



Administration and Operations Committee Report

To: The Chair and Members of the Administration and Operations Committee
From: Ryan Fox, Financial Analyst
Date: December 10, 2024
Report #: RPT-0535-24
Subject: 2024 Tax Write-Off Report
Purpose: For Approval

Recommendation

That Council authorize staff to write off taxes under the authority of Sections 357 and 358 of the Municipal Act as follows:

| | |
|-----------------|--------------|
| Municipal Share | \$156,174.08 |
| School Share | \$ 58,198.92 |
| Total Write-off | \$214,373.00 |

And that the final payment to the School Boards be reduced by the amount of \$58,198.92 for their share of the taxes written off.

Strategic Plan Priority

Strategic Priority 6 - Stable and Responsive Governance

Impacts and Mitigation

Social Impacts

There are no anticipated social impacts as a result of the recommendation of this report. This is a legislative, administrative housekeeping matter.

Environmental Impacts

There are no anticipated environmental impacts as a result of the recommendation of this report.

Economic Impacts

Each year, the County of Brant (the County) budgets an amount for write-offs. The budget amount is estimated based on the amounts written off in previous years. In 2024, the budget amount was \$450,300.00. The actual amount of write-offs was \$287,291, under budget by \$168,809. The County share of write-offs consists of:

| | |
|--------------------------|---------------------|
| 357 and 358 applications | \$156,174.08 |
| Non-Council Write offs | \$118,922.66 |
| Charity Rebates | \$ 12,194.19 |
| TOTAL: | \$287,290.93 |

Due to COVID, appeals were not heard by the Assessment Review Board (ARB), resulting in a back log. The ARB has been scheduling these appeals in 2024, however the results will not be picked up until 2025.

Report

Background

Legislation requires that Council approve certain write-offs under Section 357 and 358 of *the Municipal Act*. The education portion is recovered from the school boards.

There are several different reasons for tax write-offs. Write-offs under Sections 357 and 358 of *the Municipal Act*, which require Council's approval and are the subject of this report, write-offs under *the Assessment Act*, which are authorized by either Municipal Property Assessment Corporation (MPAC) or the ARB and do not require Council's approval and charity rebates, which have already been approved by Council.

Analysis

Appeals under Sections 357 and 358 of the Municipal Act

Under Sections 357 and 358, an application may be made to cancel, reduce or correct taxes for properties that have had the assessed value of their property reduced because of demolition or fire or because of an error in the preparation of the assessment roll. The application is forwarded to the Municipal Property Assessment Corporation (MPAC) for their analysis and review and returned to the municipal office for processing. The amount of taxes that have been adjusted under the authority of Sections 357 and 358 of the Municipal Act are as follows:

| | |
|-----------------|--------------|
| Municipal Share | \$156,174.08 |
| School Share | \$ 58,198.92 |
| Total Write-off | \$214,373.00 |

Assessment Act Write-Offs

Other changes and write-offs are based on the decisions made by the ARB or the Ontario Municipal Board (OMB) and are not subject to Council's approval but are reported for Council's information. Any property owner may make a Request for Reconsideration to MPAC by the end of March of the current year to change their assessment. They also have the right to appeal to the ARB for a hearing if they disagree with the Minutes of Settlement proposed by the Assessment Staff.

The Assessment Review Board approves the changes either by accepting the Minutes of Settlement or by appeal hearing if requested. The decision is then sent to the municipality for processing.

The amount of taxes that have been adjusted by decision of the ARB or by Minutes of Settlement are as follows:

| | |
|-----------------|--------------|
| Municipal Share | \$118,922.66 |
| School Share | \$ 77,393.78 |
| Total Write-off | \$196,316.44 |

Charity Rebates

Under Charities bylaw, a non-profit organization may make an application to receive a rebate on their property taxes. Non-profit organizations receive a 40% rebate.

The amount of taxes that has been adjusted due to the Charities bylaw are as follows:

| | |
|-----------------|-------------|
| Municipal Share | \$12,194.19 |
| School Share | \$ 4,719.24 |
| Total write-off | \$16,913.43 |

Summary and Recommendations

Each year, staff prepares a report to Council recommending that taxes be written off under Sections 357 and 358 of *the Municipal Act*. For 2024, it is recommended that a total of \$214,373.00 be written-off and that the school board share be reduced from their next payment.

Attachments

None

Reviewed By

1. D. van Engen, Manager of Taxation and Revenue
2. C. Staley, Manager of Taxation and Revenue
3. H. Mifflin, Director of Finance, Treasurer
4. H. Boyd, General Manager of Corporate Services

Copied To

1. A. Newton. CAO

Bylaw and/or Agreement

| | |
|---|----|
| Bylaw Required | No |
| Agreement(s) or other documents to be signed by Mayor and /or Clerk | No |