



Report to: General Committee

Report Date: April 18, 2016

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**SUBJECT:** Tax Write-offs in Accordance with Section 354 of the *Municipal Act, 2001*

**PREPARED BY:** Shane Manson, Senior Manager, Revenue & Property Taxation

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**RECOMMENDATIONS:**

- 1) That taxes totalling \$5,051 as set out in this report, of which the City's portion is \$1,281, be written off pursuant to the provisions of Section 354 of the *Municipal Act, 2001*.
- 2) And That the Treasurer be directed to remove the taxes from the Collector's Roll;
- 3) And That the associated interest be cancelled in proportion to the tax adjustments;
- 4) And That the Treasurer be directed to authorize the write-off of the municipal tax portion from account 820-820-7040; and
- 5) And That staff be authorized to and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

Provisions under Section 354 of the *Municipal Act, 2001* (*The Act*) allow for the write-off of taxes deemed uncollectible. The purpose of this report is to obtain approval by Council to adjust and/or write-off the balance of various tax accounts as set out in the attached schedule. Total adjustments are \$5,051 in taxation, of which the City of Markham's share is \$1,281.

**BACKGROUND:**

Under Section 354 of *The Act* the Treasurer has the authority to recommend to Council that uncollectible taxes be written off after an unsuccessful tax sale whether or not the property vests with the municipality; or, are no longer payable as the result of a provision for tax relief under a provincial statute; or, a decision of any court; or, if a tax sale would be either ineffective or inappropriate. Pursuant to Section 354 subsection 2(a) of *The Act* the Treasurer of a local municipality is also authorized to remove unpaid taxes from the tax roll if taxes are deemed as uncollectible. Taxes levied on property of the Crown may also be written off.

The attached list of properties (Appendix A), is a "Summary of Uncollectible Taxes".

**OPTIONS/ DISCUSSION:**

Staff has determined that tax levies billed on the two properties are uncollectible and should be written off (Appendix A). The recommendations for tax write-off are due to accounts that have undergone unsuccessful tax sale in the fall of 2015

The amount of taxes recommended to be written off total \$5,051. Of this total, the City's share is \$1,281. The balance of \$3,770 will be charged back to the Region of York and the Province accordingly.

A summary of the properties which includes ownership and associated recommended write-off amounts have been provided below. In addition, an illustrative map of each property is included in Appendix B.

Property 1

**Owner - Bramalea Limited**

*Property Roll – 1936-020-143-80500*

*Classification – Residential Taxable*

*Address – 0 Millstone Court*

*Overdue tax levies: \$3,584*

*City Share: \$909*

This property is a vacant open land parcel that abuts Toogood Pond Park and eight single detached homes of Millstone Court. This property was authorized to proceed to Tax Sale (November 25, 2014 resolution of Council & May 21<sup>st</sup>, 2015 Public Tender date), however, it did not receive any tender submissions; therefore the tender opening did not proceed and the tax sale was unsuccessful for this property. It is recommended the City write-off all outstanding taxes.

This property was previously authorized for tax write-off through a September 9<sup>th</sup>, 2015 report to Council.

Property 2

**Owner - 935499 Ontario Limited**

*Property Roll – 1936-030-245-60000*

*Classification – Residential Taxable*

*Address – 0 Highway 48*

*Overdue tax levies: \$1,467*

*City Share: \$372*

This parcel of land slopes south-east and is considerably below the road grade in various locations. The property has a water course crossing the property, and is designated under the Official Plan, which makes development in the future unlikely. This property was authorized to proceed to Tax Sale (November 25, 2014 resolution of Council & May 21<sup>st</sup>, 2015 Public Tender date), however, it did not receive any tender submissions; therefore the tender opening did not proceed and the tax sale was unsuccessful for this property. It is recommended the City write-off all outstanding taxes.

This property was previously authorized for tax write-off through a September 9<sup>th</sup>, 2015 report to Council.

The figures below illustrate the categories and levying bodies that comprise the write-off amounts:

**Write-Off by Levying Body**

Levying Body	Tax Amount
City Share	\$1,281
Region	\$2,548
Province	\$1,222
<b>Total Tax</b>	<b>\$5,051</b>

**FINANCIAL CONSIDERATIONS:**

The amounts of taxes that require removal from the Tax Collector’s roll total \$5,051. Of this total, the City’s share is \$1,281, which will be funded through the 2016 tax write-off budget of \$30K from account 820-820-7040. The Region of York and Province’s share of \$3,770 will be recovered from them accordingly.

**HUMAN RESOURCES CONSIDERATIONS:**

Not applicable.

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not applicable.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

*None.*

**RECOMMENDED BY:**

08/04/2016

12/04/2016

X 

Joel Lustig  
Treasurer

X 

Trinela Cane  
Commissioner, Corporate Services

**ATTACHMENTS:**

- Appendix A – Summary of Tax Write-offs
- Appendix B - Map Of Individual Properties

**Appendix A: Summary of Tax Write-offs**

<b>Property</b>	<b>Ward</b>	<b>Roll Number</b>	<b>Property Location</b>	<b>First Owner Name</b>	<b>No. Of Years</b>	<b>Taxes (Excluding Penalty and Interest)</b>	<b>Reason</b>	<b>Appendix Page</b>
1	3	36-02-0-143-80500	0 Millstone Crt	Bramalea Limited	1	\$3,584	Unsuccessful Taxsale	5
2	5	36-03-0-245-60000	0 Highway 48	935499 Ontario Limited	1	\$1,467	Unsuccessful Taxsale	6
<b>Total</b>						<b>\$5,051</b>		

### Appendix B – Map Of Individual Properties

#### 0 Millstone Crt – Ward 3





0 Highway 48 E/S – Ward 5

