TAX REDUCTIONS
for all Home-owners and Tenants in Ontario

Your Guide to Ontario's New System of Tax Reductions

To ensure the fairness of municipal and school taxes, the Ontario government has established a system of residential property tax reductions. Here's how it works:

If you are a home-owner...
If you pay your taxes directly, you receive the tax reduction directly from your local municipality. If you pay through another official, you will receive the benefit of the tax reduction by way of an adjustment in your monthly payments.

If you are a landlord...
As an owner of residential property, you receive the tax reduction in the same manner as described above for home-owners.

If you are a tenant...
Your landlord is required to pay up to the full amount of the tax reduction for your house or apartment. However, you are entitled to a portion of the reduction if you pay your rent monthly or in advance and are an occupant of one of the properties that qualify. You should send a letter to your landlord or his agent to be entitled to a portion of the tax reduction. If your tenancy ends after June 30, you can still receive a portion of the reduction, but only up to the date of your move. If your tenancy ended before June 30, you can receive a portion of the reduction if your landlord or his agent is required to pay the tax reduction.

Your local municipality calculates the amount of the reduction and submits it to the Ministry of Finance, which in turn pays the tax reduction to the municipalities. The tax reduction for each property is calculated using a formula that includes the assessed value of the property and the existing tax rate for that municipality.

For more information, contact the Municipal Affairs Office in your community or visit the Ontario Government website.