



Report to: General Committee

Meeting Date: May 6, 2025

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**SUBJECT:** Tax Write-offs in Accordance with Section 354 of the  
Municipal Act, 2001

**PREPARED BY:** Matthew Vetere, Manager, Tax & Assessment Policy

**REVIEWED BY:** Shane Manson, Senior Manager, Revenue & Property Tax

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**RECOMMENDATION:**

1. That the report entitled Tax Write-offs in Accordance with Section 354 of the *Municipal Act, 2001* be received; and,
2. That the tax amounts for prior years totalling \$541,581, as set out in this report, be written-off pursuant to Section 354 of the *Municipal Act, 2001*; and,
3. That the City of Markham's portion of the write-off of \$114,225 be charged to Account 820-820-7040; and,
4. That the Treasurer be directed to remove these amounts from the Collector's Roll; and,
5. That the associated interest be cancelled in proportion to the tax adjustments; and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

In accordance with the provisions of section 354 of the *Municipal Act, 2001*, this report recommends that uncollectible outstanding taxes in the amount of \$541,581 be written-off and removed from the tax roll for the properties noted within Appendix A, B, C & D of this report. For ease of illustration, the properties are grouped into the following categories:

1. Public Services & Procurement Canada (PSPC) Properties
2. Parks Canada Agency - Rouge National Urban Park Properties
3. Taxable Properties
4. City of Markham Properties

**BACKGROUND:**

The provisions included within section 354 of the *Municipal Act, 2001 (The Act)* allows the Treasurer or his designate to remove taxes from the tax roll where other provisions of the *Municipal Act, 2001*, provide authority to do so or following approval from Council. Taxes may not be recommended to Council for write-off until after an unsuccessful tax sale under Part XI of the *Municipal Act, 2001*, except:

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- If the property is owned by Canada, a province or territory, or a Crown agency of any of them, or by a municipality
  - If the recommendation of the Treasurer or his designate advises Council as to why conducting a tax sale would be ineffective or inappropriate.

**OPTIONS/ DISCUSSION:**

Staff have determined that amounts billed on the following properties are uncollectible or no longer payable and should be written off. Details of the properties, including the reason and the amounts that are being recommended for write-off, are included below.

**1. Public Services & Procurement Canada (PSPC) Properties**

Properties owned by the federal and/or provincial governments are exempt from regular property taxation but are eligible to make PILTs (Payment in lieu of taxes). PILTs are unlike property taxes in two important ways: PILTs are made voluntarily and the government has the discretion with determining the property values and the property classification that is used for calculating PILTs.

The City's PILT requests are calculated using the current value assessment (CVA) and tax classifications as returned on the assessment roll by the Municipal Property Assessment Corporation (MPAC). These CVAs are multiplied by the applicable tax rates for the classification of the property. In most cases, PILTs are paid in the amounts requested by the City of Markham.

There are 47 PSPC properties that have an outstanding amount based on the difference between the amount billed and the payments received. The PILT amounts paid by PSPC on these properties do not represent the full amount requested by the City, but rather an adjusted amount which reflects the Crown opinion that these properties are to be classified in the farm class rather than residential class as determined by MPAC. The Crown has the discretion of determining both the property values and the property classification used for calculating PILT payments. As the City does not have the authority to require the Crown to make full payment on PILT requests, Staff are recommending that the outstanding amount be written off.

*Staff Recommendation*

A total amount of \$198,078 (City's share estimated at \$47,626) from the 2024 levy year, as described below, is recommended to be written-off pursuant to section 354 of the *Municipal Act, 2001*. A consolidated listing of the properties is included within Appendix A.

**2. Parks Canada Agency - Rouge National Urban Park (RNUP) Properties**

As noted in section 1 of the report, properties owned by the federal government are exempt from regular property taxation but are eligible to make PILTs, which are unlike property taxes in two important ways: PILTs are made voluntarily, and the government has the discretion with determining the valuation and classification to be used.

There are 29 RNUP properties that have an outstanding amount based on the difference between the amount billed and the payments received. The PILT amounts paid by Parks Canada Agency on these properties does not represent the full amount requested by the City, but rather an adjusted amount which reflects the Crown opinion that these properties are to be classified in the farm class rather than residential class as determined by MPAC. The Crown has the discretion to determine both the property values and the property classification used for calculating PILT payments. As the City does not have the authority to require the Crown to make full payment on PILT requests, Staff are recommending that the outstanding amounts be written off.

*Staff Recommendation*

A total amount of \$177,716 (City's share estimated at \$43,256) from the 2024 levy year, as described below, is being recommended to be written-off pursuant to section 354 of the **Municipal Act, 2001**. A consolidated listing of the properties is included within Appendix B.

**3. Taxable Properties**

As noted earlier in the report, property taxes may not be recommended to Council for write-off until after an unsuccessful tax sale occurred under Part XI of the **Act**, except:

- if the recommendation of the Treasurer or his designate includes an explanation of why conducting a tax sale would be ineffective or inappropriate

There is one taxable property listed below with outstanding balances, which staff are recommending be written off, given that a tax sale would be ineffective or inappropriate.

*i. 36-02-0-132-84100-0000 (8977 WOODBINE AVENUE)*

This property is owned by the Ghana High Commission and operated as the Ghana Consulate in the GTA. The property is located on the east side of Woodbine Avenue, south of 16<sup>th</sup> Avenue. Under the Federal Government's Global Affairs Canada policy for foreign state, subsection 3.4 states, "A foreign state shall be exempt from municipal realty taxes on real property purchased and used exclusively for the premises of the mission."

*Staff Recommendation*

Staff recommend the write-off of outstanding tax levies for this one account totaling \$24,006, of which the City's portion is \$3,332. A consolidated listing of the one property is included within Appendix C.

**4. City of Markham Properties**

In addition to the properties within Section 3, there are five properties owned by the City of Markham that require property tax write-offs.

*i. 36-02-0-180-73600-0000 (185 MAIN STREET)*

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The property is located on the east side of Main Street Unionville, south of Carlton Road. The property is a parking lot for the public, owned by the City, which MPAC has classified as a public utility taxable at the full commercial tax rate. Staff have requested the property be reclassified to exempt; however, MPAC has maintained its classification. Staff are recommending the property taxes for 2024 be written off. The total taxes to be written-off for 2024 are \$7,117, of which the City's portion is \$982.

ii. *36-03-0-212-10450-0000 (STEELES AVENUE N/S)*

The property is located on the north side of Steeles Avenue, east of Markham Road. The property is a pumping station, owned by the City, which MPAC has classified as a public utility taxable at the full commercial tax rate. Staff have requested the property be reclassified to exempt; however, MPAC has maintained its classification.

Staff are recommending taxes in the amount of \$5,598, of which the City's portion is \$772 be written off.

iii. *36-02-0-156-83200-0000 (2787 19<sup>th</sup> AVENUE)*

The property is located on the south side of 19<sup>th</sup> Avenue, east of Highway 404. The property is a farm, owned by the City, which MPAC has classified as residential/farm at the full residential and farm tax rates. Staff have requested the property be reclassified to exempt; however, MPAC has maintained its classification.

Staff are recommending taxes in the amount of \$3,348, of which the City's portion is \$815, be written off.

iv. *36-02-0-127-96720-0000 (120 SOUTH TOWN CENTRE BLVD)*

The property is located on the west side of South Town Centre Blvd., South of Highway 7. The property is an office building, owned by the City, which has been vacant from June 30, 2023 through December 31, 2024.

Staff are recommending taxes in the amount of \$123,524, of which the City's portion is \$17,136, be written off.

v. *36-02-0-139-03100-0000 (101 TOWN CENTRE BLVD)*

The property is located on the north side of Highway 7, west of Warden Ave. While the Civic Centre is exempt, there is a cafeteria that is classified as commercial at the full commercial tax rate. The cafeteria remained vacant for much of 2024, with a new tenant ramping up operations starting in the Fourth Quarter.

Staff are recommending taxes in the amount of \$2,194, of which the City's portion is \$306, to be written off.

*Staff Recommendation*

Staff are recommending taxes in the amount of \$141,781, of which the City's portion is \$20,011, be written off. A consolidated listing of the five properties is included within Appendix D.

**FINANCIAL CONSIDERATIONS**

The amounts recommended for write-off in this report total \$541,581, of which the City's portion is \$114,225, the regional portion is \$249,482 and the Provincial education share is \$177,874.

The City will allocate its share of the write-off as an expense, charging to account 820-820-7040 (Tax Write-off Account), which has an annual budget of \$1,301,000. As of March, there have been no year-to-date actuals recorded in the tax write-off account. After deducting the proposed \$114,225 write-off mentioned in the report, the remaining available budget will be \$1,186,775.

**HUMAN RESOURCES CONSIDERATIONS**

N/A

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

N/A

**BUSINESS UNITS CONSULTED AND AFFECTED:**

N/A

**RECOMMENDED BY:**

Joseph Silva  
Treasurer

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:**

Appendix A / B / C / D: Write-off Summary

## Appendix A: 2025 Write-off Summary of Public Services & Procurement Canada (PSPC) Properties

Property	Ward	Roll Number	Property Location	Owner	# of Years Outstanding	Total
1	5	36-03-0-242-53000-0000	0 NINTH LINE W/S	Public Services & Procurement Canada	1	\$1,727
2	5	36-03-0-242-54000-0000	0 NINTH LINE	Public Services & Procurement Canada	1	\$1,021
3	5	36-03-0-242-54100-0000	0 NINTH LINE W/S	Public Services & Procurement Canada	1	\$4,563
4	5	36-03-0-242-70000-0000	11306 NINTH LINE	Public Services & Procurement Canada	1	\$1,398
5	5	36-03-0-242-73000-0000	0 NINTH LINE W/S	Public Services & Procurement Canada	1	\$1,455
6	5	36-03-0-243-10000-0000	6445 19TH AVE	Public Services & Procurement Canada	1	\$6,507
7	5	36-03-0-261-81400-0000	9992 YORK-DURHAM LINE	Public Services & Procurement Canada	1	\$1,766
8	5	36-03-0-261-85500-0000	7255 MAJOR MACKENZIE	Public Services & Procurement Canada	1	\$17,097
9	5	36-03-0-262-24800-0000	0 MAJOR MACKENZIE N/S	Public Services & Procurement Canada	1	\$3,496
10	5	36-03-0-262-27600-0000	7192 MAJOR MACKENZIE	Public Services & Procurement Canada	1	\$1,036
11	5	36-03-0-262-35400-0000	7630 MAJOR MACKENZIE	Public Services & Procurement Canada	1	\$7,380
12	5	36-03-0-262-57500-0000	10233 NINTH LINE	Public Services & Procurement Canada	1	\$8,225
13	5	36-03-0-262-67700-0000	10389 NINTH LINE	Public Services & Procurement Canada	1	\$9,549
14	5	36-03-0-262-78000-0000	10531 NINTH LINE	Public Services & Procurement Canada	1	\$9,280
15	5	36-03-0-262-87900-0000	10691 NINTH LINE	Public Services & Procurement Canada	1	\$8,806
16	5	36-03-0-263-34500-0000	0 REESOR RD W/S	Public Services & Procurement Canada	1	\$2,751
17	5	36-03-0-263-55000-0000	10377 REESOR RD	Public Services & Procurement Canada	1	\$11,193
18	5	36-03-0-264-74700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,000
19	5	36-03-0-264-75700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,021
20	5	36-03-0-264-76700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,026
21	5	36-03-0-264-77700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,026
22	5	36-03-0-264-78700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,026
23	5	36-03-0-264-79700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,026
24	5	36-03-0-264-80700-0000	0 ELGIN MILLS RD E N/S	Public Services & Procurement Canada	1	\$1,026
25	5	36-03-0-264-81700-0000	7356 ELGIN MILLS RD E	Public Services & Procurement Canada	1	\$5,867
26	5	36-03-0-265-08400-0000	10903 NINTH LINE	Public Services & Procurement Canada	1	\$3,006



**Appendix B: Write-off Summary of Parks Canada Agency - Rouge National Urban Park Properties**

Property	Ward	Roll Number	Property Location	Owner	# of Years Outstanding	Total
1	7	36-03-0-251-33700-0000	7293 REESOR RD	Parks Canada Agency	1	\$16,436
2	7	36-03-0-251-77000-0000	7560 11TH CONCESSION	Parks Canada Agency	1	\$8,220
3	7	36-03-0-252-04872-0000	8331 14TH AVE	Parks Canada Agency	1	\$17,729
4	7	36-03-0-252-62300-0000	0 14TH AVE	Parks Canada Agency	1	\$1,281
5	7	36-03-0-252-78200-0000	8183 14TH AVE	Parks Canada Agency	1	\$4,416
6	7	36-03-0-253-13500-0000	0 14TH AVE	Parks Canada Agency	1	\$1,026
7	7	36-03-0-253-36200-0000	8328 14TH AVE	Parks Canada Agency	1	\$4,101
8	7	36-03-0-254-20500-0000	0 REESOR RD	Parks Canada Agency	1	\$1,291
9	7	36-03-0-254-21700-0000	0 REESOR RD	Parks Canada Agency	1	\$1,143
10	7	36-03-0-254-24000-0000	0 REESOR RD	Parks Canada Agency	1	\$235
11	7	36-03-0-254-24200-0000	0 REESOR RD	Parks Canada Agency	1	\$3,511
12	7	36-03-0-254-30000-0000	7939 REESOR RD	Parks Canada Agency	1	\$2,491
13	7	36-03-0-254-35203-0000	0 REESOR RD	Parks Canada Agency	1	\$1,393
14	7	36-03-0-254-54400-0000	7862 11TH CONCESSION	Parks Canada Agency	1	\$10,778
15	7	36-03-0-255-35400-0000	0 YORK-DURHAM LINE	Parks Canada Agency	1	\$1,567
16	7	36-03-0-255-37820-0000	0 YORK-DURHAM LINE	Parks Canada Agency	1	\$298
17	5	36-03-0-255-69851-0000	0 HWY 7	Parks Canada Agency	1	\$2,700
18	5	36-03-0-256-45700-0000	8036 HWY 7	Parks Canada Agency	1	\$2,312
19	5	36-03-0-256-45900-0000	8660 YORK-DURHAM LINE	Parks Canada Agency	1	\$8,899
20	5	36-03-0-257-81700-0000	0 YORK-DURHAM LINE	Parks Canada Agency	1	\$1,173
21	5	36-03-0-257-94000-0000	9048 YORK-DURHAM LINE	Parks Canada Agency	1	\$5,738
22	5	36-03-0-258-10500-0000	7797 16TH AVE	Parks Canada Agency	1	\$17,111
23	7	36-03-0-210-60004-0000	STEELES AVE E	Parks Canada Agency	1	\$39,535
24	5	36-03-0-256-40000-0000	0 HWY 7	Parks Canada Agency	1	\$4,656
25	5	36-03-0-257-41900-0000	8847 REESOR RD	Parks Canada Agency	1	\$3,113
26	5	36-03-0-257-51800-0000	9035 REESOR RD	Parks Canada Agency	1	\$3,225



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Property	Ward	Roll Number	Property Location	Owner	# of Years Outstanding	Total
27	5	36-03-0-257-73200-0000	9165 REESOR RD	Parks Canada Agency	1	\$1,910
28	5	36-03-0-258-10000-0000	0 16TH AVE	Parks Canada Agency	1	\$4,703
29	5	36-03-0-261-22700-0000	9529 REESOR RD	Parks Canada Agency	1	\$6,725
<b>Total Amount Recommended for Write-off</b>						<b>\$177,716</b>

**Appendix C: Write-off Summary of Taxable Properties**

Property	Ward	Roll Number	Property Location	Owner	# of Years Outstanding	Total
1	2	36-02-0-132-84100-0000	8977 WOODBINE AVE	Ghana High Commission	1	\$24,006
Total Amount Recommended for Write-off						\$24,006

**Appendix D: Write-off Summary of City of Markham Properties**

Property	Ward	Roll Number	Property Location	Owner	# of Years Outstanding	Total
1	3	36-02-0-180-73600-0000	185 MAIN ST	City of Markham	1	\$7,117
2	7	36-03-0-212-10450-0000	STEELES AVE N/S	City of Markham	1	\$5,598
3	2	36-02-0-156-83200-0000	2787 19 <sup>TH</sup> AVE	City of Markham	1	\$3,348
4	8	36-02-0-127-96720-0000	120 SOUTH TOWN CENTRE BLVD	City of Markham	2	\$123,524
5	2	36-02-0-139-03100-0000	101 TOWN CENTRE BLVD	City of Markham	1	\$2,194
<b>Total Amount Recommended for Write-off</b>						<b>\$141,781</b>