



2ND SESSION, 40TH LEGISLATURE, ONTARIO
63 ELIZABETH II, 2014

Bill Pr27

An Act respecting Toronto International Film Festival Inc.

Mr. R. Marchese

Private Bill

1st Reading February 26, 2014

2nd Reading

3rd Reading

Royal Assent

Printed by the Legislative Assembly of Ontario



EXPLANATORY NOTE

The purpose of the Bill is set out in the Preamble.

An Act respecting Toronto International Film Festival Inc.

Toronto International Film Festival Inc. has applied for special legislation to exempt certain land from taxation for municipal and school purposes, other than local improvement rates, beginning January 1, 2014, while the land is occupied and used by Toronto International Film Festival Inc., and to cancel the taxes for municipal and school purposes, other than local improvement rates, that were payable on the land from September 1, 2010 to December 31, 2013. The applicant represents that it was incorporated under the *Corporations Act* by letters patent dated February 28, 1975 under the name World Film Festival of Toronto Inc., and that it changed its name by supplementary letters patent dated October 18, 1994 to Toronto International Film Festival Inc. The applicant represents that it is a registered charity within the meaning of the *Income Tax Act* (Canada) and that it owns a freehold interest in the land.

It is appropriate to grant the application.

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Definition

1. In this Act,

“specified property” means the land, as defined in the *Assessment Act*, municipally known as 350 King Street West in the City of Toronto, more specifically described as:

Part of the Lane (closed by By-law 14-2002, Instrument No. CA766959); Part of the Lane (closed by By-law 20917, Instrument No. ES50552); Parts of the 0.305 meter reserve; and Parts of Lots 1-9, Plan D-255, and Parts of Lots 1-6 on Plan 84, designated as Parts 1, 3-8, 14-15, and 17 on Plan 66R25315 and Parts 2-4 on Plan 66R-25347.

Municipal tax exemption by-law

2. (1) The council of the City of Toronto may pass by-laws exempting the specified property from taxation for municipal purposes, other than local improvement rates, beginning January 1, 2014, if,

- (a) the specified property is occupied and used solely by Toronto International Film Festival Inc.;
- (b) Toronto International Film Festival Inc. is the registered owner of the specified property; and
- (c) Toronto International Film Festival Inc. is a registered charity within the meaning of the *Income Tax Act* (Canada).

Non-exempt portion of land

(2) For greater certainty, if any portion of the specified property is occupied and used by an entity other than Toronto International Film Festival Inc., that portion of the specified property so occupied and used is not exempt from taxation under a by-law passed under subsection (1).

Municipal tax cancellation by-law

3. (1) If the council of the City of Toronto passes a by-law under section 2, it may pass by-laws cancelling the taxes for municipal purposes, other than local improvement rates, including interest and penalties, on the specified property, or any portion of it,

- (a) for the period from September 1, 2010 to December 31, 2010;
- (b) for the years 2011, 2012 and 2013; and
- (c) for any year or part of a year,
 - (i) to which the exemption applies, and
 - (ii) for which taxes have been levied.

Non-exempt portion of land

(2) For greater certainty, if any portion of the specified property is not exempt from taxation under a by-law passed under subsection 2 (1), as described in subsection 2 (2), a cancellation of taxes for municipal purposes under this Act does not apply to that portion.

School taxes

Tax exemption

4. (1) If the council of the City of Toronto passes a by-law under section 2, the specified property is also exempt from taxation for school purposes for the period for which the specified property is exempt from taxation for municipal purposes, other than local improvement rates, under the by-law.

Tax cancellation

(2) If the council of the City of Toronto passes a by-law under section 3, the taxes for school purposes on the specified property, including interest and penalties, are also cancelled for the period for which the taxes for municipal purposes, other than local improvement rates, are cancelled.

Non-exempt portion of land

(3) For greater certainty, if any portion of the specified property is not exempt from taxation under a by-law passed under subsection 2 (1), as described in subsection

2 (2), an exemption from taxation for school purposes or a cancellation of taxes for school purposes does not apply to that portion.

Chargeback

(4) Section 318 (taxes collected on behalf of other bodies) of the *City of Toronto Act, 2006* applies to taxes cancelled by subsection (2).

If specified property is sold

5. (1) A by-law passed under section 2 or 3 may state that it does not come into force unless Toronto International Film Festival Inc. enters into an agreement with the City of Toronto providing that, if Toronto International Film Festival Inc. sells, leases or otherwise disposes of the specified property, the amount described in subsection (2) becomes payable to the City unless, pursuant to the provision described in subsection 6 (1), the amount described in subsection 6 (3) becomes payable instead.

Amount of taxes

(2) For the purposes of subsection (1), the amount is the amount of taxes that would have been payable, if the by-law under section 2 or 3 had not been passed, by Toronto International Film Festival Inc. to the City of Toronto in respect of the specified property for the shorter of the following two periods:

1. The 10 years preceding the date of the sale, lease or other disposition.
2. The period that started on the date the by-law was passed and ended on the date of the sale, lease or other disposition.

Charge registered on title

(3) The City of Toronto may register an agreement described in subsection (1) against the title of the specified property in the appropriate land registry office and any amounts payable under the agreement shall, until paid, be a lien or charge on that land and may be added by the clerk of the City of Toronto to the collector's roll and collected in the same manner as real property taxes.

If subsequent land is acquired

Collection of taxes postponed

6. (1) An agreement described in subsection 5 (1) may provide that, if Toronto International Film Festival Inc. sells, leases or otherwise disposes of the specified property and, within two years of the date of the sale, lease or other disposition, acquires other land in the City of Toronto, and if the conditions set out in subsection (2) are met,

- (a) the amount described in subsection 5 (2) is not payable to the City of Toronto upon the sale, lease or other disposition of the specified property; and
- (b) the amount described in subsection (3) is payable to the City of Toronto upon the sale, lease or other disposition of the acquired land.

Conditions

(2) The conditions referred to in subsection (1) are that,

- (a) the acquired land is occupied and used solely by Toronto International Film Festival Inc.;
- (b) Toronto International Film Festival Inc. is the registered owner of the acquired land; and
- (c) Toronto International Film Festival Inc. is a registered charity within the meaning of the *Income Tax Act* (Canada).

Amount of taxes

(3) For the purposes of subsection (1), the amount is the amount of taxes that would have been payable, if the by-law under section 2 or 3 had not been passed, by Toronto International Film Festival Inc. to the City of Toronto in respect of the specified property or the acquired land for the shorter of the following two periods:

1. The 10 years preceding the date of the sale, lease or other disposition of the acquired land.
2. The period that started on the date the by-law was passed and ended on the date of the sale, lease or other disposition of the acquired land.

Transfer of tax exemption and lien

(4) If an agreement described in subsection 5 (1) has been entered into and Toronto International Film Festival Inc. sells, leases or otherwise disposes of the specified property and, within two years of the date of the sale, lease or other disposition, acquires other land in the City of Toronto, and if the conditions set out in subsection (2) are met,

- (a) the City of Toronto may by by-law transfer the tax exemption under section 2 to the acquired land;
- (b) the City of Toronto may register the agreement against the title of the acquired land in the appropriate land registry office and upon such registration any lien or charge described in subsection 5 (3) on the specified property is discharged; and
- (c) any amounts payable under the agreement shall, until paid, be a lien or charge on the acquired land and may be added by the clerk of the City of Toronto to the collector's roll and collected in the same manner as real property taxes.

Non-exempt portion of land

(5) For greater certainty, the transfer under clause (4) (a) of a tax exemption to the acquired land does not apply to any portion of land that is occupied and used by an entity other than Toronto International Film Festival Inc.

Revocation of by-law

7. If the council of the City of Toronto revokes a by-law passed under section 2 or 3 or clause 6 (4) (a), the revocation does not affect the validity of any agreement described in subsection 5 (1) between Toronto International Film Festival Inc. and the City of Toronto or change any of its terms respecting the payment of amounts owing under the agreement.

Commencement

8. This Act comes into force on the day it receives Royal Assent.

Short title

9. The short title of this Act is the *Toronto International Film Festival Inc. Act (Tax Relief), 2014.*