



BMR

NEWS
BRIEFS

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APPROVE BID TO END GRADED EXEMPTIONS OF TAXES IN TORONTO

The Bureau this month has finally won the unanimous approval of the Civic Legislation Committee to end graded exemptions of taxes in Toronto. Subject to a favourable vote in Council, this will authorize seeking legislation which would permit a reduction in the general mill rate of over two mills. The Province may be expected to pass the legislation if requested. In the case of a business property assessed at \$50,000, it will mean a saving of \$150 in taxes.

The Bureau's appearance before the Standing Committee on December 10th, requesting an immediate end to graded exemptions, climaxes years of opposition to the favoured treatment which has been given to a substantial number of property owners in Toronto since the end of the First World War. In a submission in 1952 to the Province of Ontario's Committee on Provincial-Municipal Relations, the Bureau recorded its views with reference to such special treatment of property owners as follows:

"Tax exemption is a form of privilege which should only be allowed provided it can be shown to be in the best interests of the community at large; for each exemption granted places an additional burden on all remaining taxpayers. With the present high level of real property taxes, the question has become one of much more than academic interest.

"Two examples will be given of partial exemptions which we do not feel are fully justified. In Toronto and New Toronto partial exemption from taxation is allowed on dwelling houses where the land and building is assessed for less than a stated amount. If the building is tenant occupied, there is no guarantee that the tax benefit will be passed on to the tenant. However, the privilege seems hardly fair even if restricted to owner occupants. The favoured treatment would still not single out those least able to pay. Moreover, the real property tax was never intended as an 'ability' tax. Again, the argument sometimes advanced in favour of the scheme - that it encourages a wider investment in housing - seems debatable at any time and has not been borne out by the facts in recent years."

In 1955 the Town of New Toronto sought an amendment to its private bill to RAISE the assessed value of properties enjoying partial graded exemptions from \$4,000 to \$7,000. The Bureau appeared before the Private Bills Committee in opposition to this change. The Bureau won a major decision: the change was denied and, moreover, the general legislation authorizing partial graded exemptions was revoked. The City of Toronto and the Town of New Toronto, however, were permitted to retain their existing privilege of graded exemptions.

On the ground that partial exemptions constitute a departure from the principle of equity in property assessment, the Bureau continued to oppose the favoured treatment in Toronto. Now, as a result of our recent demands for an immediate end to the exemptions, the Standing Committee on Legislation of the City of Toronto has agreed to prepare an application to the Provincial Government for legislation to wipe out all partial graded tax exemptions in five years, with the last portion of the exemption ending in 1965.

SHIFT BURDEN OF PUBLIC ASSISTANCE FROM UNITED APPEAL

At the same meeting where tax exemptions were considered, the Bureau's director appeared also in a secondary role - chairman of a special committee of the Social Planning Council which had studied the supplementation of civic relief payments by voluntary organizations.

The report, covering a six months' period, estimated that 2,500 single persons and families had been assisted by organizations obtaining money from the United Fund or through similar public contributions.

The Standing Committee acknowledged the problem, endorsed the report in principle and agreed to join a delegation to the Province seeking new public assistance regulations which would tend to give full responsibility for general public assistance to governments and thereby enable the voluntary organizations to concentrate upon their intended welfare services.

BUREAU PURPOSE

It is not the Bureau's purpose to seek credit for changes in legislation. The real credit belongs to public officials who, based on enlightened information, take appropriate action. We believe that Bureau supporters, nonetheless, appreciate tangible evidence of the work which they sustain.

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