



Report to: General Committee

Report Date: September 9, 2015

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

**PREPARED BY:** Shane Manson, Senior Manager, Revenue & Property Taxation

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**RECOMMENDATIONS:**

1. **THAT** taxes totalling \$145,343 as set out in this report, of which the City's portion is \$45,315 be written off pursuant to the provisions of Section 354 of the *Municipal Act, 2001*.
2. **AND THAT** the Treasurer be directed to remove the taxes from the Collector's Roll;
3. **AND THAT** the Treasurer be directed to authorized to write-off the municipal tax portion account 820-820-7040; and
4. **AND THAT** staff be authorized to and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

Provisions under Section 354 of the *Municipal Act, 2001* (*The Act*) allow for the write-off of taxes deemed uncollectible. The purpose of this report is to obtain approval by Council to adjust and/or write-off the balance of various tax accounts as set out in the attached schedule. Total adjustments are \$145,343 in taxation, of which the City of Markham's share is \$45,315.

**BACKGROUND:**

Under Section 354 of *The Act* the Treasurer has the authority to recommend to Council that uncollectible taxes be written off after an unsuccessful tax sale whether or not the property vests with the municipality; or, are no longer payable as the result of a provision for tax relief under a provincial statute; or, a decision of any court; or, if a tax sale would be either ineffective or inappropriate. Taxes levied on property of the Crown may also be written off.

The attached list of properties (Appendix A), is a "Summary of Uncollectible Taxes".

**OPTIONS/ DISCUSSION:**

Staff has determined that tax levies billed on two properties are uncollectible and should be written off (Appendix A). The recommendations for tax write-off are from accounts that have are being recommended for write-off due to an unsuccessful tax sale that occurred in the spring of 2015.

The amount of taxes recommended to be written off total \$145,343. Of this total, the City's share is \$45,315. The balance of \$100,028 will be charged back to the Region of York and the Province accordingly.

A summary of the properties which includes ownership and associated recommended write-off amounts have been provided below. In addition, an illustrative map of each property is included in Appendix B.

Property 1

**Owner - Bramalea Limited**

*Property Roll – 1936-020-143-80500*

*Classification – Residential Taxable*

*Address – 0 Millstone Court*

*Overdue tax levies: \$101,632*

This property is a vacant open land parcel that abuts Toogood Pond Park and eight single detached homes of Millstone Court. This property was authorized to proceed to Tax Sale, however, it did not receive any tender submissions; therefore the tender opening did not proceed and the tax sale was unsuccessful for this property. It is recommended the City write-off all outstanding taxes. The next steps for this property will be included in the separate report to General Committee.

Property 2

**Owner - 935499 Ontario Limited**

*Property Roll – 1936-030-245-60000*

*Classification – Residential Taxable*

*Address – 0 Highway 48*

*Overdue tax levies: \$43,711*

This parcel of land slopes south-east and is considerably below the road grade in various locations. The property has a water course crossing the property, and is designated under the Official Plan, which makes development in the future unlikely. This property was authorized to proceed to Tax Sale, however, it did not receive any tender submissions; therefore the tender opening did not proceed and the tax sale was unsuccessful for this property. It is recommended the City write-off all outstanding taxes. The next steps for this property will be included in the separate report to General Committee.

The figures below illustrate the categories and levying bodies that comprise the write-off amounts:

**Write-Off by Levying Body**

Levying Body	Tax Amount
City Share	\$45,315
Region	\$66,685
Province	\$33,343
<b>Total Tax</b>	<b>\$145,343</b>

**FINANCIAL CONSIDERATIONS:**

The amounts of taxes that require removal from the Tax Collector's roll total \$145,343. Of this total, the City's share is \$45,315. The Region of York and Province's share of \$100,028 will be recovered from them accordingly. The budgetary impact of the City share write-off will be addressed in the 2015 July Year-To-Date Review of Operations and Year End Projection report to General Committee on September 21<sup>st</sup>, 2015.

**HUMAN RESOURCES CONSIDERATIONS:**

Not applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

*None.*

**RECOMMENDED BY:**

01/09/2015

X



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Joel Lustig  
Treasurer

01/09/2015

X



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Kimberley Kitteringham  
Acting Commissioner, Corporate Services

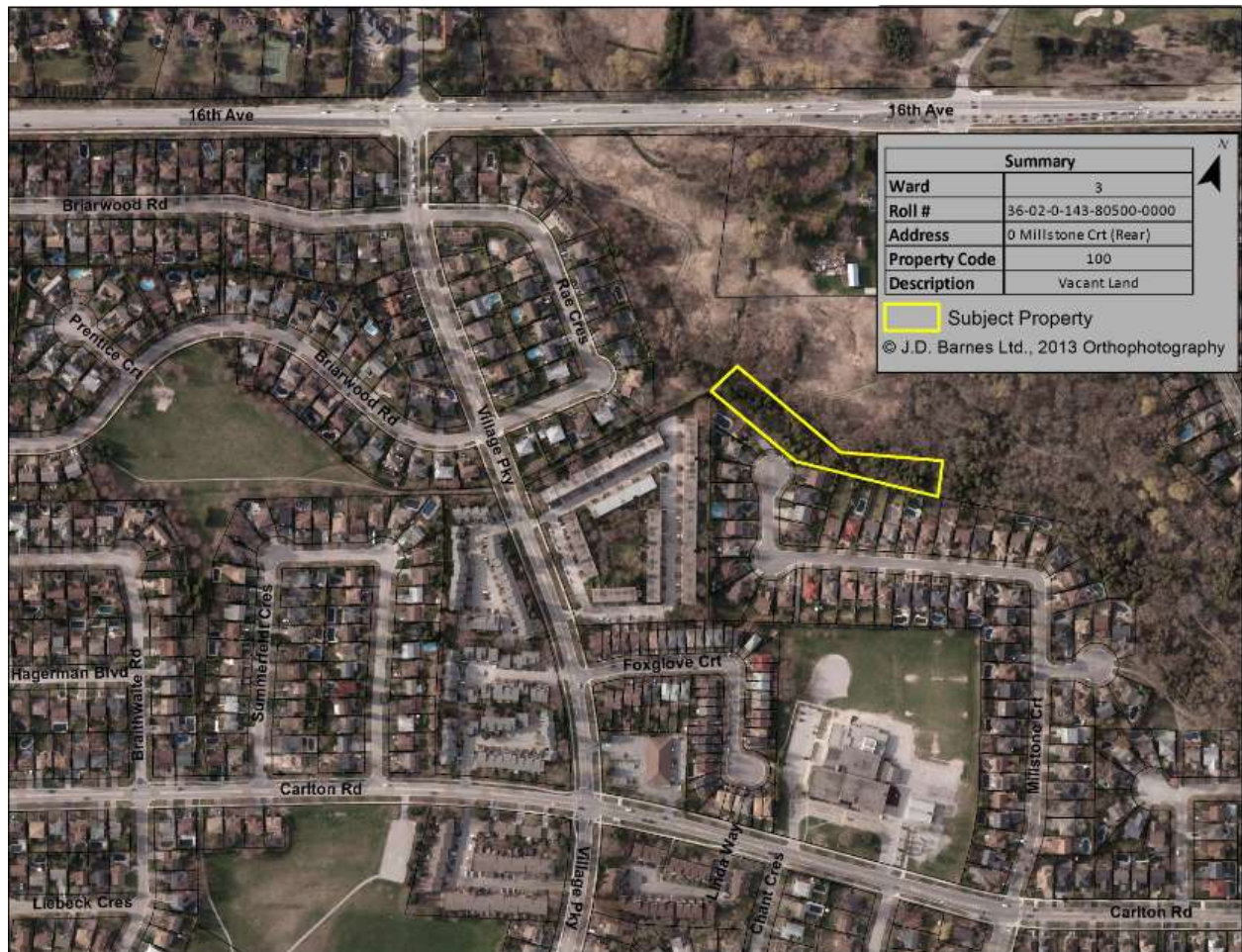
**ATTACHMENTS:**

Appendix A – Summary of Tax Write-offs

Appendix B - Map Of Individual Properties

**Appendix A: Summary of Tax Write-offs**

Property	Ward	Roll Number	Property Location	Owner Name	No. Of Years	Taxes (Excluding Penalty and Interest)	Reason	Appendix Page
1	3	36-02-0-143-80500	0 MILLSTONE CRT REAR	BRAMALEA LIMITED	20	\$101,632	Unsuccessful Tax Sale	5
2	5	36-03-0-245-60000	0 HIGHWAY 48 E/S	935499 ONTARIO LIMITED	15	\$43,711	Unsuccessful Tax Sale	6
				<b>Total</b>		<b>\$145,343</b>		

**Appendix B – Map Of Individual Properties**0 Millstone Crt – Ward 3



0 Highway 48 E/S – Ward 5