taxable at full rate, shared as if PIL	CH	3,123,250	1.980000	100%	6,184,035	0.01932136	\$ 60,345
Commercial, taxable at full rate	CT	1,357,516,561	1.980000	100%	2,687,882,791	0.01932136	\$ 26,229,064
Excess Land, taxable at excess land rate	CU	19,908,290	1.980000	70%	27,592,890	0.01352495	\$ 269,259
Vacant Land, taxable at vacant land rate	CX	62,469,122	1.980000	70%	86,582,203	0.01352495	\$ 844,892
Large Office, taxable at full rate	DT	102,753,647	1.980000	100%	203,452,221	0.01932136	\$ 1,985,340
Large Office, taxable at vacant land rate	DU	193,885	1.980000	70%	268,725	0.01352495	\$ 2,622
Parking Lot, taxable at full rate	GT	11,536,999	1.980000	100%	22,843,258	0.01932136	\$ 222,910
Shopping Centre, taxable at full rate	ST	431,156,256	1.980000	100%	853,689,387	0.01932136	\$ 8,330,525
Shopping Centre, taxable at vacant land rate	SU	7,364,945	1.980000	70%	10,207,814	0.01352495	\$ 99,611
New Construction Commercial, taxable at full rate	XT	303,052,546	1.980000	100%	600,044,041	0.01932136	\$ 5,855,387
New Con. Excess Land, taxable at excess land rate	XU	10,225,513	1.980000	70%	14,172,561	0.01352495	\$ 138,300
New Con. Office, taxable at full rate	YT	14,812,940	1.980000	100%	29,329,621	0.01932136	\$ 286,206
New Con. Excess Land, taxable at excess land rate	YU	89,301	1.980000	70%	123,771	0.01352495	\$ 1,208
New Con. Shopping Centre, taxable at full rate	ZT	56,567,909	1.980000	100%	112,004,460	0.01932136	\$ 1,092,969
New Con. Excess Land, taxable at excess land rate	ZU	3,481,868	1.980000	70%	4,825,869	0.01352495	\$ 47,092
Industrial							
Taxable, shared as if PIL	IH	2,435,261	2.630000	100%	6,404,736	0.02566423	\$ 62,499
Excess land, shared as if PIL	IK	277,030	2.630000	65%	473,583	0.01668175	\$ 4,621
Industrial, taxable at full rate	IT	77,515,710	2.630000	100%	203,866,317	0.02566423	\$ 1,989,381
Excess Land, taxable at excess land rate	IU	826,588	2.630000	65%	1,413,052	0.01668175	\$ 13,789
Vacant Land, taxable at vacant land rate	IX	29,207,496	2.630000	65%	49,930,214	0.01668175	\$ 487,232
New Construction Industrial, taxable at full rate	JT	27,655,014	2.630000	100%	72,732,687	0.02566423	\$ 709,745
New Con. Ind.Excess Land, taxable at excess land rate	JU	1,782,007	2.630000	65%	3,046,341	0.01668175	\$ 29,727
Large Industrial, taxable at full rate	LT	42,076,843	2.630000	100%	110,662,097	0.02566423	\$ 1,079,870
Large Industrial, taxable at excess land rate	LU	4,302,816	2.630000	65%	7,355,664	0.01668175	\$ 71,778
Multi-Residential Taxable at full rate	MT	960,200,307	1.800000	100%	1,728,360,553	0.01756487	\$ 16,865,795
New Multi-Residential Taxable at full rate	NT	472,085,443	1.000000	100%	472,085,443	0.00975826	\$ 4,606,733
Pipeline Taxable at full rate	PT	52,983,141	1.172800	100%	62,138,628	0.01144449	\$ 606,365
Residential Taxable at full rate	RT	13,116,767,424	1.000000	100%	13,116,767,424	0.00975826	\$ 127,996,851
Farm Taxable at full rate	FT	84,145,737	0.212500	100%	17,880,969	0.00207363	\$ 174,487
Managed Forest Taxable at full rate	TT	2,183,210	0.250000	100%	545,803	0.00243957	\$ 5,326
		17,258,697,059			20,512,867,157	\$ 200,169,929	

2019 - Other Taxable Assessments

Class	RTC	RTQ	Total		Rate per acre**	Tax Rate	Levy
Railway Right-Of-Way - Full Taxable**			335.68	acres	110.00		\$ 36,925
converted to assessment and tax rate	W	T	33,568			1.10000000	\$ 36,925
Utility Transmission & Distribution Corridor - Full Taxable**			1,030.43	acres	19.86		\$ 20,464
converted to assessment and tax rate	U	H	103,043			0.19860000	\$ 20,464
							\$ 57,389

**rate is set by O.Reg. 387/98

2019 Fire Levy												
						Amount to levy: \$17,183,625			Amount to levy: \$9,730,709			Amount to levy: \$1,670,722
Class Code*	Assessment			Ratio	Vacancy	Central		West		East		
	Central	West	East			Rate	Levy \$	Rate	Levy \$	Rate	Levy \$	
CH	688,750	2,434,500		1.980000	100%	0.00379538	2,614	0.00209636	5,104	0.00140303	0	
CT	745,075,113	573,765,713	38,675,735	1.980000	100%	0.00379538	2,827,845	0.00209636	1,202,817	0.00140303	54,263	
CU	5,359,797	13,732,426	816,067	1.980000	70%	0.00265677	14,240	0.00146745	20,152	0.00098212	801	
CX	16,887,460	45,184,462	397,200	1.980000	70%	0.00265677	44,866	0.00146745	66,306	0.00098212	390	
DT	80,136,819	12,183,663	10,433,165	1.980000	100%	0.00379538	304,150	0.00209636	25,541	0.00140303	14,638	
DU	51,000	24,947	117,938	1.980000	70%	0.00265677	135	0.00146745	37	0.00098212	116	
GT	11,536,999	0	0	1.980000	100%	0.00379538	43,787	0.00209636	0	0.00140303	0	
ST	46,915,892	382,567,462	1,672,902	1.980000	100%	0.00379538	178,064	0.00209636	801,997	0.00140303	2,347	
SU	715,919	6,606,670	42,356	1.980000	70%	0.00265677	1,902	0.00146745	9,695	0.00098212	42	
XT	116,210,864	142,368,299	44,473,383	1.980000	100%	0.00379538	441,065	0.00209636	298,455	0.00140303	62,397	
XU	3,322,780	4,417,720	2,485,013	1.980000	70%	0.00265677	8,828	0.00146745	6,483	0.00098212	2,441	
YT	11,779,490	2,476,267	557,183	1.980000	100%	0.00379538	44,708	0.00209636	5,191	0.00140303	782	
YU	0	10,498	78,803	1.980000	70%	0.00265677	0	0.00146745	15	0.00098212	77	
ZT	39,382,726	9,367,327	7,817,856	1.980000	100%	0.00379538	149,473	0.00209636	19,637	0.00140303	10,969	
ZU	3,117,792	204,003	160,073	1.980000	70%	0.00265677	8,283	0.00146745	299	0.00098212	157	
IH	1,057,491	1,160,445	217,325	2.630000	100%	0.00504134	5,331	0.00278455	3,231	0.00186362	405	
IK	188,675	88,355	0	2.630000	65%	0.00327687	618	0.00180996	160	0.00121135	0	
IT	31,156,709	41,728,561	4,630,440	2.630000	100%	0.00504134	157,072	0.00278455	116,195	0.00186362	8,629	
IU	700,235	126,353	0	2.630000	65%	0.00327687	2,295	0.00180996	229	0.00121135	0	
IX	12,265,457	16,603,289	338,750	2.630000	65%	0.00327687	40,192	0.00180996	30,051	0.00121135	410	
JT	6,476,600	17,823,126	3,355,288	2.630000	100%	0.00504134	32,651	0.00278455	49,629	0.00186362	6,253	
JU	421,200	1,224,316	136,491	2.630000	65%	0.00327687	1,380	0.00180996	2,216	0.00121135	165	
LT	15,947,768	26,129,075	0	2.630000	100%	0.00504134	80,398	0.00278455	72,758	0.00186362	0	
LU	3,080,016	1,222,800	0	2.630000	65%	0.00327687	10,093	0.00180996	2,213	0.00121135	0	
MT	887,210,214	71,704,167	1,285,926	1.800000	100%	0.00345035	3,061,184	0.00190578	136,652	0.00127548	1,640	
NT	232,915,713	145,542,542	93,627,188	1.000000	100%	0.00191686	446,467	0.00105877	154,095	0.00070860	66,344	
PT	18,598,641	0	34,384,500	1.172800	100%	0.00224809	41,811	0.00124172	0	0.00083105	28,575	
RT	4,817,337,219	6,323,826,237	1,975,603,968	1.000000	100%	0.00191686	9,234,160	0.00105877	6,695,448	0.00070860	1,399,911	
FT	0	26,235,427	57,910,310	0.212500	100%	0.00040733	0	0.00022499	5,903	0.00015058	8,720	
TT	28,850	751,946	1,402,414	0.250000	100%	0.00047921	14	0.00026469	199	0.00017715	248	
	7,108,566,189	7,869,510,596	2,280,620,274				\$ 17,183,625		\$ 9,730,709		\$ 1,670,722	

*class code detail - see Schedule "4"

2019 Garbage Disposal Levy - Special Area Rate

Amount to levy:	\$ 1,674,559
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Class	RTC	RTQ	Total	Ratio	Vacancy Factor	Rate	Levy
Residential - Taxable Garbage & Edn	R	D	8,959,350	1.00	1.00	0.00013726	\$ 1,230
Residential - Taxable at Full Rate	R	T	12,190,682,581	1.00	1.00	0.00013726	\$ 1,673,330
			12,199,641,931				\$ 1,674,559

Downtown Kingston! Business Improvement Area - 2019 Operating Levy

Amount to levy:	\$ 1,345,019
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Class	RTC	RTQ	Total	Ratio	Vacancy Factor	Rate	Levy
Commercial - Payment in Lieu - Federal	C	F	10,510,600	1.98	1.00	0.00323652	\$ 34,018
Commercial - Payment in Lieu - Province	C	G	2,031,250	1.98	1.00	0.00323652	\$ 6,574
Commercial, taxable at full rate	C	T	298,402,244	1.98	1.00	0.00323652	\$ 965,784
Excess Land, taxable at excess land rate	C	U	1,455,984	1.98	0.70	0.00226556	\$ 3,299
Vacant Land, taxable at vacant land rate	C	X	2,730,009	1.98	0.70	0.00226556	\$ 6,185
Large Office, taxable at full rate	D	T	40,250,163	1.98	1.00	0.00323652	\$ 130,270
Parking Lot - PIL - Full Taxable	G	F	10,759,450	1.98	1.00	0.00323652	\$ 34,823
Parking Lot, taxable at full rate	G	T	9,141,135	1.98	1.00	0.00323652	\$ 29,585
Industrial - Full Taxable former PIL asmt	I	H	74,800	2.63	1.00	0.00429901	\$ 322
New Construction Commercial, taxable at full rate	X	T	33,853,887	1.98	1.00	0.00323652	\$ 109,569
New Con. Office, taxable at full rate	Y	T	7,597,880	1.98	1.00	0.00323652	\$ 24,591
			416,807,402				\$ 1,345,019

Downtown Kingston! Business Improvement Area - 2019 Rogers K-Rock Centre Levy

Amount to levy:	\$ 214,240
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Class	RTC	RTQ	Total	Ratio	Vacancy Factor	Rate	Levy
Commercial, taxable at full rate	C	T	298,402,244	1.98	1.00	0.00054629	\$ 163,013
Excess Land, taxable at excess land rate	C	U	1,455,984	1.98	0.70	0.00038240	\$ 557
Vacant Land, taxable at vacant land rate	C	X	2,730,009	1.98	0.70	0.00038240	\$ 1,044
Large Office, taxable at full rate	D	T	40,250,163	1.98	1.00	0.00054629	\$ 21,988
Parking Lot, taxable at full rate	G	T	9,141,135	1.98	1.00	0.00054629	\$ 4,994
New Construction Commercial, taxable at full rate	X	T	33,853,887	1.98	1.00	0.00054629	\$ 18,494
New Con. Office, taxable at full rate	Y	T	7,597,880	1.98	1.00	0.00054629	\$ 4,151
			393,431,302				\$ 214,240

2019 Education Levy

Class	Code	Assessment	Rate	Levy
Commercial				
Commercial, taxable at full rate, shared as if PIL	CH	3,123,250	0.01290000	\$ 40,290
Commercial, taxable at full rate	CT	1,357,516,561	0.01290000	\$ 17,511,964
Excess Land, taxable at excess land rate	CU	19,908,290	0.01096500	\$ 218,294
Vacant Land, taxable at vacant land rate	CX	62,469,122	0.01096500	\$ 684,974
Small Scale On-Farm Commercial, taxable at full rate	C7	0	0.00257500	0
Large Office, taxable at full rate	DT	102,753,647	0.01290000	\$ 1,325,522
Large Office, taxable at vacant land rate	DU	193,885	0.01096500	\$ 2,126
Parking Lot, taxable at full rate	GT	11,536,999	0.01290000	\$ 148,827
Shopping Centre, taxable at full rate	ST	431,156,256	0.01290000	\$ 5,561,916
Shopping Centre, taxable at vacant land rate	SU	7,364,945	0.01096500	\$ 80,757
New Construction Commercial, taxable at full rate	XT	303,052,546	0.01030000	\$ 3,121,441
New Con. Excess Land, taxable at excess land rate	XU	10,225,513	0.00875500	\$ 89,524
New Con. Office, taxable at full rate	YT	14,812,940	0.01030000	\$ 152,573
New Con. Excess Land, taxable at excess land rate	YU	89,301	0.00875500	\$ 782
New Con. Shopping Centre, taxable at full rate	ZT	56,567,909	0.01030000	\$ 582,649
New Con. Excess Land, taxable at excess land rate	ZU	3,481,868	0.00875500	\$ 30,484
Industrial				
Taxable, shared as if PIL	IH	2,435,261	0.01290000	\$ 31,415
Excess land, shared as if PIL	IK	277,030	0.01064250	\$ 2,948
Industrial, taxable at full rate	IT	77,515,710	0.01290000	\$ 999,953
Excess Land, taxable at excess land rate	IU	826,588	0.01064250	\$ 8,797
Vacant Land, taxable at vacant land rate	IX	29,207,496	0.01064250	\$ 310,841
Small Scale On-Farm Industrial, taxable at full rate	I7	0	0.00257500	0
New Construction Industrial, taxable at full rate	JT	27,655,014	0.01030000	\$ 284,847
New Con. Ind.Excess Land, taxable at excess land rate	JU	1,782,007	0.00849750	\$ 15,143
Large Industrial, taxable at full rate	LT	42,076,843	0.01290000	\$ 542,791
Large Industrial, taxable at excess land rate	LU	4,302,816	0.01064250	\$ 45,793
Multi-Residential Taxable at full rate	MT	960,200,307	0.00161000	\$ 1,545,922
New Multi-Residential Taxable at full rate	NT	472,085,443	0.00161000	\$ 760,058
Pipeline Taxable at full rate	PT	52,983,141	0.01243815	\$ 659,012
Residential Taxable at full rate	RT	13,116,767,424	0.00161000	\$ 21,117,996
Farm Taxable at full rate	FT	84,145,737	0.00040250	\$ 33,869
Managed Forest Taxable at full rate	TT	2,183,210	0.00040250	\$ 879
Residential Garbage and Education	RD	8,959,350	0.00161000	\$ 14,425
Railway Right-Of-Way Full Taxable	WT	33,568	0.53620000	\$ 17,999
Utility Trans. & Dist. Full Taxable	UH	103,043	0.34460000	\$ 35,509
		17,267,793,020		\$ 55,980,318

Education tax rate has been set by Provincial Regulation O.Reg. 400/98, as amended.
Utility Transportation and Distribution plus Railway education tax rates set by
Provincial Regulation O.Reg. 392/98, as amended.