



City of
Peterborough

To: Members of the General Committee

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

Meeting Date: January 6, 2025

Report: Tax Adjustments under Section 356 and Tax Appeals under Sections 357, 358 and 359 of the Municipal Act, 2001, Report FCSFS25-001

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 FCSFS25-001, dated January 6, 2025 of the Commissioner, Finance & Corporate Support Services as follows:

- a) That tax reductions in the amount of \$187,971.83 calculated in accordance with Sections 357, 358 and 359 of the **Municipal Act, 2001** and attached to report FCSFS25-001 as Appendix A be received.
- b) That land apportionments under Section 356 of the **Municipal Act, 2001** be received.

Executive Summary

- This report is prepared to provide information to Council about the property tax adjustments and appeals for the 2024 year under sections 356 to 359 of the Municipal Act, 2001.

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- With respect to the appeals under Section 357, 358 and 359, the total net amount written off was \$187,971.83.
 - There were no financial implications resulting from 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 relates to the 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 through 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 submitting an application form to the Tax Office providing the full details. MPAC staff are then asked to confirm the information and provide revised assessment figures. City 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 & Fiscal Sustainability

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

Compliance with the **Municipal Act, 2001** appeals and apportionments processes provides an effective process for taxpayers to pursue regarding their property assessments.

Budget and Financial Implications

With respect to the appeals under Section 357, 358 and 359, the total net amount written off was \$187,971.83. This amount was comprised of \$50,211.20 which was charged back to the local school boards, and the remaining \$137,760.63 municipal portion that was charged against the tax write-off provision provided for in the 2024 Operating Budget.

The values of the individual adjustments by year for each hearing date are included in Appendix A. 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
2021	\$72.41			\$72.41
2022	\$1,489.69			\$1,489.69
2023	\$153,782.40			\$153,782.40
2024	\$32,627.33			\$32,627.33
Total	\$187,971.83	\$0.00	\$0.00	\$187,971.83

In addition to the tax adjustments summarized in Chart 1, there were 7 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.

Attachment

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

Submitted by,

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Commissioner, Finance & Corporate Support Services

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