



**City of Kingston
Report to Administrative Policies Committee
Report Number AP-24-006**

To: Chair and Members of the Administrative Policies 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: April 11, 2024
Subject: Tax Write Offs Pursuant to the Municipal Act, 2001 (2024-1)

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 \$185,623.55 be written off and removed from the tax roll. The municipal portion of these write-offs is provided for in the annual operating budget estimates.

Recommendation:

That the Administrative Policies Committee recommend to Council:

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 \$185,623.55 of which \$138,121.88 is the City's portion and the amount charged back to the school boards and Downtown Kingston! Business Improvement Area are \$47,461.08 and \$40.59 respectively, as listed in Exhibit A attached to Report Number AP-24-006.

Authorizing Signatures:

ORIGINAL SIGNED BY CHIEF FINANCIAL OFFICER & 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

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 also 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 [Municipal Act, 2001](#) (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.

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 and relevant school boards as well as Downtown Kingston! Business Improvement Area. In addition, late payment charges will be adjusted as required in accordance with subsection 345(7) of the Act.

Existing Policy/By-Law

[Municipal Act, 2001](#), S.O. 2001, c. 25, as amended

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 are included 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								
1861	040.030.00500.0000	628 Bagot Street	18-Jul-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	62,000	\$ 409.79
1862	040.030.01100.0000	630 Bagot Street	18-Jul-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	169,000	\$ 1,117.01
1864	020.030.07500.0000	700 Princess Street	1-Oct-23	31-Dec-23	357(1)(c) Became Exempt	CTN	468,000	\$ 4,020.63
						E N	(468,000)	-
1865	080.200.18161.0000	1513 Clover Street	25-Sep-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	122,000	\$ 445.30
1870	080.200.18160.0000	1515 Clover Street	25-Sep-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	236,000	\$ 861.39
1873	070.050.19800.0000	54 Edgehill Street	1-Jan-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	6,000	\$ 86.67
1874	080.010.11800.0000	31 Point Crescent	6-May-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	244,000	\$ 2,181.05
1875	080.180.00600.0000	1300-1350 Bath Road	13-Feb-23	31-Dec-23	357(1)(d) Fire, Demo	STN	6,371,196	\$ 156,144.78
						SUN	(743,861)	-
						CTN	(216,961)	-
						CUN	(140,374)	-
1876	080.200.01200.0000	2685 Creekford Road	7-Nov-23	31-Dec-23	357(1)(c) Became Exempt	IXN	187,000	\$ 822.08
						E N	(187,000)	-
1877	090.050.00801.0000	96-100 Innovation Drive	1-Nov-23	31-Dec-23	357(1)(d) Fire, Demo	CTN	1,017,500	\$ 14,485.59
						DTN	1,716,500	-
1881	080.010.16900.0000	21 Montgomery Boulevard	1-Jan-23	31-Dec-23	357(1)(f) Clerical Error	RTEP	140,000	\$ 1,903.21

Application Number	Roll Number	Property Location	From	To	Reason for Adjustment	Property Tax Class	Assessed Value Change	Amount of Tax Cancellation
1882	080.123.14501.0000	1029 Springfield Drive	25-Sep-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	42,000	\$ 153.30
1883	080.220.17500.0000	4240 Unity Road - Sharpton	19-Sep-23	31-Dec-23	357(1)(d) Fire, Demo	RTEP	79,000	\$ 306.00
1884	010.130.08900.0000	73-79 Brock Street	22-Jun-23	31-Dec-23	357(1)(d) Fire, Demo	CTN	19,000	\$ 383.02
1885	080.190.12635.0000	1409 Centennial Drive	15-Dec-23	31-Dec-23	357(1)(c) Became Exempt	IXN	223,000	\$ 303.01
						E N	(223,000)	-

Section 358(1) Applications

1871	070.050.19800.0000	54 Edgehill Street	1-Jan-21	31-Dec-21	358(1) Clerical Error	RTEP	6,000	\$ 81.93
1872	070.050.19800.0000	54 Edgehill Street	1-Jan-22	31-Dec-22	358(1) Clerical Error	RTEP	6,000	\$ 83.96
1880	080.010.16900.0000	21 Montgomery Boulevard	1-Jan-22	31-Dec-22	358(1) Clerical Error	RTEP	140,000	\$ 1,834.83
Total								\$ 185,623.55

Distribution of Amounts

Municipal Portion	\$ 138,121.88
School Portion	\$ 47,461.08
Downtown Kingston BIA	\$ 40.59
Total	\$ 185,623.55