



Report to: General Committee

Meeting Date: June 3, 2025

SUBJECT: Cancellation, Reduction, or Refund of Taxes under Sections 357 and 358 of the **Municipal Act, 2001**

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

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

RECOMMENDATION:

1. That the Report for the Cancellation, Reduction or Refund of Taxes under Sections 357 and 358 of the **Municipal Act, 2001** be received; and,
2. That taxes totalling approximately \$578,088 (incl. \$3,451 of Stormwater Fees) be adjusted under Section 357 and 358 of the **Municipal Act, 2001** of which the City's tax portion is estimated to be \$72,587; and,
3. That the associated interest be cancelled in proportion to the tax adjustments; and,
4. That the Treasurer be directed to adjust the Collector's Roll accordingly; and,
5. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to authorize the Treasurer to adjust the Collector's Roll under Section 357 and 358 of the **Municipal Act, 2001 (The Act)**.

BACKGROUND:

Sections 357 and 358 of **The Act** allows for the reduction, cancellation or refund of taxes. Section 357 subsection (1) states that: upon application to the Treasurer of a local municipality, the local municipality may cancel, reduce or refund all or part of taxes levied on land in the year in respect of which the application is made if:

- a. if a property or portion of a property is eligible to be reclassified in a different class of property, and that class has a lower tax ratio for the taxation year than the class the property or portion of the property was in before the change, and if no supplementary assessment is made in respect of the change under subsection 34(2) of the **Assessment Act**;
- b. property that has become vacant land or excess land during the year;
- c. property that has become exempt from taxation during the year;
- d. building that during the year was razed by fire, demolition or otherwise, or was damaged by fire, demolition or otherwise so as to render it substantially unusable for the purposes for which it was used immediately prior to the damage;

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- d.1. person who was unable to pay taxes because of sickness or extreme poverty;
 - e. mobile unit that was removed from the land during the year;
 - f. property overcharged by reason of any gross or manifest error that is a clerical error, the transposition of figures, a typographical error or similar type of error, but not an error in judgment in making the assessment upon which the taxes have been levied; or
 - g. in respect of a property which by reason of repairs or renovations could not be used for its normal use for a period of at least three months during the year.

Pursuant to Section 357 subsection (3), an application must be filed with the Treasurer on or before the last day of February of the year following the year in respect of which the application is made.

Pursuant to Section 358 subsection (3), an application must be filed with the Treasurer between March 1 and December 31 of a year and may apply to taxes levied for one or both of the two years preceding the year in which the application is made and the application shall indicate to which year or years it applies. This section permits applications for tax adjustment, related to taxes levied in each or either of the two years preceding the year in which the application is made, by owners who are overcharged by reason of any gross or manifest error in the preparation of the assessment roll by the Municipal Property Assessment Corporation (MPAC) that was factual in nature. This may include, but is not limited to; clerical errors, the transposition of figure or typographical errors, but not an error in judgment in making the assessment upon which the taxes have been levied.

OPTIONS/ DISCUSSION:

In accordance with **The Act**, the notices of hearing for the properties listed in Appendix B, were mailed to the applicants fourteen days before the date of which the applications are heard. The notices for these properties were mailed to applicants on May 20, 2025.

The schedules attached identify the associated year of taxation, the assessment roll number of each property, the reason for the tax appeal, the resulting tax adjustment along with the proportionate share for the City, Region, and School Board. There are four (4) primary reasons for a property tax appeal application to be filed:

1. Razed by Fire / Demolition / Unusable: representing properties that have experience a structural fire, structural demolition or Unusable. All such applications include a copy of the applicable permit and associated documentation.
2. Became Exempt: representing properties that were assessed on the assessment roll as taxable, but became exempt from taxation during the year;
3. Gross or Manifest Error: representing properties that require the property assessment to be amended due to errors identified in the overall valuation of the property.
4. Change in Tax Class: representing properties that were assessed on the assessment roll as one tax class, but became eligible to be reclassified into a different property during the year

Applications submitted to the City undergo review by MPAC. Following this review, they are returned with either a recommendation for tax adjustment or without any recommendation. Applications without a recommendation indicate that the tax appeal does not meet the specified criteria under **The Act**. These applications, totaling 15, have been thoroughly reviewed and deemed ineligible for relief.

Among the 39 properties that received tax adjustments, the total adjustment amount is \$578,088 (including a \$3,451 Stormwater Fee). Notably, 73.6% or \$422,883 of this total is attributable to just 2 properties, which are described below.

1. 1936 020 140 04600 (4101 Hwy 7)

This property is located on the south side of Highway 7, east of Birchmount Road. It was classified as commercial until 2023 when the existing structures were demolished. The tax class was subsequently changed to multi-residential in 2024 to align with proposed development on the property. The resulting total tax adjustment for the 2024 taxation year is \$281,080, of which the City's proportionate share is \$17,135.

2. 1936 020 133 86700 (2833 16th Ave)

This property is located on the south side of 16th Avenue, east of Highway 404. Formerly part of the Buttonville Airport lands, it was primarily designated for commercial use until 2024. Following the demolition of existing structures in that year, the property was reclassified predominantly for industrial use. As a result, the total tax adjustment for the 2024 taxation year is \$141,803, of which the City's portion amounts to \$31,089.

FINANCIAL CONSIDERATIONS

As shown in Figure 1 below, Markham's share of the total tax adjustments amounts to \$72,587. The remaining proportionate amounts, detailed in Figure 1, will be charged back to the other two levying bodies (Region of York and Province of Ontario).

Figure 1: Tax Adjustments by Levying Body	
City of Markham	\$72,587
Region of York	\$158,360
Province of Ontario (<i>Education</i>)	\$343,691
Total Tax Adjustment	\$574,637
Stormwater Fee	\$3,451
Total Adjustment	\$578,088

The City of Markham annually budgets for property tax adjustments, which come as a result of assessment appeals and from tax appeals filed under Section 357 and 358 of the **Municipal Act, 2001**.

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 May, there has been \$114,225 in year-to-date actuals recorded in the tax write-off account. After deducting the proposed \$72,587 write-off mentioned in the report, the remaining available budget will be \$1,114,188.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

None.

RECOMMENDED BY:

Joseph Silva
Treasurer

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A – Tax Adjustments under Section 357 and 358 of the **Municipal Act, 2001**

Appendix B – Tax Adjustments Detailed List

APPENDIX A**Tax Adjustments under Section 357 and 358 of the *Municipal Act, 2001***

June 3, 2025 - General Committee Meeting

Report Total (excl. Stormwater Fee)

Appeal Reason	Total Adjusted Amount	City Share Total	Appeal Count
Gross or Manifest Error	\$45,574	\$5,281	13
Became Exempt	\$19,096	\$4,072	11
Razed by Fire / Demolition / Unusable	\$507,708	\$62,684	14
Change in Tax Class	\$2,259	\$550	1
Total	\$574,637	\$72,587	39

APPENDIX B**Tax Adjustments under Section 357 & Section 358 – Tax Adjustments Detailed List
(excl. Stormwater Fee)****TAX APPEALS: SECTION 357 - RESIDENTIAL**

Tax Year	Application	Roll Number	Property Address	Appeal Reason	Amount
2023	5272	36-03-0-231-47000-0000	5836 16TH AVE	Became Exempt, Purchased by City	\$5,122
2024	5276	36-01-0-010-23100-0000	118 HIGHLAND PARK BLVD	Damaged by fire/unusable	\$591
2024	5280	36-01-0-010-71206-0000	7089 YONGE ST	Became Exempt, Purchased by City	\$3,668
2024	5312	36-02-0-111-49112-0000	10 WELSH CRT	Damaged by fire/unusable	\$1,783
2024	5277	36-02-0-117-47600-0000	51 DAWN HILL TRAIL	Damaged by fire/unusable	\$2,050
2024	5282	36-02-0-132-50601-0000	0 WOODBINE AVE	Correction to tax class	\$1,415
2024	5316	36-02-0-133-50036-0000	2 BRANTWOOD CRT	Damaged by fire/unusable	\$2,323
2024	5338	36-02-0-137-60600-0000	9 CACHET PKY	Demolished/ Razed by fire	\$685
2024	5318	36-02-0-140-04600-0000	4101 HWY 7	Demolished structure, change in tax class	\$281,080
2024	5320	36-02-0-160-01600-0000	3590 MAJOR MACKENZIE	Demolished/ Razed by fire	\$1,024
2024	5284	36-03-0-211-62503-0000	0 WALFORD RD	Correction to tax class	\$153
2024	5306	36-03-0-212-43000-0000	9 ROUGE RIVER CIR	Demolished/ Razed by fire	\$1,590
2024	5310	36-03-0-232-74769-0000	67 KENTLAND ST	Damaged by fire/unusable	\$2,402
2024	5295	36-03-0-260-50501-0000	0 NINTH LINE	Correction to tax class	\$7
2024	5293	36-03-0-260-50502-0000	0 MARKHAM BYPASS	Correction to tax class	\$7
2024	5278	36-04-0-320-41700-0000	9 RIVERVIEW RD	Demolished/ Razed by fire	\$2,260
2024	5285	36-04-0-350-11800-0000	21 GEORGE ST	Correction to tax class	\$3,804
2024	5286	36-04-0-351-00800-0000	17 TALISMAN CRES	Demolished/ Razed by fire	\$1,024
2024	5315	36-04-0-360-29500-0000	32 JAMES SPEIGHT RD	Demolished/ Razed by fire	\$3,199
Total s.357 Residential				19 Appeals	\$314,186

TAX APPEALS: SECTION 357 – NON-RESIDENTIAL

Tax Year	Application	Roll Number	Property Address	Appeal Reason	Amount
2023	5210	36-02-0-110-18200-0000	7755 BAYVIEW AVE	Correction to tax class	\$1,414
2023	5270	36-02-0-112-66384-0000	0 COMMERCE VALLEY DR	Became Exempt, Purchased by City	\$2,263
2023	5256	36-02-0-121-42300-0000	205 TORBAY RD	Demolished/ Razed by fire	\$31,071
2023	5248	36-03-0-223-32500-0000	4802 HWY 7	Correction to tax class	\$8,335
2024	5257	36-02-0-111-24000-0000	0 STEELCASE RD W	Correction to tax class	\$1,010
2024	5298	36-02-0-126-17000-0000	3 CLAYTON DR	Correction to tax class	\$1,871
2024	5326	36-02-0-133-86300-0000	350 ALLSTATE PKWY	Demolished/ Razed by fire	\$37,083
2024	5328	36-02-0-133-86700-0000	2833 16TH AVE	Demolished structure, change in tax class	\$141,803
2024	5227	36-03-0-235-08410-0000	0 MAJOR MACKENZIE DR E	Correction to tax class	\$234
Total s.357 Non - Residential				9 Appeals	\$225,084

TAX APPEALS: SECTION 358 - RESIDENTIAL

Tax Year	Application	Roll Number	Property Address	Appeal Reason	Amount
2021	5246	36-03-0-223-32500-0000	4802 HWY 7	Correction to tax class	\$8,243
2022	5300	36-03-0-210-01159-0000	4600 STEELES AVE E	Change in use, common element (parking)	\$2,258
2022	5247	36-03-0-223-32500-0000	4802 HWY 7	Correction to tax class	\$8,281
2023	5301	36-03-0-210-01159-0000	4600 STEELES AVE E	Change in use, common element (parking)	\$2,319
2023	5281	36-01-0-010-71206-0000	7089 YONGE ST	Became Exempt, Purchased by City	\$3,572
2023	5337	36-02-0-137-60600-0000	9 CACHET PKY	Demolished/ Razed by fire	\$1,246
2023	5294	36-03-0-260-50501-0000	0 NINTH LINE	Correction to tax class	\$7
2023	5292	36-03-0-260-50502-0000	0 MARKHAM BYPASS	Correction to tax class	\$7
Total s.358 Residential				8 Appeals	\$25,932

TAX APPEALS: SECTION 358 – NON-RESIDENTIAL

Tax Year	Application	Roll Number	Property Address	Appeal Reason	Amount
2021	5208	36-02-0-110-18200-0000	7755 BAYVIEW AVE	Correction to tax class	\$2,675
2022	5209	36-02-0-110-18200-0000	7755 BAYVIEW AVE	Correction to tax class	\$1,393
2023	5290	36-02-0-126-17000-0000	3 CLAYTON DR	Correction to tax class	\$5,367
Total s.358 Non - Residential				3 Appeals	\$9,435

Total				39 Appeals	\$574,637
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