

TO: Mayor Avis & Members of Council
FROM: Laurie Witherspoon, Treasurer
DATE: September 16, 2014
SUBJECT: CN Railway Right-of-Way

BACKGROUND

At the September 8, 2014 Council Meeting, the CN Railway Right-of-Way taxes imposed as prescribed in Ontario Regulation 387/98 Tax Matters – Taxation of Certain Railway, Power Utility Lands was referred to the Administration & Finance Executive Committee for their recommendation.

Ontario Regulation 387/98 Tax Matters – Taxation of Certain Railway, Power Utility Lands sets out the municipal tax rate for railway rights-of-way (expressed as dollars per acre) is \$35.26/acre for the Town of Fort Frances. The returned Assessment Roll WT assessment for CN Railway right-of-way is 102.75 acres; thereby the municipal tax imposed per year is \$3,622.97. Public safety threats/risks increase with the volume of trains and hazardous materials transported through the municipality with little compensation.

In Saskatchewan, railways are assessed for property tax purposes, in accordance with Saskatchewan Assessment Management Agency guidelines, placing differing values on different classes of railways based on their gross tonnage movements in the previous year.

RECOMMENDATION

The Administration & Finance Executive Committee recommend that Council forward the CN Railway right-of way prescribed taxation matter to the Rainy River District Municipal Association for support and request that the RRDMA refer this matter to NOMA for consideration.

Council Approval of This Report Will Approve the Administration & Finance Executive Committee recommendation forward the CN Railway right-of way prescribed taxation matter to the Rainy River District Municipal Association (RRDMA) for support and request that the RRDMA refer this matter to NOMA for support consideration.



ServiceOntario

e-Laws

Municipal Act, 2001
Loi de 2001 sur les municipalités

ONTARIO REGULATION 387/98

formerly under Municipal Act

TAX MATTERS — TAXATION OF CERTAIN RAILWAY, POWER UTILITY LANDS

Consolidation Period: From March 28, 2007 to the e-Laws currency date.

Last amendment: O. Reg. 124/07

*This Regulation is made in English only.*SKIP TABLE OF CONTENTS

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TAX RATES

1. The rates of tax set out in Table 1 are prescribed, for the geographic areas described in subsection 315 (6) of the Act, as the rates of tax to be imposed by a local municipality on land described in subsection 315 (1) of the Act. O. Reg. 82/04, s. 1.

2.-2.6 Revoked: O. Reg. 124/07, s. 1

WHEN TAXES DISTRIBUTED TO UPPER-TIER

3. (1) A local municipality that forms part of an upper-tier municipality for municipal purposes shall distribute taxes for a year under section 315 of the Act to the upper-tier municipality in accordance with the following:

1. The taxes shall be distributed in four instalments due on or before March 31, June 30, September 30 and December 15 of the year.
2. The first instalment must be 25 per cent of the amount the local municipality was required to distribute to the upper-tier municipality in respect of taxes for the previous year under section 315 of the Act.

3. The second instalment must be 50 per cent of the amount the local municipality is required to distribute to the upper-tier municipality for the year less the amount of the first instalment.
 4. The third instalment must be 25 per cent of the amount the local municipality is required to distribute to the upper-tier municipality for the year.
 5. The fourth instalment must be equal to the balance of the amount the local municipality is required to distribute to the upper-tier municipality for the year.
O. Reg. 706/98, s. 1; O. Reg. 82/04, s. 8 (1, 2).
- (2) Revoked: O. Reg. 124/07, s. 2.

PRESCRIBED POWER UTILITIES

4. (1) A designated electricity utility, as defined in subsection 19.0.1 (5) of the *Assessment Act*, is prescribed as a power utility for the purposes of paragraph 2 of subsection 315 (1) of the Act. O. Reg. 342/99, s. 2; O. Reg. 82/04, s. 9 (1).

(2) The following corporations are prescribed as power utilities for the purposes of paragraph 2 of subsection 368.3 (1) of the old Act or subsection 315 (1) of the Act, commencing January 1, 2001:

1. Great Lakes Power Limited.
2. Canadian Niagara Power Company Limited.
3. Cedar Rapids Transmission Company Limited.
4. Inco Limited.
5. NAV Canada.
6. Cornwall Street Railway Light & Power Company Limited. O. Reg. 132/02, s. 4;
O. Reg. 82/04, s. 9 (2).

TABLE 1
RATES OF TAX UNDER SUBSECTION 368.3 (1) OF THE ACT

Item	Column 1	Column 2	Column 3
	Geographic area described in subs. 315 (6) of the Act	Tax rate for land described in para. 1 of subs. 315 (1) of the Act (railway rights-of-way), expressed as dollars per acre	Tax rate for land described in para. 2 of subs. 315 (1) of the Act (electrical corridors), expressed as dollars per acre
1.	The regional municipalities of Durham, Halton, Peel and York	611.33	834.02
2.	The Regional Municipality of Ottawa-Carleton and the counties of Lanark, Leeds and Grenville, Prescott and Russell, Renfrew and Stormont, Dundas and Glengarry,	85.05	367.09

	including the separated municipalities situated in those counties		
3.	The counties of Frontenac, Haliburton, Hastings, Lennox and Addington, Northumberland, Peterborough, Prince Edward and Victoria, including the separated municipalities situated in those counties	41.59	19.86
4.	The regional municipalities of Hamilton-Wentworth, Niagara and Waterloo	264.83	396.09
5.	The Regional Municipality of Haldimand-Norfolk, the County of Oxford, and the counties of Brant, Elgin, Essex, Kent, Lambton and Middlesex, including the separated municipalities situated in those counties	85.58	60.82
6.	The counties of Bruce, Dufferin, Grey, Huron, Perth, Simcoe and Wellington, including the separated municipalities situated in those counties	54.18	19.94
7.	The Regional Municipality of Sudbury and the districts of Algoma, Manitoulin and Sudbury	75.66	12.54
8.	The District Municipality of Muskoka, and the districts of Cochrane, Nipissing, Parry Sound and Temiskaming	38.89	72.89
9.	The districts of Kenora, Rainy River, and Thunder Bay	35.26	122.15

CN - 102.75 Ac
Hydro - 12912 Ac

O. Reg. 495/98, s. 1; O. Reg. 82/04, s. 10; O. Reg. 124/07, s. 3.

TABLES 2-21 Revoked: O. Reg. 124/07, s. 4.

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County/Region/District
Comté/Région/District
RAINY RIVER
City/Mun
Cité/Mun
59 12

REGION 32

Assessment Roll / Rôle d'évaluation

Assessment Compiled in the Year 2013 for Taxation in the Year 2014
Évaluation compilée au cours de l'année 2013 pour l'impôt foncier de l'année 2014

Date Printed/Date d'impression
Nov. 17 nov. 2013
Municipality/Taxing Authority/Municipalité/Autorité fiscale
FORT FRANCES TOWN

016229

**TOTAL ACREAGE
SUPERFICIE TOTALE (EN ACRES)**

CNTY MUN
59 12

CTÉ MUN
59 12

UH Utility Transmission/Distribution
WT Railway Right-of-Way

*** TOTAL ***

129.12
102.75

231.87AC

UH Distribution/Transmission service public
WT Droit de passage de chemin de fer

*** TOTALE ***