

**CITY OF HAMILTON**

**CORPORATE SERVICES DEPARTMENT**  
*Treasury Services Division (Taxation)*

<b>TO:</b> Chair and Members Audit, Finance and Administration Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> May 14, 2012	
<b>SUBJECT/REPORT NO:</b> Tax Appeals under Section 357 and 358 of the Municipal Act (2001) (FCS12007(d)) (City Wide)	
<b>SUBMITTED BY:</b> Antonio D. Tollis Treasurer Corporate Services Department	<b>PREPARED BY:</b> Val Mitchell 905-546-2424 ext 2776
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Appendix "A" attached to Report FCS12007(d) respecting the "Tax Write-Offs processed under Section 357 of the Municipal Act, 2001", in the amount of \$162,737 be approved;
- (b) That Appendix "B" attached to Report FCS12007(d) respecting the "Tax Appeals due to a Gross or Manifest Clerical Error, Pursuant to Section 358 of the Municipal Act, 2001", in the amount of \$21,787 be approved.

**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

***Alternatives for Consideration – Not Applicable***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:** The taxes that will be written-off under Section 357, total \$162,737 and taxes that will be written-off under Section 358, total \$21,787 for a total amount of \$184,524 of which \$66,244 will be charged back to the local school boards, based on school support, indicated on each account. The City portion of \$118,280 will be charged to the operating budget (HAMTN 52108-21102).

**HISTORICAL BACKGROUND** (Chronology of events)

Appendix "A" to Report FCS12007(d) "Tax Write-Offs processed under Section 357 of the Municipal Act, 2001" and Appendix "B" to Report FCS12007(d) "Tax Appeals due to a Gross or Manifest Clerical Error, Pursuant to Section 358 of the Municipal Act, 2001" 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 days after Council has rendered its'

decision to appeal any Section 357 decision through the Assessment Review Board (ARB) Section 358 decisions are final.

### **POLICY IMPLICATIONS**

Section 357 and 358 of the Municipal Act.

### **RELEVANT CONSULTATION**

Municipal Property Assessment Corporation (MPAC).

### **ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

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.

The 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**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

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

### **CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability,  
3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development,  
6. Environmental Stewardship, 7. Healthy Community

Skilled, Innovative & Respectful Organization

**APPENDICES / SCHEDULES**

Appendix "A" to Report FCS12007(d) - Tax Write-Offs Processed Under Section 357 of the Municipal Act, 2001.

Appendix "B" to Report FCS12007(d) - Tax Appeals due to a Gross or Manifest Clerical Error, Pursuant to Section 358 of the Municipal Act, 2001.

City of Hamilton  
Corporate Services Department  
Taxation Division  
Section "357" Appeals of the Municipal Act, 2001

Appeal No.	Property Address	Roll Number	Explanation	YEAR	Amount
357-10-011	0 North Service Rd	003030004000000	Tax Class Conversion denied MTO still owns this property	2010	0.00
357-10-011	68 Blenheim Dr	003285226000000	Demolition of old house and garage	2011	-754.42
357-10-029	1029 Ridge Rd	003410424000000	Demolition of all structures	2011	-220.87
357-10-108	1043 King St W	010055017800000	Tax Class Conversion and demolition not carried forward from 2010	2011	-803.19
357-10-183	581 King St W	010103523700000	Tax Class Conversion units converted now all residential	2011	-1,211.39
357-11-152	408 Cumberland Ave	030251013900000	Tax Class Conversion from CTN to RTN place of worship under renovation	2010	-4,985.10
357-11-203	408 Cumberland Ave	030251013900000	Exempt now a place of worship	2010	-21,586.28
357-11-205	408 Cumberland Ave	030251013900000	Exempt place of worship carried forward from 2010	2011	-29,241.62
357-11-215	50 West 5th	081001087000000	Gross or Manifest Error on landlocked parcel of land	2011	-21,409.91
357-11-219	2552 Jerseyville Rd W	140310220000000	Demolition of old house	2011	-844.76
357-11-243	2429 2nd Con Rd W	301210052550000	Tax Class Conversion owners closed their business now all residential	2011	-1,943.44
357-11-244	11 Highway 5	302330606000000	Exempt property purchase by MTO for Clappison Cut expansion	2010	-1,302.76
357-11-253	11 Highway 5	302330606000000	Exempt property purchase by MTO for Clappison Cut expansion	2011	-1,360.87
357-11-256	400 Highway 6 N	303330453000000	Fire destroyed building Oct 2010	2011	-74,211.11
357-11-260	150 Hillyard St	030272024700000	Tax Class Conversion tenant 0070&0071 vacated class from CTN to CFN	2011	3,642.15
357-11-260	150 Hillyard St	031247000700000	Tax Class Conversion tenant 0070&0071 vacated class from CTN to CFN	2011	-3,645.26
357-12-024	9300 Airport Rd	903310322070000	Exempt restaurant vacated area reverts to exempt	2011	-2,165.58
357-12-025	9300 Airport Rd	903310322070000	Exempt restaurant vacated area reverts to exempt	2011	-692.86
			<b>TOTAL</b>		<b>-162,737.27</b>

City of Hamilton  
 Corporate Services Department  
 Taxation Division  
 Section "358" Appeals of the Municipal Act, 2001  
 Realty Tax Applications for overcharges

B- overcharge (Assessment Roll)  
 B1 -overcharged-application denied  
 E - Exempt

Appeal No.	Property Address	Roll Number	Reason	Explanation	Year	Amount
358-10-087	0 North Service Rd	003030004000000	B1	MTO filed appeal in error	2009	0.00
358-11-116	1468 Highway 8	003210046000000	B	An old farm house that was demolished in 2004 still reflected on assessment roll	2010	-419.53
358-11-117	1468 Highway 8	003210046000000	B		2009	-406.60
358-12-004	208 Hillyard St	030272024600000	B	Port Authority property - tenants lease expired property reverts from CTN to CFN	2011	168.80
358-12-004	208 Hillyard St	031246001350000	B		2011	-168.98
358-11-132	400 Highway 6 N	303330453000000	B	Fire buildings destroyed	2010	-18661.12
358-11-134	581 King St W	010103523700000	B	Business went bankrupt 7 years ago property has been residential since then	2010	-1170.59
358-11-135	581 King St W	010103523700000	B		2009	-1129.11
				<b>Total</b>		<b>-21,787.13</b>