



City of Kingston
Report to Administrative Policies Committee
Report Number AP-24-018

To: Chair and Members of the Choose committee
From: Desirée Kennedy, Chief Financial Officer & City Treasurer
Resource Staff: Lana Foulds, Director, Financial Services
Jeff Walker, Manager, Taxation and Revenue
Date of Meeting: July 11, 2024
Subject: Tax Write Offs Pursuant to the Municipal Act, 2001 (2024-2)

Council Strategic Plan Alignment:

Theme: Regulatory & compliance

Goal: See above

Executive Summary:

The purpose of this report, in accordance with the provisions of Section 357 and 358 of the [Municipal Act, 2001](#), is to recommend that taxes in the amount of \$139,807.25 be written off and removed from the tax roll. The municipal portion of these write-offs are provided for in the annual operating budget estimates.

Recommendation:

That the Administrative Policies Committee recommend as follows:

That Council approve the cancellation, reduction, or refund of taxes pursuant to applications made under Sections 357 and 358 of the *Municipal Act, 2001* totaling \$139,807.25 of which \$109,357.82 is the City's portion and the amount charged back to the school boards is \$30,449.43, for the properties listed in Exhibit A to Report Number AP-24-018.

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Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF FINANCIAL OFFICER
AND CITY TREASURER

**Desiree Kennedy, Chief
Financial Officer & City
Treasurer**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Growth & Development Services	Not required
Jennifer Campbell, Commissioner, Community Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required

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Options/Discussion:**Background**

Pursuant to subsection 357(1) [(a) – (g)] of the [Municipal Act, 2001](#) (the Act), Council may cancel, reduce, or refund taxes for the following reasons:

- a) the property or a portion of the property is eligible to be reclassified in a different property class;
- b) the land has become vacant land or excess land;
- c) the property has become exempt from taxation;
- d) a building was destroyed or damaged;
- e) a mobile unit was removed from the property;
- f) a person was overcharged due to a clerical or factual error in the preparation of the assessment roll; or
- g) the property could not be used for at least three months due to repair or renovations.

In addition, under Section 358, Council may cancel, reduce, or refund taxes for a maximum of two years when the Municipal Property Assessment Corporation (MPAC) confirms that the person was overcharged due to a clerical or factual error in the preparation of the assessment roll.

The Act provides for the sending of notices of hearing and decision under each of Sections 357 and 358. The applicant may appeal Council's decision under Section 357 to the Assessment Review Board (ARB).

Analysis

Applications for tax write offs are received in the City's tax department and forwarded to the Municipal Property Assessment Corporation (MPAC) for review. Upon receiving comments from MPAC, tax department staff calculate the amount for tax cancellation, prepare the recommendation for the cancellation, and advise the applicant of the tax amount to be cancelled. Applicants have been provided notice of the recommendations, as listed in Exhibit A.

The Act requires that a hearing be held; accordingly, the Administrative Policies Committee will hear applicants and render its decision, which will be recommended to Council for approval. Applicants may wish to attend this meeting to represent their application. Once Council approves the cancellation, reduction or refund of taxes, tax department staff will notify applicants of Council's decision and process the applicable tax adjustments.

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For applications made under Section 357(1) of the Act, the applicant may, within 35 days of Council's decision, appeal to the Assessment Review Board.

All tax amounts approved for cancellation, reduction or refund will be charged back, where applicable, in proportion to the amounts levied on behalf of the City, relevant school boards and Downtown Kingston! Business Improvement Area, where applicable. In addition, late payment charges will be adjusted as required in accordance with subsection 345(7) of the Act.

Public Engagement

None

Existing Policy/By-Law:

Section 357 and 358 of the [Municipal Act, 2001](#), S.O. 2001, c. 25, as amended, provides for the cancellation, reduction or refund of all or part of taxes levied for reasons as provided.

Notice Provisions:

The [Municipal Act, 2001](#), subsection 357(5) and subsection 358(9), requires that applicants receive 14 days' notice of meeting.

Financial Considerations:

Tax write off provisions exist in the annual operating budget estimates. The 2024 operating results will reflect the tax adjustments as recommended in this report.

Contacts:

Jeff Walker, Manager, Taxation and Revenue, 613-546-4291 extension 2484

Other City of Kingston Staff Consulted:

None

Exhibits Attached:

Exhibit A – Property Listing – Section 357(1) and Section 358 Tax Adjustments

City of Kingston

Property Listing - Section 357(1) and Section 358(1) Tax Adjustments

Application Number	Roll Number	Property Location	From	To	Reason for Adjustment	Property Tax Class	Assessed Value Change	Amount of Tax Cancellation
Section 357(1) Applications								
1888	040.020.11500.0000	559 Bagot Street	1-Sep-23	31-Dec-23	357(1)(a) Class Change	CTN	133,000	\$ 873.01
						RTEP	(133,000)	-
1890	080.190.13205.0000	1287 Gardiners Road	1-Jan-24	31-Dec-24	357(1)(f) Clerical Error	CTN	634,100	\$ 33,940.15
						ITN	246,800	-
						DTN	85,600	-
						CUN	(3,900)	-
						DUN	(600)	-
1891	040.010.01800.0000	895 Montreal Street	7-Jun-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	69,000	\$ 568.04
1892	050.010.11800.0000	139 Pine Street	1-Jan-23	31-Dec-23	357(1)(a) Class Change	CTN	129,500	\$ 2,543.15
						RTEP	(129,500)	-
1893	070.100.05800.0000	43 Portsmouth Avenue	1-Jan-24	31-Dec-24	357(1)(d) Fire, Demo	RTEP	36,000	\$ 532.20
1895	040.110.03600.0000	83 Railway Street	5-Apr-24	31-Dec-24	357(1)(c) Became Exempt	ITN	2,584,000	\$ 61,022.91
						CTN	(845,200)	-
						E N	(1,738,800)	-
1896	090.060.34800.0000	901 Alnwick Lane	14-Feb-24	31-Dec-24	357(1)(d) Fire, Demo	RTEP	599,000	\$ 7,195.09
1898	050.120.05000.0000	618 Division Street	1-Apr-24	31-Dec-24	357(1)(d) Fire, Demo	RTEP	2,000	\$ 22.22

Application Number	Roll Number	Property Location	From	To	Reason for Adjustment	Property Tax Class	Assessed Value Change	Amount of Tax Cancellation
Section 358(1) Applications								
1889	080.190.13205.0000	1287 Gardiners Road	1-Jan-23	31-Dec-23	358(1) Clerical Error	CTN	634,100	\$ 33,110.48
						ITN	246,800	-
						DTN	85,600	-
						CUN	(3,900)	-
						DUN	(600)	-
Total								\$ 139,807.25

Distribution of Amounts

Municipal Portion	\$ 109,357.82
School Portion	\$ 30,449.43
Total	\$ 139,807.25