



Report to: General Committee

Report Date: April 28th, 2014

SUBJECT: April 28th, 2014 - Cancellation, Reduction or Refund of Taxes under *Sections 357 and 358 of the Municipal Act, 2001*

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

RECOMMENDATIONS:

1. THAT the Report for the Cancellation, Reduction or Refund of Taxes under *Sections 357 and 358 of the Municipal Act, 2001* be received.
2. AND THAT taxes totalling approximately \$205,247.90 be adjusted under Section 357 (in the amount of \$111,192.31) and Section 358 (in the amount of \$94,055.59) of the *Municipal Act, 2001* of which the City's portion is estimated to be \$33,729.17.
3. AND THAT the associated interest be cancelled in proportion to the tax adjustments;
4. AND THAT the Treasurer be directed to adjust the Collector's Roll accordingly;
5. AND 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 Sections 357 and 358 of the *Municipal Act, 2001 (The Act)*.

BACKGROUND:

Sections 357 and 358 of the *The Act* allow for the reduction, cancellation or refund of taxes. Section 357 permits applications for tax adjustments for one year in the following circumstances:

- 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 has become vacant land or excess land during the year;
- c. property 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;
- e. person unable to pay taxes because of sickness or extreme poverty;
- f. mobile unit was removed from the land during the year;
- g. property was 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
- h. 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.

Section 358 of *The Act* 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 property 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 an error of fact. This may include, but is not limited to: clerical error; the transposition of figures 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, 2001*, the Notices of Hearing for the properties listed in Appendix B, were delivered to the applicants not less than fourteen days before the date upon which the applications are to be dealt with (April 28th, 2014). The Notices of Hearing for these properties were mailed to affected taxpayers on March 31st, 2014.

The attached schedules identify the year of taxation, the assessment roll number of each property, the reason for the tax appeal and the tax adjustment. The tax values include the City, Region, School Board and Federation of Agricultures share of taxes. There are four main reasons for these applications:

1. Razed or Demolished relating to the demolition of a building on a property that reduced the tax burden. All such applications include a City Demolition Permit;
2. Became Exempt representing properties that were assessed on the assessment roll as taxable but became exempt during the year. They are properties that either were transferred during the year from a taxable owner to the City and therefore became exempt from tax (generally lands as part of subdivision agreements) or lands purchased by a school board and became exempt;
3. Gross or Manifest Error is the result of errors by the Municipal Property Assessment Corporation (MPAC) on the assessment roll which caused an overcharge of taxes;
4. Overcharge by Error is the result of errors by the Municipal Property Assessment Corporation (MPAC) on the assessment roll which caused an overcharge of taxes in one or both of the years preceding the current year.

There are twelve applications that have no recommendation and, therefore have no associated tax adjustment. Applications that receive this type of recommendation indicate that the appeal does not meet the specified criteria under *The Act*. These are applications that have been reviewed by MPAC and determined to be not eligible for relief.

Of the total tax adjustments of \$205,247.90, 58.85% or \$120,788.93 is attributable to three properties:

1. 4255 14th Avenue (Ward 8): Change in Property Class from Industrial to Commercial resulting in a recommended reduction of \$22,576.13.

2. 0 Beckett Avenue (Kennedy Road & 16th Avenue, Ward 4): Purchased by the York Region District School Board and became exempt, resulting in a recommended reduction of \$35,230.61.
3. 8651 Ninth Line (Ward 5): Change in Property Classification from Commercial/Residential split to only Residential, resulting in a total recommended reduction of \$62,982.19 of which \$28,922.34 is for 2011, and \$34,059.85 is for 2012

In addition, 0 Major Mackenzie Drive (Major Mackenzie Drive and 9th Line, Ward 5), represents 15 acres of land that was conveyed to the City by Eglinton Golf Enterprises Limited.

There are also various properties that show an address of “0” as the municipal address. These represent parcels of development land that the Municipal Property Assessment Corporation (MPAC) provides a unique assessment roll number, but uses a “0” until a formal municipal address has been provided by the City.

FINANCIAL CONSIDERATIONS:

The City of Markham’s portion of taxes for the taxation years 2010 through 2013 is estimated to be \$33,729.17. The amount of taxes adjusted for the Region of York and School Boards will be reflected on the 2014 payment submissions to these bodies.

Figure 1 - Tax Adjustments by Levying Body

Tax Adjustments under Section 357 /358 of the <i>Municipal Act, 2001</i>	
City	\$33,729.17
Region	\$66,473.74
Education	\$105,044.99
Total	\$205,247.90

HUMAN RESOURCES CONSIDERATIONS:

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNIT CONSULTED AND AFFECTED:

None.

RECOMMENDED BY:

17/04/2014

22/04/2014

X 

Joel Lustig
Treasurer

X 

Trinela Cane
Commissioner, Corporate Services

ATTACHMENTS:

Appendix A – Tax Adjustments Under Section 357 & Section 358 of the *Municipal Act, 2001*
Appendix B – Tax Adjustments Detailed List

Appendix A

**Tax Adjustments Under the *Municipal Act, 2001*
For April 28th, 2014
General Committee Meeting**

**Finance Department
Report Total**

Reason	Amount	Count
BECAME EXEMPT	\$ (54,751.40)	7
DEMOLISHED/RAZED-FIRE	\$ (6,882.45)	5
DEMOLISHED/RAZED-UNUSABLE	\$ (4,318.32)	1
GROSS/MANIFEST ERROR	\$ (35,806.10)	8
OVERCHARGED BY ERROR	\$ (94,780.91)	40
RAZED, DEMOLISHED	\$ (8,655.67)	3
UNUSABLE DUE TO RENO	\$ (53.05)	1
Grand Total	\$ (205,247.90)	65

Appendix B
Tax Adjustments Under the *Municipal Act, 2001*
For April 28th, 2014 General Committee Meeting

Tax Appeals: Section 357 – Residential						
Tax Year	Application Number	Roll Number	Property Address	Reason	Remark	Total Amount
2012	4142	36-03-0-231-66514-0000	12 AUGUSTA DRIVE WAY	GROSS/MANIFEST ERROR	Incorrect Property Details (Structure)	\$ (362.20)
2012	4150	36-02-0-137-46600-0000	60 CACHET PKY	RAZED, DEMOLISHED	Structure Demolished	\$ (4,011.32)
2012	4164	36-02-0-152-46449-0000	5 VITTANA RD	GROSS/MANIFEST ERROR	Incorrect Square Footage (Structure)	\$ (209.08)
2012	4165	36-01-0-085-47200-0000	1 SILVER ASPEN DR	OVERCHARGED BY ERROR	Pool Fill In	\$ (144.88)
2012	4172	36-02-0-132-48705-0000	9100 WOODBINE AVE	RAZED, DEMOLISHED	Structure Demolished	\$ (1,475.95)
2012	4176	36-03-0-232-56300-0000	9365 MCCOWAN RD	DEMOLISHED/RAZED-FIRE	Structure Demolished	\$ (97.77)
2012	4190	36-03-0-211-54336-0000	6 CIMMARON ST	DEMOLISHED/RAZED-FIRE	Structure Demolished	\$ (2,109.79)
2013	4179	36-03-0-214-02500-0000	8185 MCCOWAN RD	GROSS/MANIFEST ERROR	Change in Classification	\$ (3,361.95)
2013	4182	36-01-0-010-39000-0000	78 WOODWARD AVE	DEMOLISHED/RAZED-FIRE	Structure Demolished	\$ (2,497.56)
2013	4200	36-03-0-210-30118-0000	73 OLIVEWOOD DR	GROSS/MANIFEST ERROR	Incorrect Square Footage (Structure)	\$ (153.78)
2013	4212	36-03-0-210-68634-0000	54 NORTHOLT CRES	OVERCHARGED BY ERROR	Pool fill In	\$ (175.44)
2013	4225	36-02-0-112-52682-0000	90 MOWATT CRT	DEMOLISHED/RAZED-FIRE	Renovation Due to Fire	\$ (1,394.42)
2013	4231	36-02-0-133-48896-0000	22 DANBURY CRT	OVERCHARGED BY ERROR	Pool fill In	\$ (95.27)
2013	4232	36-04-0-350-27100-0000	24 MARKHAM ST	DEMOLISHED/RAZED-FIRE	Structure Demolished	\$ (782.91)
2013	4233	36-01-0-010-62300-0000	29 MEADOWVIEW AVE	OVERCHARGED BY ERROR	Pool fill In	\$ (160.28)
2013	4235	36-02-0-137-47100-0000	50 CACHET PKY	DEMOLISHED/RAZED-UNUSABLE	Structure Demolished	\$ (4,318.32)
2013	4249	36-02-0-110-98706-0000	26 DONNAMORA CRES	OVERCHARGED BY ERROR	Pool fill In	\$ (149.45)
2013	4272	36-02-0-180-07100-0000	14 EUREKA ST	UNUSABLE DUE TO RENO	Renovation	\$ (53.05)
2013	4278	36-02-0-127-97982-0000	50 CLEGG RD 6	GROSS/MANIFEST ERROR	Incorrect Property Details (Lot)	\$ (293.04)
Total				19 Properties		\$ (21,846.46)

Tax Appeals: Section 357 – Non-Residential						
Tax Year	Application Number	Roll Number	Property Address	Reason	Remark	Total Amount
2011	4019	36-03-0-210-00300-0000	4510 STEELES AVE E	RAZED, DEMOLISHED	Structure Demolished	\$ (3,168.40)
2012	4122	36-03-0-235-08400-0000	0 MAJOR MACKENZIE DR SW	BECAME EXEMPT	Purchased by City	\$ (1,849.38)
2012	4237	36-02-0-126-59500-0000	3300 14TH AVE	GROSS/MANIFEST ERROR	Change In Classification	\$ (8,849.92)
2013	4202	36-03-0-253-47105-0000	0 NINTH LINE	BECAME EXEMPT	Purchased by Region of York	\$ (555.76)
2013	4204	36-03-0-253-79344-0000	0 9TH LINE	BECAME EXEMPT	Purchased by Region of York	\$ (3,005.88)
2013	4210	36-03-0-252-92490-0000	7949 9TH LINE	BECAME EXEMPT	Purchased by Region of York	\$ (1,349.52)
2013	4245	36-03-0-231-08426-0000	0 BECKETT AVE	BECAME EXEMPT	Purchased by YRDSB	\$ (35,230.61)
2013	4269	36-03-0-232-29900-0000	0 JAMES PARROTT AVE	BECAME EXEMPT	Purchased by YRDSB	\$ (8,593.48)
2013	4270	36-02-0-126-52800-0000	4255 14TH AVE	GROSS/MANIFEST ERROR	Change In Classification	\$ (22,576.13)
2013	4187	36-03-0-235-08400-0000	0 MAJOR MACKENZIE DR SW	BECAME EXEMPT	Purchased by City	\$ (4,166.77)
Total				10 Properties		\$ (89,345.85)
Total		Section 357		29 Properties		\$ (111,192.31)

Tax Appeals: Section 358 – Residential						
Tax Year	Application Number	Roll Number	Property Address	Reason	Remark	Total Amount
2010	4149	36-03-0-214-74166-0000	32 COTTONTAIL AVE	OVERCHARGED BY ERROR	Incorrect Property Details (Structure)	\$ (775.49)
2010	4057	36-02-0-170-46500-0000	33 VALLONCLIFFE RD	OVERCHARGED BY ERROR	Renovation	\$ (1,973.53)
2010	4196	36-01-0-085-47200-0000	1 SILVER ASPEN DR	OVERCHARGED BY ERROR	No Pool	\$ (77.07)
2011	4143	36-03-0-231-66514-0000	12 AUGUSTA DRIVE WAY	OVERCHARGED BY ERROR	Incorrect Property Details (Structure)	\$ (279.63)
2011	4148	36-03-0-214-74166-0000	32 COTTONTAIL AVE	OVERCHARGED BY ERROR	Incorrect Property Details (Structure)	\$ (976.35)
2011	4195	36-01-0-085-47200-0000	1 SILVER ASPEN DR	OVERCHARGED BY ERROR	No Pool	\$ (111.85)
2011	4198	36-03-0-210-30118-0000	73 OLIVEWOOD DR	OVERCHARGED BY ERROR	Incorrect Square Footage (Structure)	\$ (118.84)
2011	4207	36-03-0-210-68634-0000	54 NORTHOLT CRES	OVERCHARGED BY ERROR	Pool fill In	\$ (134.85)
2011	4216	36-03-0-256-08700-0000	8651 NINTH LINE	OVERCHARGED BY ERROR	Change in Classification	\$ (28,922.34)
2011	4240	36-01-0-010-62300-0000	29 MEADOWVIEW AVE	OVERCHARGED BY ERROR	Pool fill In	\$ (116.41)
2011	4279	36-03-0-258-05318-0000	173 MORNING DOVE DR	OVERCHARGED BY ERROR	Structure Demolished	\$ (3,865.59)
2012	4199	36-03-0-210-30118-0000	73 OLIVEWOOD DR	OVERCHARGED BY ERROR	Incorrect Square Footage (Structure)	\$ (153.93)
2012	4211	36-03-0-210-68634-0000	54 NORTHOLT CRES	OVERCHARGED BY ERROR	Pool fill In	\$ (135.82)
2012	4215	36-01-0-021-06300-0000	56 CLARK AVE	OVERCHARGED BY ERROR	Structure Demolished	\$ (624.42)
2012	4217	36-03-0-256-08700-0000	8651 NINTH LINE	OVERCHARGED BY ERROR	Change in Classification	\$ (34,059.85)
2012	4234	36-01-0-010-12900-0000	89 HIGHLAND PARK BLVD	OVERCHARGED BY ERROR	Structure Demolished	\$ (778.37)
2012	4238	36-03-0-214-02500-0000	8185 MCCOWAN RD	OVERCHARGED BY ERROR	Change in Classification	\$ (3,238.44)
2012	4239	36-01-0-010-62300-0000	29 MEADOWVIEW AVE	OVERCHARGED BY ERROR	Pool fill In	\$ (117.72)
2012	4248	36-02-0-110-98706-0000	26 DONNAMORA CRES	OVERCHARGED BY ERROR	Pool fill In	\$ (117.72)
Total				19 Properties		\$ (76,578.22)

Tax Appeals: Section 358 – Non-Residential						
Tax Year	Application Number	Roll Number	Property Address	Reason	Remark	Total Amount
2010	4147	36-02-0-126-59500-0000	3300 14TH AVE	OVERCHARGED BY ERROR	Lot Size Adjustment	\$ (5,302.77)
2011	4229	36-03-0-231-37956-0000	0 BARNSTONE DR	OVERCHARGED BY ERROR	Purchased by City	\$ (1,469.59)
2011	4146	36-02-0-126-59500-0000	3300 14TH AVE	OVERCHARGED BY ERROR	Lot Size Adjustment	\$ (7,373.69)
2013	4256	36-02-0-126-09720-0000	0 ALDERGROVE DR	OVERCHARGED BY ERROR	Purchased by City	\$ (2,181.06)
2013	4260	36-03-0-232-31402-0000	0 FURROW ST	OVERCHARGED BY ERROR	Purchased by City	\$ (1,150.26)
Total				5 Properties		\$ (17,477.37)

Total	Section 357	24 Properties	\$ (94,055.59)
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Total: Section 357	29 Properties	\$ (111,192.31)
Total: Section 358	24 Properties	\$ (94,055.59)
Total: No Recommendation	12 Properties	\$ -
Total	65 Properties	\$ (205,247.90)