SUBJECT: Tax Appeals Under Section 357 and 358 of the Municipal Act, 2001 (FCS09006(c)) (City Wide)

RECOMMENDATION:

(a) That the tax write-offs processed under Section 357 of the Municipal Act, 2001, in the amount of $51,719 be approved as set out in Appendix A to report FCS09006(c); and

(b) That the tax appeals due to a gross or manifest clerical error, pursuant to Section 358 of the Municipal Act, 2001, in the amount of $5,046 be approved as set out in Appendix B to report FCS09006(c).

EXECUTIVE SUMMARY:

Section 357 of the Municipal Act allows the taxpayer, through the Treasurer’s Office, to submit an application to cancel, reduce or refund all or part of the taxes levied on the land in the year in respect of which the application is made as a result of a change of use; damage to a property rendering it partially or totally unusable; or a gross or manifest error that is clerical in nature. Examples of such applications are:

- mid-year purchase of a property by an exempt body
- fire or flood damage to all or partial property
- an assessment error in entering a property value
Section 358 of the Municipal Act, 2001 allows the taxpayer, through the Treasurer’s Office, to appeal assessment as supplied by the Municipal Property Assessment Corporation (MPAC) they believe have been overcharged due to gross or manifest clerical error on the part of MPAC. They are allowed to appeal current plus prior two years in which the application is made. This section also allows for the reduction of taxes, due to such errors, once confirmed by the Regional Assessment Office of MPAC. Examples of such applications are:

- a transposition of figures
- a typographical error
- a duplicate property created

**BACKGROUND:**

The Section 357 applications as set out in Appendix A to report FCS09006(c) and the Section 358 applications as set out in Appendix B to report FCS09006(c) have been reviewed by MPAC and have been approved or denied by them. Taxation Division staff have calculated any refunds/reductions that are due which now require Council approval. Applicants have thirty-five (35) days after Council has rendered its’ decision to appeal any decision through the Assessment Review Board (ARB).

**ANALYSIS/RATIONALE:**

The Section 357 applications allow for the Municipality and MPAC to quickly rectify assessment classification changes since the return of the year end assessment roll.

Section 358 applications allow the taxpayer to rectify prior year’s errors through the municipality and the local assessment office.

Both processes allow errors to be quickly rectified without having to go through the formal assessment review process.

**ALTERNATIVES FOR CONSIDERATION:**

None, this is a legislated process under the Municipal Act, 2001.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

The taxes that will be written-off under Section 357, total $51,719 and taxes that will be written-off under Section 358, total $5,046, for a total amount of $56,765; of which, $13,431 will be charged back to the local school boards, based on school support, indicated on each account. The City portion of $43,334 will be charged to the operating budget (HAMTN 52108-211025).
**POLICIES AFFECTING PROPOSAL:**


**RELEVANT CONSULTATION:**

Municipal Property Assessment Corporation (MPAC).

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

- Community Well-Being is enhanced. ☒ Yes ☐ No
- Environmental Well-Being is enhanced. ☐ Yes ☒ No
- Economic Well-Being is enhanced. ☐ Yes ☒ No

Does the option you are recommending create value across all three bottom lines?

☐ Yes ☒ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

☐ Yes ☒ No