



Report to: General Committee

Report Date: October 25th, 2011

SUBJECT: November 2011 - Cancellation, Reduction or Refund of Taxes under *Sections 357 and 358 of the Municipal Act, 2001*

PREPARED BY: Paul Wealleans, Director, Taxation

RECOMMENDATIONS:

THAT taxes totalling approximately \$274,775.74 be adjusted under Section 357 (in the amount of \$255,768.39) and Section 358 (in the amount of \$19,007.35) of the *Municipal Act, 2001* of which the Town's portion is estimated to be \$34,803.82.

AND THAT the associated interest be cancelled in proportion to the tax adjustments;

AND THAT the Treasurer be directed to adjust the Collector's Roll accordingly;

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*.

BACKGROUND:

Sections 357 and 358 of the *Municipal Act, 2001* allow for the reduction, cancellation or refund of taxes. Section 357 permits tax adjustments for the following reasons:

- 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*;
- property that has become vacant land or excess land during the year;
- property that has become exempt from taxation during the year;
- 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;
- person who was unable to pay taxes because of sickness or extreme poverty;
- mobile unit that was removed from the municipality during the year;
- 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

- 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 *Municipal Act, 2001* permits applications for tax adjustment 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, which 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. These applications relate to taxes levied in each or either of the two years preceding the year in which the application is made.

OPTIONS /DISCUSSION:

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 value includes the Town, Region and School Board share of taxes. There are four main reasons for these applications: (1) “Razed or Demolished” which relates to the demolition of a building on a property that reduced the tax burden. All such applications include a Town Demolition Permit; (2) “Became Exempt”- these are 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 Town and therefore became exempt from tax (generally lands as part of subdivision agreements) or lands purchased by a school board and became exempt. The single largest adjustment (\$124,700.49) is for the property at 16 Main Street purchased by the Town; (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 where the property or a portion of the property was eligible to be reclassified in a different class of real property. For example, an industrial property class changed to commercial.

There are 8 applications listed that have no associated tax adjustment. These are applications reviewed by MPAC and determined to be not eligible for relief.

FINANCIAL CONSIDERATIONS:

The Town of Markham’s portion of taxes for the taxation years 2007 through 2011 is estimated to be \$34,803.82. The amount of taxes adjusted for both the Region of York and School Boards will be reflected on the 2011 payment submissions to these bodies.

Tax Adjustments under Section 357 /358 of the Municipal Act

Town	\$34,803.82
Region	\$67,853.95
Education	\$172,117.97
Total	\$ 274,775.74

HUMAN RESOURCES CONSIDERATIONS:

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNIT CONSULTED AND AFFECTED:

None

RECOMMENDED BY:

07/11/2011

X 

Joel Lustig
Treasurer

11/7/2011

X 

Nasir Kenea
Acting Commissioner, Corporate Services

ATTACHMENTS:

Appendix A – “Tax Adjustments”

Appendix B – “Tax Adjustment Under Section 357 & Section 358 of the *Municipal Act, 2001* ”

Appendix A

**Tax Adjustments Under the Municipal Act
For November 14, 2011
General Committee Meeting
Finance Department**

Report Total

Description	Amount	Count
Overcharged by Error	-\$19,007.35	14
Razed Demolished	-\$15,506.76	12
Gross/Manifest Error	-\$78,642.15	8
Became Exempt	-\$161,619.48	9
Classification Correction	-\$0.00	0
Ceased to be taxed	-\$0.00	0
Error in assessment Roll Prep	-\$0.00	0
Damaged by Fire/Demolition	-\$0.00	0
No Recommendation	\$0.00	8
Grand Total	-\$274,775.74	51

Appendix B
Tax Adjustments under the Municipal Act
For November 14, 2011 General Committee Meeting

Tax Appeals: Section 357 – Residential

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount	
2009	3806	36-02-0-140-88572	15 Turnberry Cres	Demolition due to fire	House Demolished	-\$	1,704.71
2010	3867	36-03-0-258-05316	175 Morning Dove	Demolition due to fire	House Demolished	-\$	1,305.21
2010	3868	36-02-0-112-53118	41 Stacey Cres	Demolition due to fire	House Demolished	-\$	1,960.39
2010	3863	36-03-0-256-21729	7 Balsam St	Gross or Manifest Error	Correct Building Area	-\$	115.67
2010	3870	36-03-0-239-02827	71 Marcus Cres	Other	Pool Fill In	-\$	61.58
2010	3872	36-04-0-350-48600	3 Strathroy Cres	Demolition due to fire	House Demolished	-\$	1,135.85
2010	3925	36-02-0-126-10141	Sunrise Dr	Gross or Manifest Error	Remove Parking Unit	-\$	222.43
2010	3856	36-02-0-114-09600	12 Oak Grove Crt	Demolition due to fire	House Demolished	-\$	373.38
2010	3899	36-02-0-139-06048	33 Cox Blvd 221	Gross or Manifest Error	Remove Parking Unit	-\$	46.05
2010	3904	36-03-0-234-49515	Donald Cousens Pky	Become Exempt	Purchase by Town	-\$	846.57
2011	3923	36-02-0-152-57330	Russell Dawson Rd	Become Exempt	Purchased by School Bd	-\$	29,383.55
2011	3946	36-04-0-300-42700	24 Friar Tuck Rd	Other	Pool Fill In	-\$	49.72
2011	3931	36-01-0-085-65200	18 Colonsay Rd	Demolition due to fire	House Demolished	-\$	1,108.13
2011	3921	36-03-0-234-48500	6651 Major Mackenzie Dr	Become Exempt	Purchased by Town	-\$	2,204.36
2011	3929	36-02-0-134-97186	55 Macril Rd	Demolition due to fire	House Demolished	-\$	3,290.60
2011	3930	36-03-0-210-15694	34 Windhill Rd	Demolition due to fire	House Demolished	-\$	2,750.53
Total				16 Properties			-\$46,558.73

Tax Appeals: Section 357 – Non-Residential

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount
2008	3634	36-03-0-210-65300	31 Old Kennedy Rd	Demolition due to fire	House Demolished	\$ 1,011.10
2010	3800	36-02-0-122-07500	50 Esna Park Dr	Become Exempt	Transfer parcel to Town	-\$ 131.60
2010	3843	36-02-0-132-58860	60 Spy Crt	Gross or Manifest Error	Commercial to industrial	-\$ 7,000.78
2011	3922	36-02-0-127-20000	16 Main St	Become Exempt	Purchase by Town	-\$ 124,700.49
Total				4 Properties		-\$130,821.77

Tax Appeals: Section 357 – Payment In Lieu (Residential)

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount
2010	3932	36-0-20-126-41400		Become Exempt	Purchased by GO Transit	-\$ 100.64
2011	3910	36-02-0-140-08501	Highway 7	Become Exempt	Purchase by Town	-\$ 2,302.32
2011	3912	36-02-0-140-08505	Highway 7	Become Exempt	Purchase by Town	-\$ 1,589.66
2011	3911	36-02-0-140-08503	Highway 7	Become Exempt	Purchase by Town	-\$ 360.29
2011	3944	36-03-0-260-36700	8156 16th Ave	Demolition due to fire	House Demolished	-\$ 2,777.76
Total				5 Properties		-\$7,130.67

Tax Appeals: Section 357 – Payment In Lieu (Non-Residential)

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount
2009	3719	36-02-0-128-00506	14th Ave	Gross or Manifest Error	GO Transit. No school tax	-\$ 25,206.87
2010	3935	36-02-0-128-00506	14th Ave	Gross or Manifest Error	GO Transit. No school tax	-\$ 30,915.79
2010	3934	36-04-0-270-00600	237 Main St	Gross or Manifest Error	GO Transit. No school tax	-\$ 14,213.55
2010	3933	36-03-0-233-43900	9577 Highway 48	Gross or Manifest Error	GO Transit. No school tax	-\$ 921.01
Total				4 Properties		-\$71,257.22

Total:**Section 357****29 Properties****-\$255,768.39****Tax Appeals: Section 358 – Residential**

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount
2008	3901	36-02-0-139-06048	33 Cox Blvd 221	Overcharged by Error	Remove Parking Unit	-\$ 47.88
2009	3871	36-04-0-350-48600	3 Strathroy Cres	Overcharged by Error	House Demolition	-\$ 780.32
2009	3862	36-03-0-256-21729	7 Balsam St	Overcharged by Error	Correct Building Area	-\$ 58.86
2009	3869	36-03-0-239-02827	71 Marcus Cres	Overcharged by Error	Pool Fill In	-\$ 178.67
2009	3903	36-04-0-320-37600	7 Erlane Ave	Overcharged by Error	House Demolition	-\$ 245.18
2009	3900	36-02-0-139-06048	33 Cox Blvd 221	Overcharged by Error	Remove Parking Unit	-\$ 47.12
2009	3943	36-02-0-180-53000	56 Main St Union	Overcharged by Error	Apply Adjustment	-\$ 1,823.81
2010	3942	36-03-0-233-38423	43 Everett St	Overcharged by Error	Correct Effective date	-\$ 110.73
2010	3916	36-02-0-111-00860	118 Snowshoe Cres	Overcharged by Error	House Demolition	-\$ 1,836.76
2010	3920	36-03-0-234-48500	6651 Major Mack Dr	Overcharged by Error	Exempt. Town Purchase	-\$ 1,164.47
2010	3936	36-04-0-320-37600	7 Erlane Ave	Overcharged by Error	House Demolition	-\$ 781.53
Total				11 Properties		-\$7,075.33

Tax Appeals: Section 358 – Non-Residential

Tax Year	Application #	Roll Number	Property Address	Reason	Remark	Total Amount
2008	3845	36-02-0-132-58860	60 Spy Crt	Overcharged by Error	Industrial to commercial	-\$ 4,256.34
2009	3940	36-02-0-110-98095	302 John St 1	Overcharged by Error	Correct Building Area	-\$ 666.90
2009	3844	36-02-0-132-58860	60 Spy Crt	Overcharged by Error	Industrial to commercial	-\$ 7,008.78
Total			3 Properties			-\$11,932.02

Total:	Section 358	14 Properties		-\$19,007.35
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Total : Section 357	29 Properties		-\$255,768.39
Total : Section 358	14 Properties		-\$19,007.35
Grand Total	43 Properties		-\$274,775.74