



Staff Report for Committee of the Whole Meeting

Date of Meeting: May 7, 2025

Report Number: SRCFS.25.011

Department: Corporate and Financial Services

Division: Financial Services

Subject: **SRCFS.25.011 - Tax Adjustments under Section 357 and Section 358 of the Municipal Act**

Purpose:

The purpose of this report is to obtain Council approval to adjust taxes and penalties pursuant to the provisions of Section 357 and 358 of the Municipal Act, 2001.

Recommendation(s):

- a) That taxes amounting to \$53,245.75 be written off pursuant to the provisions of Section 357 of the Municipal Act, 2001;
- b) That taxes amounting to \$789.39 be written off pursuant to the provisions of Section 358 of the Municipal Act, 2001;
- c) That applicable penalty and interest be adjusted accordingly; and,
- d) That the Treasurer be directed to adjust the accounts receivable accordingly.

Contact Person(s):

Caterina Chiarandini, Assessment Review Officer, ext. 6314

Gigi Li, Director Financial Services and Treasurer, ext. 6435.

Sherry Adams, Commissioner of Corporate & Financial Services, ext. 2521

Report Approval:

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

Page 2

Background:

Adjustments Under Section 357 – Current Year Taxes

Under Section 357 of the Municipal Act, 2001, taxpayers may make an application for the cancellation of taxes due to errors by the Municipal Property Assessment Corporation (MPAC), or in response to changes in assessment facts concerning the property. The tax reduction is not a result of Richmond Hill having failed to collect rightful taxes, but rather reduces the taxes to the correct and proper amount.

Applications have been made by Richmond Hill, or the owner, and have been reviewed by MPAC to verify assessment values and taxation periods to be used for adjustment.

Adjustments Under Section 358 – Two Prior Year Taxes

Under Section 358 of the Municipal Act, 2001, taxpayers may make an application for the cancellation of taxes due to gross or manifest errors made by MPAC in the assessment for taxation in the two years prior to the current taxation year. In such an application, the taxes originally levied, or a portion thereof, are removed from the roll as not applicable due to assessment error. The tax reduction is not a result of the City having failed to collect rightful taxes, but rather reduces the taxes to the corrected and proper amount.

Applications have been made by Richmond Hill, or the owner, and have been reviewed by MPAC to verify assessment values and taxation periods to be used for the adjustment.

Discussion:

Under Section 357 and 358 of the Municipal Act, 2001, the City processed fifteen (15) tax appeal application(s). A summary of the application count and type is illustrated in the table below.

Municipal Act, 2001 Section and Subsection	Description	Count
357(1)(c)	Land has become exempt	1
357(1)(d)(i)	Building was razed by demolition, fire or otherwise	5
357(1)(d)(ii)	Building damaged by demolition, fire or otherwise	1
357(1)(f)	Assessment Error (clerical/factual)	3

Page 3

Municipal Act, 2001 Section and Subsection	Description	Count
357(1)(g)	Property under repair or renovation	2
358(1)	Assessment Error (clerical/factual)	3

Details for each application listed above can be found in the attached Appendix 1, “Tax Adjustments under the Municipal Act”.

Financial Implications:

Richmond Hill has received and processed twelve (12) application(s) for taxes to be cancelled under Section 357 totaling \$53,245.75 as listed in Appendix 1, “Tax Adjustments under the Municipal Act”. However, Richmond Hill will charge back to the Region of York and the School Boards the taxes levied on their behalf.

Richmond Hill has received and processed three (3) application(s) for taxes to be cancelled under Section 358 totaling \$789.39, as listed in Appendix 1, “Tax Adjustments under the Municipal Act”. However, Richmond Hill will charge back to the other jurisdictions the taxes levied on their behalf.

Based on the recommendations of Staff, a total amount of \$54,035.14 representing the City, Region and School Board portion of taxes is being recommended to be removed from the accounts receivable pursuant to Section 357 and 358 of the Municipal Act, 2001. The City’s share of adjusted taxes is an estimated decrease of \$10,669.33. The City’s annual budget includes a provision for such tax adjustments.

Relationship to Strategic Plan 2024-2027:

This report has no specific link to the 2024-2027 Strategic Plan. The report is required to meet the statutory obligations of Richmond Hill under the Municipal Act, 2001.

Attachments:

The following attached documents may include scanned images of appendixes, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format, please call the contact person listed in this document.

- Appendix “1”, Tax Adjustments under the Municipal Act, 2001

Page 4

Report Approval Details

Document Title:	SRCFS.25.011 Tax Adjustments under Section 357 and 358 of the Municipal Act.docx
Attachments:	- SRCFS.25.011 Appendix 1 - Tax Adjustments under the Municipal Act, 2001.pdf
Final Approval Date:	Apr 16, 2025

This report and all of its attachments were approved and signed as outlined below:

Gigi Li - Apr 16, 2025 - 11:22 AM

Sherry Adams - Apr 16, 2025 - 11:31 AM

Darlene Joslin - Apr 16, 2025 - 1:47 PM