



PORT COLBORNE

Subject: Cancellation, Reduction or Refund of Realty Tax

To: Council

From: Corporate Services Department

Report Number: 2024-220

Meeting Date: December 10, 2024

Recommendation:

That Corporate Services Department Report 2024-220 be received; and

That the applications pursuant to Section 357/358 of the *Municipal Act, 2001*, as amended, numbered 2023-900, 2023-1000, 2024-200, 2024-300, 2024-400, 2024-700, 2024-800, and 2024-900, be approved to cancel or reduce taxes in the amount of \$46,381.37.

Purpose:

The purpose of this report is to seek approval of Council to cancel, reduce, or refund realty tax of the applicant in accordance with the recommendations of the Municipal Property Assessment Corporation (MPAC) Assessor.

Background:

Under section 357 and 358 of the *Municipal Act, 2001*, as amended, an application to Council may be made by the taxpayer for the cancellation, reduction, or refund of tax levied in the current and previous year for specific purposes. In some cases, a review may increase the property assessment and increase a property's tax levied.

Once an application is received from a taxpayer under section 357 or 358 and processed by staff, the application is forwarded to MPAC for a revised assessment recommendation. These applications are then returned to the municipality for staff to calculate the amount of cancellation or adjustment of taxes.

The applications received under section 357, application numbers 2023-900, 2023-1000, 2024-200, 2024-300, 2024-400, 2024-700, 2024-900 and section 358, application number 2024-800, are in the Treasurer's possession.

The process has remained the same year over year except, beginning July 2, 2024, when a building has been razed by fire, MPAC no longer revalues or changes the value of a property or a portion of a property for the period requested in a tax application. Beginning July 2, 2024 MPAC only offers the returned Current Value Assessment (CVA) and a notional value of the impacted structure for consideration under general remarks, leaving it up to each municipality to determine the amount of tax relief that should be provided to the property owner. Since the City does not have an assessment expert on staff, the City will utilize a subject matter expert to assist if and when these types of 357 applications are received. In 2024, the City experienced no razed by fire properties subsequent to July 2, 2024.

Discussion:

The summary report attached as Appendix "A" encompasses the applications received to date for submission to Council for approval.

Staff recommend Council approve the recommendation of the MPAC assessor for the applications received under sections 357 and 358. It is a rarity that the taxpayer challenges any recommendation; however, if such did occur, staff would request that MPAC attend the meeting to defend or amend the recommendation. Staff have received no objections from the taxpayers.

Financial Implications:

Application numbers 2023-900, 2023-1000, 2024-200, 2024-300, 2024-400, 2024-700, 2024-800, and 2024-900 under section 357 and 358 require Council's approval. The total amount of reduction or cancellation of taxes is \$46,381.37, of which \$21,120.47 is the municipal portion.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Economic Prosperity
 - Sustainable and Resilient Infrastructure
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Conclusion:

Staff recommend Council approve the applications outlined in this report to cancel, reduce, or refund realty tax in accordance with the recommendations of the Municipal Property Assessment Corporation (MPAC) Assessor.

Appendices:

- a. Calculation of Adjustments Based on the Assessor's Reports and Comments

Respectfully submitted,

Adam Pigeau, CPA, CA
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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.