

THE ASSOCIATION OF

**MUNICIPAL TAX COLLECTORS OF ONTARIO**

March 9, 2005

Mr. Dan Cowin, Executive Director,  
Municipal Finance Officers' Association of Ontario,  
Suite 306,  
512 King Street East,  
TORONTO, Ontario.  
M5A 1M1

Dear Mr. Cowin:

I am writing you today on behalf of the Board of Directors and members of the Association of Municipal Tax Collectors of Ontario (AMTCO). Our Association represents over 400 members across the Province in the property tax field and as such, has an interest in determining a fair and equitable solution to the current tax policies that have a negative effect on many property owners in the commercial, industrial and multi-residential property classes.

In the 2004 Ontario Budget, the Province announced a plan to give municipalities a range of options to modify the parameters of the tax-capping program in order to increase progress towards taxation based on Current Value Assessment (CVA); however, the legislation does nothing to keep properties at CVA taxation for future years.

Property tax protection for increasing properties has now been in place for eight years, with decreasing properties shouldering the burden of that protection in most municipalities. Municipalities strongly believe that once a property reaches CVA taxes, it should no longer be protected from normal economic assessment increases and that decreasing properties should be allowed the benefit of paying property taxes in accordance with their Current Value Assessment, and not be subject to unpredictable and fluctuating clawback rates, calculated annually.

As a result of concerns that have been raised by our membership, the Board of Directors has passed the attached resolution. The Association of Municipal Tax Collectors of Ontario strongly urges the Province of Ontario to amend the legislation commencing for the 2006 taxation year, to specify that once a property reaches CVA taxation, it remains at CVA taxes, regardless of the result of future reassessments.

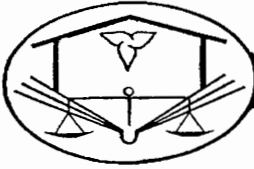
I would like to thank you for your consideration of our resolution. The AMTCO and its members appreciate the work that the Ministry has done in the past to mitigate the effects of the current legislation, but feel this final step will assist in the end of the current capping and clawback scenarios. We would welcome the opportunity to discuss our concerns with you. We look forward to your comments.

Yours truly,

A handwritten signature in black ink that reads "Christine Norris". The signature is written in a cursive, flowing style.

Christine Norris, CMO, CMT, CMM III,  
President.

Attachment



THE ASSOCIATION OF

**MUNICIPAL TAX COLLECTORS OF ONTARIO**

*Suite 119, 14845-6 Yonge Street, Aurora, Ontario, L4G 6H8*

DATE:	February 5, 2005
LOCATION:	Markham, Ontario
TOPIC:	<b>CVA TAXATION LEGISLATION</b>

MOVED BY:	Grace Marsh
SECONDED BY:	Erica Roberts

**WHEREAS** mandatory property tax increase protection has been in place for the business sector since the original implementation of current value assessment (CVA) in 1998; and

**WHEREAS** many protected properties continue to pay property taxes at a level far below CVA tax; and

**WHEREAS** properties that should be receiving property tax decreases continue to pay at an unfair level of over 100% of CVA tax in order to fund tax dollars not levied to properties protected by the capping regime; and

**WHEREAS** the Province of Ontario has provided optional capping tools which may be utilized to increase progress towards taxation based on CVA; and

**WHEREAS** property taxation based on CVA has been the goal since the implementation of current value assessment in 1998; and

**WHEREAS** property taxation based on CVA is considered to be a fair and equitable method of distributing taxes; and

**WHEREAS** assessment value volatility is naturally controlled through the process of annual reassessments;

**NOW THEREFORE BE IT RESOLVED THAT** the Association of Municipal Tax Collectors of Ontario (AMTCO) strongly urges the Province of Ontario to amend the legislation commencing for the 2006 taxation year, to specify that once a property reaches CVA taxation, it remains at CVA taxes, regardless of the result of future reassessments; and

**THAT A COPY OF THIS RESOLUTION BE FORWARDED** to The Honourable Dalton McGuinty, The Honourable Greg Sorbara, The Honourable John Gerretson, the Municipal Finance Officers Association (MFOA), the Association of Municipal Managers, Clerks & Treasurers of Ontario (AMCTO), the Association of Municipalities of Ontario (AMO), and all the AMTCO member municipalities, requesting endorsement.

**CARRIED**