



## Report to Council

Department: Corporate Services

Division: Finance and Business Services

Date: February 22, 2022

Prepared by: Kate Giurissevich, CPA, CA, Director, Corporate Services/ Treasurer

Report Number: Finance and Business Services-2022-02

Subject: Tax Adjustments- Section 357.(1), Section 358, and Section 359

Number of Pages: 6

### Recommendation(s)

**That** Finance and Business Services Report 2021-04 entitled Tax Adjustments – Section 357.(1), 358 and 359 prepared by Kate Giurissevich, CPA, CA dated February 22, 2022 be received, and

**That** Council approve the cancellation, reduction, refund, or increase of taxes in accordance with the provisions under Section 357.(1), Section 358 and Section 359 of the Municipal Act, 2001.

### Purpose

In accordance with the Delegation of Authority By-Law 1924, the authority to adjust property taxes in accordance with Sections 357.(1), 358 and 359 of the Municipal Act, 2001 (the "Act") is delegated to the Director, Corporate Services / Treasurer. The communication requirement associated with this delegation of authority required that an annual report of tax adjustments in accordance with these sections of the Act be provided to Council.

## Background and Discussion

Section 357.(1) of the Municipal Act, 2001 provides for certain instances when all or part of taxes levied on land may be cancelled, reduced or refunded. Examples of the types of events leading to tax adjustment include, reclassification of a property into a property class with a lower tax ratio, land that has become vacant excess or exempt from taxation, a building on land which has been razed by fire or demolished, etcetera.

Section 358 of the Act provides for the cancellation, reduction or refund of all or part of the property taxes levied on land for any overcharge caused by a gross or manifest error in the assessment roll that is clerical or factual in nature.

Section 359 of the Act provides for the increase of taxes if there was an undercharge as the result of a gross manifest error that is clerical or factual in nature.

Schedules A to D attached provide details on Section 357.(1), Section 358, and Section 359 adjustments made in 2021 for the 2018 to 2021 assessment years. The value of these adjustments, including municipal, county and school board taxes by year are summarized below.

Assessment Year	Total Write-Off/(Increase)	Schedule
2021	\$6,226.38	A
2020	\$204.96	B
2019	\$(1,993.48)	C
2018	\$107.98	D
Less: School Board/County portion	(2,053.80)	
<b>Total Municipal Portion</b>	<b>\$2,492.04</b>	

## **Financial Impact**

The municipal portion of the tax adjustments, which includes the municipal base levy, rural and urban levy, and garbage collection and disposal levy amounts to a net write-off of \$2,492.04.

## **Consultations**

Michaele Woodiwiss, Tax Coordinator

## Link to Strategic Priorities

- ☐ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- ☐ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- ☒ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- ☐ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- ☐ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.
- ☐ Improve the Town's capacity to meet the ongoing and future service needs of its citizens while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.

## Report Approval Details

Document Title:	Tax Adjustments - S 357.(1), S 358, S 359 - Finance and Business Services-2022-02.docx
Attachments:	- Copy of 2021 SEC357 358.pdf
Final Approval Date:	Feb 14, 2022

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink, appearing to read "Doug Sweet", with a long horizontal stroke extending to the right.

**Doug Sweet, Chief Administrative Officer - Feb 14, 2022 - 12:01 PM**