



City of
Peterborough

To: Members of the Finance Committee

**From: Richard Freymond
Commissioner of Corporate and Legislative Services**

Meeting Date: July 13, 2020

**Subject: Report CLSFS20-031
Tax Adjustments under Section 356 and Tax Appeals under
Sections 357, 358 and 359 of the Municipal Act, 2001**

Purpose

A report to advise Council of the tax adjustments in accordance with Sections 356 and Tax Appeals under Sections 357, 358 and 359 of the **Municipal Act, 2001**.

Recommendations

That Council approve the recommendations outlined in report CLSFS20-031 dated July 13, 2020 of the Commissioner of Corporate and Legislative Services as follows:

- a) That tax reductions in the amount of \$113,082.55 calculated in accordance with Sections 357, 358 and 359 of the **Municipal Act, 2001** and attached to report CLSFS20-031 as Appendix A be received.
- b) That land apportionments under Section 356 of the **Municipal Act, 2001** be received.

Budget and Financial Implications

With respect to the Section 357, 358 and 359 Tax appeals, the total net amount written off was \$113,082.55. This amount was comprised of \$20,475.20 which was charged back to the local school boards, and the \$92,607.35 municipal portion that was charged to the \$1,005,000 tax write-off provision provided for in the 2019 Operating Budget. There are no budget implications with the Section 356 land apportionments.

Background

Based upon report CPFPRS09-042 dated December 7, 2009, Council's authority pursuant to Sections 356 to 359 of the **Municipal Act, 2001** (the Act) was delegated to the City Treasurer as authorized under Section 23.2 of the Act. Council further resolved that an annual report be presented to the Audit Committee for information purposes.

Section 356 of the Act provides for the division of lands into parcels which can be legally conveyed under the **Planning Act**. Subsequently the property taxes are divided based on the revised assessment information received from MPAC. There is no assessment or taxation gain or loss throughout this process.

Section 357 of the Act provides a mechanism whereby taxpayers can apply for tax adjustments where certain circumstances have occurred after the return of the assessment roll. The more common criteria include building demolitions and fire, property tax class changes, taxable properties becoming exempt, and where clerical errors have been made when compiling the assessment roll.

Section 358 of the Act provides for the cancellation, reduction or refund of all or part of the taxes levied on a property in one or both of the two years preceding the application year for any overcharge caused by a gross or manifest error in the preparation of the assessment roll that is clerical or factual in nature.

Section 359 of the Act provides for the increase of taxes levied on land where there has been an undercharge caused by a gross or manifest error that is clerical and factual in nature, including the transposition of figures, typographical or similar type errors, but not an error in judgment in assessing the land.

Applicants initiate the appeal process by filling out and submitting an application form to the Tax Office providing full details. Municipal Property Assessment Corporation staff are then asked to confirm the information and provide revised assessment figures. The Tax Office staff subsequently issue notices to applicants that show the original and revised tax levies, and the resulting tax reduction including capping. There were five hearings held in 2019. Applicants had an opportunity to question any of the adjustments at their specific hearings held at City Hall on March 6, April 10, August 15, November 14 and December 19, 2019.

The listings attached to this report CLSFS20-031 as Appendix A identify the values of the individual adjustments by year for each hearing date. Chart 1 summarizes the total dollar impact of the adjustments.

Chart 1
Summary of Tax Adjustments by Year

Year	Taxes	BIA Adjustment	Total
2017	\$1,991.47	\$0.00	\$1,991.47
2018	\$17,499.85	\$0.00	\$17,499.85
2019	\$93,591.23	\$0.00	\$93,591.23
Total	\$113,082.55	\$0.00	\$113,082.55

In addition to the tax adjustments summarized in Chart 1, there were 26 tax adjustments completed under authority of Section 356 of the Act which apportions taxes among various accounts for Plans of Subdivision and Registered Plans. The existing assessment and taxes from the original parcels were divided among the parcels in the new plan resulting in no change to the overall assessment or taxes.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachments:

Appendix A - Tax Appeals under Sections 357, 358 and 359 of the **Municipal Act, 2001**

Appendix A – 1

City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: March 6, 2019

For taxes levied 2018

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Buildings Demolished	(225.20)					(225.20)
2	CT/RT	Change in Tax Class	(93.86)					(93.86)
3	RT	Damaged by Fire	(7.35)					(7.35)
		TOTALS	(326.41)	0.00	0.00	0.00	0.00	(326.41)

Municipal and Education Split		
Municipal	239.32	73.30%
Education	87.09	26.70%
	326.41	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	166.23	50.90%
Residential Portion	160.18	49.10%
	326.41	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: April 10, 2019

For taxes levied 2018

Seq	Assmt Type	Reason	Tax on Assmt	Capping Adj	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	CT/RT	Substantially Unusable Building Demolished	(813.79)					(813.79)
2	RT		(625.59)					(625.59)
TOTALS			(1,439.38)	0.00	0.00	0.00	0.00	(1,439.38)

Municipal and Education Split		
Municipal	1,058.65	73.50%
Education	380.73	26.50%
	1,439.38	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	721.70	50.10%
Residential Portion	717.68	49.90%
	1,439.38	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: August 15, 2019

For taxes levied 2018

Seq	Assmt Type	Reason	Tax on Assmt	Capping Adj	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Became Exempt	(8,545.19)					(8,545.19)
		TOTALS	(8,545.19)	0.00	0.00	0.00	0.00	(8,545.19)

Municipal and Education Split		
Municipal	7,527.12	88.10%
Education	1,018.07	11.90%
	8,545.19	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	0	0.00%
Residential Portion	8,545.19	100.00%
	8,545.19	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: August 15, 2019

For taxes levied 2019

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Pool Removed	(234.05)					(234.05)
2	RT	Became Exempt	(75,528.37)					(75,528.37)
3	CT/RT	Substantially Unusable	(1,196.62)					(1,196.62)
4	RT	Building Demolished	(2,176.58)					(2,176.58)
5	CT/RT	Class Change	(2,350.30)					(2,350.30)
6	RT	Building Demolished	(98.75)					(98.75)
7	RT	Building Demolished	(1,271.43)					(1,271.43)
8	RT	Became Exempt	(133.28)					(133.28)
9	RT	Became Exempt	(39.98)					(39.98)
10	CT	Class Change	(4,074.48)					(4,074.48)
		TOTALS	(85,103.84)	0.00	0.00	0.00	0.00	(85,103.84)

Municipal and Education Split		
Municipal	72,722.02	85.50%
Education	12,381.82	14.50%
	85,103.84	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	9,393.52	11.00%
Residential Portion	75,710.32	89.00%
	85,103.84	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: November 14, 2019

For taxes levied 2017

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	CT	Building Demolished	(1,899.84)					(1,899.84)
		TOTALS	(1,899.84)	0.00	0.00	0.00	0.00	(1,899.84)

Municipal and Education Split		
Municipal	1,117.97	58.80%
Education	781.87	41.20%
	1,899.84	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	1,899.84	100.00%
Residential Portion	0.00	0.00%
	1,899.84	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: November 14, 2019

For taxes levied 2018

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	CT	Building Demolished	(7,094.85)					(7,094.85)
		TOTALS	(7,094.85)	0.00	0.00	0.00	0.00	(7,094.85)

Municipal and Education Split		
Municipal	4,192.52	59.10%
Education	2,902.33	40.90%
	7,094.85	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	7,094.85	100.00%
Residential Portion	0.00	0.00%
	7,094.85	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: November 14, 2019

For taxes levied 2019

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Building Demolished	(1,101.61)					(1,101.61)
2	CT	Substantially Unusable	(735.97)					(735.97)
3	RT	Pool Removed	(96.13)					(96.13)
4	RT	Pool Removed	(98.84)					(98.84)
5	CT	Building Demolished	(2,007.23)					(2,007.23)
		TOTALS	(4,039.78)		0.00	0.00	0.00	(4,039.78)

Municipal and Education Split		
Municipal	2,782.37	68.90%
Education	1,257.41	31.10%
	4,039.78	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	2,743.20	67.90%
Residential Portion	1,296.58	32.10%
	4,039.78	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: December 19, 2019

For taxes levied 2017

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Gross or Manifest Error	(91.63)					(91.63)
		TOTALS	(91.63)	0.00	0.00	0.00	0.00	(91.63)

Municipal and Education Split		
Municipal	80.20	87.50%
Education	11.43	12.50%
	91.63	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	0.00	0.00%
Residential Portion	91.63	100.00%
	91.63	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: December 19, 2019

For taxes levied 2018

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Gross or Manifest Error	(94.02)					(94.02)
		TOTALS	(94.02)	0.00	0.00	0.00	0.00	(94.02)

Municipal and Education Split		
Municipal	82.82	88.60%
Education	11.20	11.40%
	94.02	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	0.00	0.00%
Residential Portion	94.02	100.00%
	94.02	100.00%

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City of Peterborough

Tax Appeals under Sections 357, 358 of the Municipal Act, 2001

Appeal Hearing: December 19, 2019

For taxes levied 2019

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	IT/IU	Became Exempt	(3,547.59)					(3,547.59)
2	RT	Gross or Manifest Error	(95.85)					(95.85)
3	RT	Building Demolished	(346.98)					(346.98)
4	RT	Building Demolished	(208.37)					(208.37)
5	CT	Building Demolished	(248.82)					(248.82)
TOTALS			(4,447.61)		0.00	0.00	0.00	(4,447.61)

Municipal and Education Split		
Municipal	2,804.36	63.10%
Education	1,643.25	36.90%
	4,447.61	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	3,992.80	89.80%
Residential Portion	454.81	10.20%
	4,447.61	100.00%