

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Treasury Services Division

TO: Chair and Members of Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: September 21, 2011	
SUBJECT/REPORT NO: FCS11003(f) Tax Appeals under Section 357 and 358 of the Municipal Act (2001) (City Wide)	
SUBMITTED BY: Antonio D Tollis Treasurer Corporate Services Department	PREPARED BY: Val Mitchell 905-546-2424 ext 2776
SIGNATURE:	

RECOMMENDATION

- (a) That Appendix "A" attached to Report FCS11003(f) respecting the "Tax Write-Offs processed under Section 357 of the Municipal Act, 2001", in the amount of \$333,941 be approved;
- (b) That Appendix "B" attached to Report FCS11003(f) 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 \$28,282 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 \$333,941 and taxes that will be written-off under Section 358, total \$28,282 for a total amount of \$362,223 of which \$226,712 will be charged back to the local school boards, based on school support, indicated on each account. The City portion of \$135,511 will be charged to the operating budget (HAMTN 52108-21102).

HISTORICAL BACKGROUND (Chronology of events)

Appendix "A" to Report FCS11003(f) "Tax Write-Offs processed under Section 357 of the Municipal Act, 2001" and Appendix "B" to Report FCS11003(f) "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 FCS11003(f) - Tax Write-Offs Processed Under Section 357 of the Municipal Act, 2001.

Appendix "B" to Report FCS11003(f) - 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 "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
358-10-343	197 Bay St S	020137519300000	B	Gross or Manifest Error property renovated and reconfigured	2010
358-11-069	385 Burlington St E	030225078900000	B	Gross or Manifest Error wrong property code on roll	2010
358-11-061	150 Hillyard St	030272024700000	B	Gross or Manifest Error demo not recorded	2010
358-11-068	0 Burlington St E	030272025000000	B	Gross or Manifest Error wrong property code on roll	2010
358-11-051	759 Greenhill Ave	050522032400000	B	Gross or Manifest Error in ground pool removed July of 2008 still on the roll	2010
358-11-052	759 Greenhill Ave	050522032400000	B		2009
358-11-053	7 Barnett Ct	060566048200000	E	Exemption from previous year not carried forward-Children's Aid	2010
358-11-032	535 Queensdale Ave E	070673090400000	B	Gross or Manifest Error incorrectly assessed as having a finished basement	2010
358-11-059	3100 Hall Rd	901710342000000	B	Gross or Manifest Error former owners business still on the roll	2010
358-11-059	3100 Hall Rd	901710342000000	B		2009
Total					

Amount
-1048.30
-6,554.73
-13,679.45
-2,104.09
-168.68
-165.91
-3683.86
-210.12
-410.35
-256.45
-28,281.94