

January 7, 2011

To: Mayor and Members of City Council

From: Cam Weldon
Deputy City Manager and Chief Financial Officer

Subject: Personal Vehicle Tax Termination and Refund

The purpose of this memorandum is to provide you with additional information regarding the key features of the Personal Vehicle Tax (PVT) termination implementation and its transition phase.

The termination of the PVT was implemented effective January 1, 2011. The City's website has been updated with PVT information designed to serve the citizens of Toronto. A City-designed PVT information handout has been provided to the Province for distribution through ServiceOntario outlets to the PVT taxpayers for their reference.

The application of the tax through the transition period is outlined below:

- Those whose renewals were due on or after January 1, 2011 are not required to pay the tax. If the tax has been paid in advance (such as for those who renewed their vehicle plates in December 2010) it will be refunded by the City.
- Those whose renewals were due on or before December 31, 2010 are required to pay the tax. If a two-year renewal is purchased, the collection system will apply the tax for both years and the City will automatically issue a PVT tax refund for the second year (the year starting on or after January 1, 2011).
- Example: If your vehicle plate was due for renewal in December, 2010 and you renew your licence plate in January 2011, the tax will be applied. If you choose to purchase a two-year renewal, half of the tax will be refunded by the City as soon as possible.
- There is no need to apply for refunds related to over payment due to termination of the tax. The City will send all refunds by April, 2011 to the eligible PVT taxpayers at their home addresses.

Additional information is available to the public by calling 311 or visiting the City's website at: <http://www.toronto.ca/finance/pvt>

If you require further information please call John Longarini, Supervisor, Revenue Accounting & Collections, Revenue Services at Manager, 416-395-1226, jlongar@toronto.ca



c. Joseph P. Pennachetti, City Manager