

City of Mississauga Corporate Report



Date: June 13, 2022

To: Mayor and Members of Council

From: Shari Lichterman, CPA, CMA, Commissioner of
Corporate Services and Chief Financial Officer

Originator's files:

Meeting date:
July 6, 2022

Subject

Tax Adjustments pursuant to Section 334, 357 and 358 of the Municipal Act and Strike-Off of Taxes Deemed Uncollectible

Recommendation

That the corporate report dated June 13, 2022 from the Commissioner of Corporate Services and Chief Financial Officer entitled "Tax Adjustments pursuant to Section 334, 357 and 358 of the Municipal Act and Strike-Off of Taxes Deemed Uncollectible" be approved, as follows:

1. That the tax adjustments outlined in Appendix 1 be approved for cancellation, reduction or refund of taxes.
2. That the Commissioner of Corporate Services and Chief Financial Officer be authorized to write-off unpaid taxes, charges, fees, penalties and interest totalling \$140,184.89 as uncollectible, and remove them from the tax roll.

Background

Sections 334, 357 and 358 of the *Municipal Act, 2001*, S.O. 2001, c.25 allow a property owner or the Treasurer to make an application for the cancellation, reduction or refund of taxes for a number of specific reasons. Taxes may be adjusted when a building has been demolished or razed by fire or if a property has become exempt, changed class or has been overcharged by reason of gross or manifest error.

Section 354(2) (a) of the *Municipal Act, 2001* allows for the removal of unpaid taxes from the tax roll if the Council of the local municipality, on the recommendation of the Treasurer, writes off the taxes as uncollectible.

Comments

A total of 72 applications for tax adjustments have been prepared for Council's consideration.

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The total cancellation or refund of taxes as recommended is \$1,014,237.05. Appendix 1 outlines the tax adjustments being recommended by property, reason and change in taxes.

Following Council's decision, a Notice of Decision will be mailed to all applicants and their taxes will be adjusted accordingly. With the exception of section 358 applications, if the applicant disagrees with the amount of the tax adjustment, they have 35 days from the date of the Notice of Decision to appeal Council's decision to the Assessment Review Board. Council's decision with respect to section 358 tax adjustments is final.

Staff has determined that the taxes billed for the following property are uncollectible and the balance of taxes, fees and late payment charges should be written-off:

Roll number 05-05-0-113-60120-0000, 0 Airport Rd, is a leased space at the Airport. The Municipal Property Assessment Corporation has confirmed that the assessment values for the 2009-2012 tax years are incorrect and all avenues to appeal these values have passed. Therefore, the balance of taxes, fees and charges of \$140,184.89 should be written-off.

Financial Impact

The tax cancellation for the applications for tax adjustment is provided by year and by taxing authority in the table below. The City's portion of \$243,062.24 is within budget.

	2018	2019	2020	2021	Total
City	0	0	\$1,329.51	\$241,732.73	\$243,062.24
Region	0	0	\$1,661.44	\$301,154.99	\$302,816.43
Education	0	0	\$6,981.04	\$461,377.34	\$468,355.38
Total	0	0	\$9,971.99	\$1,004,265.06	\$1,014,237.05

The tax write-off for roll number 05-05-0-113-60120-0000, 0 Airport Rd, when approved, will be allocated as follows:

	Total
City	\$23,843.53
Region	\$38,685.93
Education	\$77,655.43
Total	\$140,184.89

Conclusion

Tax adjustments for 2018, 2019, 2020 and 2021 taxation years are listed in Appendix 1. The *Municipal Act* requires Council to approve the tax adjustments.

Taxes totalling \$140,184.89 have been deemed uncollectible and should be removed from the tax roll pursuant to section 354(2) (a) of the Municipal Act.

Attachments

Appendix 1: Tax Adjustments Pursuant to the *Municipal Act* for Meeting on July 6, 2022.



Shari Lichterman, CPA, CMA, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Louise Cooke, Manager, Revenue and Taxation