



City of Peterborough

To: Members of the General Committee

From: Richard Freymond, Commissioner, Finance and Corporate Support Services

Meeting Date: January 29, 2024

Report: Tax Adjustments and Appeals Under the Municipal Act, Report FCSFS24-001

Subject

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 FCSFS24-001, dated January 29, 2024 of the Commissioner of Finance and Corporate Support Services as follows:

- a) That tax reductions in the amount of \$54,417.93 calculated in accordance with Sections 357, 358 and 359 of the **Municipal Act, 2001** and attached to report FCSFS24-001 as Appendix A, be received.
- b) That land apportionments under Section 356 of the **Municipal Act, 2001**, be received.

Executive Summary

- With Report CPFPRS09-042 dated December 7, 2009, Council's authority pursuant to Sections 356 to 359 of the Municipal Act, 2001 was delegated to the Treasurer.
- This report provides information to Council about the tax adjustments and appeals under Sections 356 to 359 in the past year.

- With the Section 357, 358 and 359 Tax appeals, the total net amount written off was \$54,417.93.
- There is no financial impact 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 Council for information purposes.

Section 356 of the Act is related to the Planning Act processes by which lands are, from time to time, subdivided 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.

Strategic Plan

Strategic Pillar: Governance and Fiscal Sustainability

Strategic Priority: Pursue service excellence in governance to support long-term fiscal sustainability of the City while respecting the impact of decisions on taxpayers.

Approval of this report links to the City's strategic priority pillar of Governance & Fiscal Sustainability as the timely processing of various tax adjustments supports accountable, transparent and responsible financial management.

Budget and Financial Implications

With respect to the Section 357, 358 and 359 Tax appeals, the total net amount written off was \$54,417.93. This amount was comprised of \$13,658.31 which was charged back to the local school boards, and the \$40,759.62 municipal portion that was charged to the \$1,000,000 tax write-off provision provided for in the 2023 Operating Budget, and to the Business Improvement Area (BIA).

The listings attached to this report 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	Capping Adjustment	BIA Adjustment	Total
2020	\$125.66			\$125.66
2021	\$278.66			\$278.66
2022	\$11,294.75			\$11,294.75
2023	\$32,150.15			\$32,150.15
Total	\$54,417.93	\$0.00	\$0.00	\$54,417.93

In addition to the tax adjustments summarized in Chart 1, there were 8 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.

There are no budget implications with the Section 356 land apportionments.

Attachments

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

Submitted by,

Richard Freymond
Commissioner, Finance and Corporate Support Services

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Appendix A – 1

City of Peterborough

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

For taxes levied 2020

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT/CT	Class Change	(125.66)					(125.66)
		TOTALS	(125.66)	0.00	0.00	0.00	0.00	(125.66)

Municipal and Education Split		
Municipal	45.58	36.27%
Education	80.08	63.73%
	125.66	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	227.98	181.43%
Residential Portion	-102.32	-81.43%
	125.66	100.00%

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City of Peterborough

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

For taxes levied 2021

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Demo	(178.31)					(178.31)
2	CT/RT	Class Change	(100.35)					(100.35)
		TOTALS	(278.66)	0.00	0.00	0.00	0.00	(278.66)

Municipal and Education Split		
Municipal	206.75	74.20%
Education	71.91	25.80%
	278.66	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	206.07	73.95%
Residential Portion	72.59	26.05%
	278.66	100.00%

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City of Peterborough

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

For taxes levied 2022

Seq	Assmt Type	Reason	Tax on Assmt	Capping	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT	Fire	(2,290.68)					(2,290.68)
2	RT/LT	Demo	(948.49)					(948.49)
3	RT/CT	Class Change	(101.92)					(101.92)
4	CT	Repairs/Renovations	(7,953.66)					(7953.66)
		TOTALS	(11,294.75)	0.00	0.00	0.00	0.00	(11,294.75)

Municipal and Education Split		
Municipal	8,357.14	73.99%
Education	2,937.61	26.01%
	11,294.75	100.00%
Commercial/Industrial and Residential Split		
Commercial/Industrial Portion	8,799.75	77.91%
Residential Portion	2,495.00	22.09%
	11,294.75	100.00%

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City of Peterborough

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

For taxes levied 2023

Seq	Assmt Type	Reason	Tax on Assmt	Capping Adj	Heritage Tax Credit	Senior Tax Credit	BIA	Total
1	RT/CT	Fire	(11,057.68)					(11,057.68)
2	RT/CT	Class Change	(909.32)					(909.32)
3	IX/RT	Became Exempt	(27,642.00)					(27,642.00)
4	RT	Damaged Unusable	(2,644.77)					(2,644.77)
5	RT	Repairs or Renovation	(465.09)					(465.09)
TOTALS			(42,718.86)	0.00	0.00	0.00	0.00	(42,718.86)

Municipal and Education Split		
Municipal	32,150.15	75.26%
Education	10,568.71	24.74%
	42,718.86	100.00%
Commercial/Industrial and Residential Split		
Commercial Portion	31,893.68	74.66%
Residential Portion	10,825.18	25.34%
	42,718.86	100.00%