

City of Mississauga

Corporate Report



<p>Date: October 13, 2020</p> <p>To: Chair and Members of General Committee</p> <p>From: Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: November 18, 2020</p>
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Subject

Strike-Off of Taxes Deemed Uncollectible

Recommendation

1. That the report of the Commissioner of Corporate Services and Chief Financial Officer dated October 13, 2020 entitled "Strike-Off of Taxes Deemed Uncollectible" be received.
2. That unpaid taxes, charges, fees, penalties and interest totalling \$624,757.51 as outlined in the corporate report dated October 13, 2020 from the Commissioner of Corporate Services and Chief Financial Officer entitled "Strike-Off of Taxes Deemed Uncollectible" be written-off as uncollectible and removed from the tax roll.

Report Highlights

- \$624,757.51 of uncollectible property taxes, charges, fees, penalty and interest on 14 properties is being recommended for write-off.

Background

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

Staff has determined that taxes billed on a number of properties are uncollectible and should be written-off. Details of the properties including the reason and amounts being recommended for write-off are provided below.

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Roll No.	Ward	Address	Tax Year(s)	Amount
05-01-0-016-00700	1	0 Webster's Lane	2011-2020	\$377,594.53

This property was offered for tax sale by the City on September 19, 2019 pursuant to the provisions of Part XI of the Municipal Act. There was no successful purchaser. The property was vested to the City on October 7, 2020 as per the expressed interest from Parks Planning. The balance of taxes, fees and late payment charges should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-096-85522	6	7191 Sedan Square	2001	\$3,679.84

The tax roll was deleted in January 2002 as the parcel of land was subdivided creating separate parcels. A tax certificate was issued confirming there were no taxes outstanding. A tax certificate is binding on the municipality. Therefore, the tax arrears are uncollectible and should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-097-02100	6	6415 Creditview Road	2005	\$4,575.77

The tax roll was deleted in January 2006. The arrears are from a 2005 assessment appeal that was completed in November 2007. A tax certificate was issued in September 2005 confirming there were no taxes outstanding at the time of sale of the property. A tax certificate is binding on the municipality. Therefore, the tax arrears are uncollectible and should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-097-16691	6	0 Durie Road	2012-2019	\$56,041.45

This property was offered for tax sale on November 16, 2017 pursuant to the provisions of Part XI of the Municipal Act. There was no successful purchaser. Legal Services had to resolve a historical title issue at the Land Registry Office, causing a delay in vesting. The property was vested to the City on November 27, 2019. The balance of taxes, fees and late payment charges should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-097-22100	11	6611 Falconer Drive	2004	\$806.38

The tax roll was deleted in January 2011. A 2004 vacancy rebate was recalculated in 2009. A tax certificate was issued in December 2005 confirming there were no taxes outstanding at the time of sale of the property. A tax certificate is binding on the municipality. Therefore, the tax arrears are uncollectible and should be written-off.

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Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-154-14261	4	4011 Brickstone Mews Unit 3708	2018	\$1,427.49

MPAC duplicated Omitted Assessment issued for the 2018 tax year. MPAC was going to correct their error through a Post Roll Amended Notice (PRAN). The PRAN was not issued within the legislated timeline. There are no other legislated avenues to correct the error. The duplicated taxes should be write-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-04-0-155-01050	6	1330 Eglinton Ave W	1998-1999	\$137,168.26

This parcel of land abuts Eglinton Avenue West and is the road allowance that was created by the development of a townhouse subdivision. The tax roll was deleted in January 2000. Subsequently, MPAC issued 1998 and 1999 supplementary assessment in error. A by-law infraction charge was added in 2006 in error. The taxes, charge, fees and late payment charges should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-05-0-115-61015	5	15-5155 Spectrum Way	2016	\$32,839.12

The property was purchased by a church on February 1, 2016. A tax appeal was required to exempt it from taxation. The owner was incorrectly advised to file the appeal with the ARB, and then filed the 2016 tax appeal in 2018. The legislated deadline to file the tax appeal had passed. The taxes, fees and late payment charges should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-06-0-132-15333	2	0 Comet Crt	2013	\$1,376.82

MPAC duplicated the assessment in error and the tax roll was deleted in 2015. The legislated deadline to correct this error through an appeal has passed. The taxes, fees and late payment charges should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-06-0-132-18705	2	2376 A Fifth Line W	1995	\$3,511.31

The tax roll was deleted in January 1998 as this parcel was combined with an adjacent property. A tax certificate was issued confirming there were no taxes outstanding at the time of sale of the property. A tax certificate is binding on the municipality. Therefore, the tax arrears are uncollectible and should be written-off.

Roll No.	Ward	Address	Tax Year(s)	Amount
05-07-0-200-00768	1	401-1400 Dixie Road	2004-2016	\$3,242.89

MPAC duplicated the assessment for a parking space. The legislated deadline to correct this error through an appeal has passed. The taxes for this parking space have been collected on another tax roll. The taxes, fees and late payment charges should be written-off.

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Roll No.	Ward	Address	Tax Year(s)	Amount
05-15-0-070-13052	10	0 Eglinton Ave W W/S	2005	\$966.49
05-15-0-070-13062	10	0 Eglinton Ave W W/S	2005	\$841.49
05-15-0-070-13072	10	0 Nightstar Drive E/S	2005	\$685.67

These tax rolls were deleted in January 2009 as the land was subdivided creating separate parcels. These amounts could not be transferred to the newly created accounts as tax certificates had been issued. A tax certificate is binding on the municipality. Therefore, the tax arrears are uncollectible and should be written-off.

Financial Impact

The tax write-off when approved will be charged back as follows:


City	\$183,397.56
Region	\$289,965.46
Education	<u>\$151,394.49</u>
Total	<u>\$624,757.51</u>

Conclusion

Taxes totalling \$624,757.51 have been deemed uncollectible and should be removed from the tax roll pursuant to section 354(2) (a) of the *Municipal Act*.

Attachments

N/A



Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Mouzelle Higgs, Supervisor, Collections