

**THE CORPORATION OF THE MUNICIPALITY OF SOUTH DUNDAS**

**BY-LAW NO. 2019-54**

**A BY-LAW to adopt Policy No.'s 2-2 – Property Tax Collection, 3-5 – Hiring Relatives Policy and 3-22 – Cellular Phone Policy.**

**WHEREAS** *the Municipal Act, 2001*, as amended, provides that the powers of the Council shall be exercised by By-law;

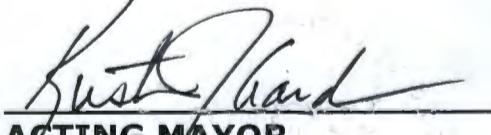
**AND WHEREAS** *the Municipal Act, 2001*, as amended, states that a Municipality and a local board shall adopt policies with respect to certain matters;

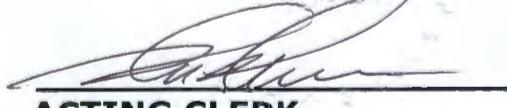
**AND WHEREAS** the Council of the Municipality of South Dundas wish to amend the Property Tax Collection and Hiring Relatives Policies; and, adopt a Cellular Phone Policy.

**NOW THEREFORE** the Council of the Corporation of the Municipality of South Dundas hereby enacts as follows:

1. THAT Policy No. 2-2 be adopted in accordance with Schedule "A" as attached to this By-law.
2. AND THAT Policy No. 3-5 be adopted in accordance with Schedule "B" as attached to this By-law.
3. AND THAT Policy No. 3-22 be adopted in accordance with Schedule "C" as attached to this By-law.
4. AND THAT By-law No.'s 2004-86 and 2015-24 are hereby repealed in their entirety.
5. AND THAT this By-law shall come into effect on the date of passing.

**READ** and passed in open Council, signed and sealed this 4<sup>th</sup> day of June 2019.

  
**ACTING MAYOR**

  
**ACTING CLERK**

<b>POLICY MANUAL</b>	<b>POLICY NO. 3-5</b>
<b>For Municipality of South Dundas</b>	<b>EFFECTIVE DATE: December 21, 2004</b> <b>REVISED: June 4, 2019</b>
<b>SUBJECT: Hiring Relatives</b>	<b>DEPARTMENT: All Departments</b>

## **PURPOSE**

Policy for the hiring of relatives of Municipal Employees, Members of Council, Local Boards and Committees of Council.

## **STATEMENT**

The Municipality of South Dundas hiring policies are predicated on a fair and equitable recruitment practices with an overriding emphasis on merit. Further information on hiring can be found in Policy 3-11 Personnel.

This policy has been developed in order to address the real or perceived conflicts of interest that exist when persons who are related to each other work together.

## **DEFINITIONS**

**Relative:** Refers to spouse, common-law spouse (as defined by the Canada Revenue Agency), child, step-child, parent, sibling, grandparent or grandchild.

## **POLICY REQUIREMENTS**

1. No member of Council, Local Board, Committee of Council or employee who is related to an applicant for a position with the Municipality shall be involved in the interview for the same. The member of Council, Local Board, Committee of Council or employee shall remain neutral and in no way influence those responsible for selecting and hiring of the position to which the relative has applied.
2. Recruitment of a relative is permissible if the Chief Administrative Officer can establish that:
  - a) standard competition procedures have not been circumvented;
  - b) the applicant is the most qualified;
  - c) no undue influence was exerted on the recruiting supervisor; and,
  - d) no potential conflict or difficulties appear to exist.
3. Hiring of individuals by the Municipality is subject to the following restrictions:
  - a) the individual must not supervise a relative, or,
  - b) the individual must not be supervised by a relative.
4. This Policy shall apply to the hiring of relatives of all employees, members of Council, Local Boards and Committees of Council.
5. No member of a Local Board, Council Committee or Council shall be an employee of the Municipality. The member shall resign from such

Board, Committee or Council prior to applying for the position, regardless of the type of employment (i.e. full-time, part-time, seasonal, temporary, and contractual).

6. Employees who become related while they are employed by the Municipality must adhere to the same requirements. They cannot work in positions in which one supervises the other, or where one is in a position to exert significant influence over the work or career of the other.

<b>POLICY MANUAL</b>	<b>Policy No. 3-22</b>
<b>For Municipality of South Dundas</b>	<b>Effective Date: June 4, 2019</b>
<b>Subject: Cellular Phones</b>	<b>Department: Administration (All Departments)</b>

## **Purpose**

The Municipality has adopted this Policy to govern the use of cellular phones in the workplace. This Policy is intended to cover cellular telephones, smart phones, two-way radios, and all other forms of portable communication devices. For the purposes of this Policy, all communication devices shall be referred to as "cellular phones".

## **Scope**

This policy applies to all employees of the Municipality of South Dundas.

## **Policy**

1. Employees are directed to use their personal or Municipally supplied cellular phones only for business purposes during regular business hours.
2. Employees are directed to neither make nor receive personal calls during work time.
3. Personal calls should be made during non-work time, and employees should ensure that their friends and family members are instructed of this Policy.
4. Employees may only use personal cellular phones during scheduled breaks or lunch periods in non-working areas.
5. In the event of an emergency or anticipated emergency that requires immediate attention, the cellular phone may be carried by the employee, subject to the approval of the Municipality.
6. Cellular phones are a distraction in the workplace. Cellular phones must therefore be kept away from the workplace in the Employee's designated personal space.
7. The Municipality is not liable for the loss of personal cellular phones brought into the workplace.
8. The Municipality strictly prohibits the use of cellular phones or similar devices while at any work site at which the operation of such device would be a distraction to the user and/or could create an unsafe work environment. Such work sites must be secured or the device used only by an employee who is out of harm's way at such work environments.
9. Employees are strictly prohibited from using cellular phones for any other available purpose (e.g. internet access, gaming, texting, music) during business hours. These functions may be used during scheduled breaks or lunch periods in non-working areas.
10. Employees are strictly prohibited from using any cellular phone or similar device as an unauthorized media storage device for the storage or transportation of the Municipality's business information.
11. Employees are prohibited from taking photographs of Municipal facilities or personnel using any camera functions on their cellular phone without first obtaining express written permission from the Municipality.

## **Use of Mobile Phones While Operating a Motor Vehicle**

- Consistent with the provisions of the Ontario *Highway Traffic Act*, the Employee shall not drive a motor vehicle on a public roadway while holding or using a hand-held wireless communication device or any other device that is capable of receiving or transmitting telephone communications, electronic data, mail or text messages.
- The Employee may only use a cellular phone while driving if such use would comply with the provisions of the *Highway Traffic Act* and its regulations.
- Notwithstanding the foregoing, the use of hands-free mobile phones should be kept to a minimum when driving.
- Best practices for making or receiving calls, text messages, DMs, etc. include:
  - Pull over and stop;
  - Allow a passenger to operate the phone;
  - Use voice mail and respond to the call at a safer time; or
  - Let someone else drive, freeing you up to make or receive calls.

Employees are solely responsible for any fines and/or criminal charges laid by the authorities for illegal use of a phone while operating a vehicle in the course of their employment. Employees are also responsible for all legal fees incurred in defending any such charges, including any legal fees incurred by the Municipality.

In the event of any civil proceeding, (e.g. a "lawsuit") commenced against the Municipality as a result of or arising out of the Employee's alleged use of a cellular phone, the Employee is required to indemnify, defend, and save the Municipality harmless with respect to such proceeding, including all legal fees incurred, and damages awarded.

Employees who violate this policy will face disciplinary measures up to and including termination for cause.

### **Acknowledgement and Agreement**

I agree to use my personal cellular phone for Municipal business in exchange for a monthly phone allowance.

I understand that the Municipality of South Dundas will not be held responsible for any damage to my personal cellular phone or for any monthly charges.

I acknowledge that I have read and understand the Policy Concerning Mobile Phone Usage. I agree to adhere to this Policy and will ensure that employees working under my direction adhere to this Policy as well. I understand that if I violate the rules set forth in this policy, I may face disciplinary action up to and including the termination of my employment for just cause, and any legal action pursued by the Municipality.

---

Signature

---

Dated

<b>POLICY MANUAL</b>	<b>Policy No. 2-2</b>
<b>For Municipality of South Dundas</b>	<b>Effective Date: January 1998</b> <b>Revised: April 7, 2015</b> <b>Revised: June 4, 2019</b>
<b>Subject: Property Tax Collection Policy</b>	<b>Department: Council</b>

## **INTRODUCTION**

This Policy was developed to provide guidance to staff on the procedures pertaining to the collection of taxes. It is designed to be implemented in accordance with the governing legislation. Should there be any discrepancies between the Policy and the governing legislation, the provisions of the governing legislation will prevail.

## **SECTION A – PROPERTY TAX BILLING AND COLLECTION POLICY OVERVIEW**

**PURPOSE:** The guidelines contained in this Policy serve as a basis for decision-making relating to tax collection procedures for all property owners within the Municipality. It will also support the establishment of fair and equitable processes when collecting overdue taxes by outlining a standardized approach of how such payments will be applied.

**LEGISLATIVE AUTHORITY:** This policy is written in compliance with *The Municipal Act, 2001*, as amended, (the Act), related Ontario regulations made under the Act and applicable Municipal By-laws, as amended.

### **DEFINITIONS:**

**Cancellation price:** means an amount equal to all the tax arrears owing at any time in respect of land together with all current real property taxes owing, interest and penalties thereon and all reasonable costs incurred by the Municipality after the Treasurer becomes entitled to register a tax arrears certificate.

**Extension agreement:** is a contract between the Municipality and registered property owner(s) to obtain information for collection purposes and/or collect tax arrears including, but not limited to, title search fees, corporate search fees, registered or certified mail, administrative charges, legal costs and tax sale costs.

**Municipal Tax Sale:** is the sale of land for Tax Arrears according to proceedings prescribed by the Act and prevailing Ontario Regulation.

**Property taxes:** means the total amount of taxes for Municipal, County and education purposes levied on a property and includes other amounts added to the tax roll as may be permitted by applicable Provincial legislation, including but not limited to, outstanding fines under the Provincial Offences Act as directed by the United Counties of SD&G, Water & Sewer arrears, and fees and charges related to false alarms and/or grow-operations.

**Tax arrears:** means any portion of property taxes that remain unpaid after the date on which they are due.

**Third party cheque:** defined to be a cheque payable to another party other than the Municipality.

**Treasurer:** the person or his/her designate appointed by the Municipality who is responsible for handling all the financial affairs of the Municipality on behalf of and in the manner directed by Council.

**ADMINISTRATION:** This policy is administered by the Treasury Department, where, the Treasurer, or his/her designate, is responsible to ensure outstanding property tax collection processes are performed in accordance with this Policy and all applicable legislation. In addition, the Treasurer is responsible to:

- ensure this Policy remains consistent with current legislation;
- ensure applicable Staff are aware of and trained on this policy including any revisions;
- ensure this policy is used in a consistent and equitable manner; and,
- ensure tax collection processes on overdue property tax accounts are performed in accordance with this Policy.

In order to ensure that all taxpayers are treated fairly and equitably, the Treasurer, or his/her designate, have the authority to exercise discretion in the application of this Policy where unusual circumstances are apparent, provided such discretion is in accordance with all applicable legislation.

## **SECTION B-TAX BILLING, PAYMENTS AND DELIVERY OF TAX BILLS**

**BILLING:** A levying By-law passed by Council is required in advance of either an Interim or Final Tax billing. Issued billings are to meet all requirements of the Provincially legislated standard tax bill. As required by the *Municipal Act*, tax billings must be post-marked and mailed no later than twenty-one (21) calendar days prior to the date of the first installment due date; however, when possible, a thirty (30) day notice will be provided. Contents of the tax bill is to be in accordance with the *Municipal Act*, as amended.

- Interim Bill – based on 50% of the annualized taxes of the property for the previous calendar year. Does not include local improvement and special charges levied, however service area rates will be incorporated in this calculation.
- Final Bill – based on the phased-in assessed value for the current year as provided by the Municipal Property Assessment Corporation (MPAC), the appropriate tax rate, all local improvement charges, service area rates, and any special charges levied. Final tax billings are produced after the passing of the annual Municipal budget and are based on the rates established by the By-law from budget requirements of the Municipality, the United Counties of Stormont, Dundas and Glengarry, and the Minister of Finance in relation to education.

**DUE DATES:** Due dates for the payment of property taxes shall be dependent, in the case of a final bill, on the final approval of the budget by Council and the subsequent passing of the levying By-law.

Notwithstanding fluctuations because of the budget approval or other unforeseeable delays, tax billing due dates will normally be as follows:

- Interim Bill: The last business day of March
- Final Bill: The last business day of June and September

The Municipality may have a minimum bill if the amount owing is twenty-five dollars (\$25) or less on a final bill. In this case, the taxpayer shall pay the full amount in one installment on the specified due date, normally being the last business day of June. The second installment due date will not apply.

**SUPPLEMENTARY AND OMITTED ASSESSMENTS:** Supplementary tax bills are issued and mailed in the same manner as the Interim and Final tax bills. The number of installments and due dates of the supplementary bills will be determined by the Treasurer. Penalties and interest charges will be assessed on supplementary taxes that are owing past their due date.

There are two sections of The Assessment Act that allow for taxation of rateable property not included in the annual revised assessment roll. They deal with omissions and additions to the roll.

- Omissions – The Assessment Act allows for the taxation of real property that has been omitted from the roll. The provision allows for taxation in the current year, plus a maximum of the two preceding years.
- Additions – The Assessment Act allows for the taxation of assessment that has increased in value or has been added after the return of the last revised roll. These taxes apply to the current year only.

**SEVERANCES:** Property owners may apply for severances of their properties under the authority of the Planning Act. If granted by the United Counties of SDG Planning Department, the assessment values must be split between all the parcels of land. As part of their legislated services, MPAC divides the assessment information.

Under the authority of the Municipal Act, the Treasurer may divide the assessment roll into the parcels being severed and direct the property taxes accordingly.

Consolidations are processed by MPAC at the written request of the property owner. Property owners should contact MPAC directly.

**PAYMENT OPTIONS:** Payments may be in the form of cash, cheque, money order, bank draft, pre-authorized payment plan, internet and telephone banking, made payable to the Municipality. Taxpayers are responsible for any fees and charges that may be imposed when making payments.

Property taxes may be paid at most major financial institution or at the Municipal Office (Monday to Friday, between 8:30am - 4:30pm), or via mail to:

Municipality of South Dundas  
34 Ottawa Street  
PO Box 740  
Morrisburg ON K0C 1X0

Refunds will not be automatically issued for overpayments. The property owner must provide the Municipality with a written letter requesting a refund accompanied by the owner's signature and forwarding mailing address.

Cheques which are post-dated will be accepted and held by the Treasury Department until the date indicated on the cheque. If the payer should request that the post-dated cheque not be processed, the Municipality should be contacted at least three (3) business days prior to the date indicated on the cheque. If proper notice is not received, Staff will attempt to retrieve the payment before processing. In the circumstance of a failed attempt to retrieve the cheque before processing, the payer will be encouraged to issue a stop payment on their cheque, however, applicable return cheque fees will apply.

If a property has been registered through the Municipal Tax Sale process, partial payment will not be accepted where a Tax Arrears Certificate has been

registered, except where the Municipality has entered into an Extension Agreement.

In accordance with the *Municipal Act, 2001*, as amended, payments shall be applied as follows:

1. The payment shall first be applied against the late payments charges owing in respect of those taxes according to the length of time the charges have been owing, with the charges imposed earlier being discharged before charges imposed later.
2. The payment shall then be applied against the taxes owing according to the length of time they have been owing, with the taxes imposed earlier being discharged before taxes imposed later.

**PRE-AUTHORIZED PAYMENT PLANS (PAP):** Taxpayers whose property tax account is not in arrears may pay current taxes through 12 monthly pre-authorized electronic payments from January through December, or through a pre-authorized electronic payment on the due date. Properties enrolled in any of the above options are not subject to service fees. Pre-authorized monthly payments are not subject to any late payment charges for the non-payment of taxes on the due dates.

To participate in any of these options, applicants must submit a PAP Plan application in writing on the Municipality's prescribed form and submit it ten (10) business days prior to the payment withdrawal date. To terminate or make any alterations to the pre-authorized payment plan, participants must provide a written request to the Municipality ten (10) business days prior to the payment withdrawal date. If a property is being sold/transferred, it is the responsibility of the current property owner to ensure the PAP is terminated and any outstanding taxes owing as a result of that termination are paid.

If two (2) pre-authorized payments within any twelve (12) month period are returned by the bank on a taxpayers account, enrollment in the pre-authorized payment plan will be terminated. The property owner may re-apply after a period of one (1) year. If there is a reoccurrence of two (2) pre-authorized payments returned thereafter, enrollment in the pre-authorized payment plan will be terminated indefinitely.

**ARREARS PRE-AUTHORIZED PAYMENT PLAN:** When a property is in arrears, property owners may pay through monthly arrears pre-authorized electronic payments (APAP) with approval from the Treasurer. Properties enrolled in this option are subject to regular late payment and interest charges.

To terminate or make any alterations to the pre-authorized payment plan, participants must provide a written request to the Municipality ten (10) business days prior to the payment withdrawal date. If a property is being sold/transferred, it is the responsibility of the current property owner to ensure the PAP is terminated and any outstanding taxes owing as a result of that termination is paid. It is advised that a tax certificate be requested in these situations to ensure all outstanding taxes are paid.

If two (2) pre-authorized payments within any twelve (12) month period are returned by the bank on a taxpayers account, enrollment in the arrears pre-authorized payment plan will be terminated indefinitely.

**LATE PAYMENT AND INTEREST CHARGES:** The purpose of a late payment charge is to persuade taxpayers to pay on time. The rate at which penalty and interest is charged is set by By-law and the *Municipal Act*. This rate may be

reviewed by the Municipality each year but cannot exceed the maximum percentage in the *Municipal Act*. Currently the percentage cannot exceed 1.25% per month.

## **SECTION C-PROPERTY TAX ARREARS COLLECTION**

**COLLECTION METHODS:** As outlined in the *Municipal Act* – taxes are a special lien on the land in priority to every claim, privilege, lien or encumbrance of every person except the Crown, and the lien and its priority are not lost or impaired by any neglect, omission or error of the Municipality or its agents or through taking no action to register a tax arrears certificate.

There are four basic methods set out by legislation that a Municipality may use to collect any unpaid taxes.

1. **Bailiff Action:** The *Municipal Act*, provides that taxes may be recovered with costs as a debt due to the Municipality from the taxpayer originally assessed for them and from any subsequent owner of the assessed land or any part of it.
2. **Collection Agency:** The *Municipal Act* provides that if a Municipality uses a registered collection agency in good standing under The Collection Agencies Act to recover a debt, including taxes, payable to the Municipality, the collection agency may recover its costs as long as the costs do not exceed the amount approved by the Municipality.
3. **Rent Attornment:** The *Municipal Act*, where taxes are owed in respect of any land occupied by a tenant, the Municipality may seize the rents of an income producing rental property upon giving proper notice. It is a severe action and should only be initiated after adequate notice.
4. **Tax Registration/Tax Sale:** Property taxes (including any part thereof) that are in arrears for two (2) years or more are eligible for tax registration under Part XI of The Municipal Act. The property owner or interested party has one year from the date of registration in which to redeem the property for all taxes, interest and penalty outstanding plus associated legal and/or administrative costs. Registration is a last resort and should be avoided if possible, by encouraging the taxpayer to either make full payment or a mutually agreed upon payment plan. It is imperative that the schedule for registration be adhered to. Letters and correspondence should encourage payment. Further information regarding tax sales is provided within this Policy.

The *Municipal Act* authorizes the Municipality to place unpaid water and wastewater fees and POA charges on the tax roll for the property to which the services were provided regardless of who was in receipt of the said service. As such, property owners need to be aware that although billing and payment notifications may be sent to a person other than the property owner, the *Municipal Act* authorizes the Municipality to add unpaid fees and charges to the tax roll of the property to which the public utility was supplied. In such circumstances, the fees and charges added to the tax roll will have priority lien status as described under the *Municipal Act*.

**STEPS INVOLVED:** Any notices sent by mail are considered delivered to and received by the addressee unless an error in the mailing address is proven. Failure to notify the Municipality of an address change in writing does not constitute an error.

The *Municipal Act* describes the priority of tax accounts for collection being that any payment shall first be applied against late payment charges owing, then be applied against the taxes owing, according to the length of time owing.

(Charges and/or taxes imposed earlier will be discharged before any charges and/or taxes imposed later.)

1. Reminder Notices: A minimum of three notices shall be mailed no later than the 15<sup>th</sup> day of the month following the due date; April, July and October. Reminder notices for five dollars (\$5) or less are not processed on these dates. Additional reminder notices may be sent out at additional dates at the discretion of the Treasurer.
2. Year End Statement of Taxes: The Act requires that a statement be sent on or before the last day of February of each year to any property owner who has arrears on their respective tax account. The statement must be the balance at December 31st of the prior year.
3. Tax Arrear Letters: When a property is in a position to be registered for tax sale, a tax arrears letter shall be sent notifying the property owner. Property owners are encouraged to contact the Municipality to discuss payment arrangements prior to tax sale registration.
4. Collection: If no reply is received and/or payment arrangements have not been made, additional collection efforts may be used at the discretion of the Treasurer. If the Municipality has been unable to secure payment of the tax arrears or a firm, suitable repayment plan, the Municipality may commence Municipal Tax Sale proceedings by registering a Tax Arrears Certificate against the property.

**EXTENSION AGREEMENTS:** The tax sale procedure allows a qualified applicant to enter into an extension agreement to extend the time before a tax sale may take place. If the extension agreement is not entered into within the one-year time limit, the *Municipal Act* does not allow a late Agreement. A Municipality may, after the registration of the tax arrears certificate and before the expiry of the one-year period enter into an extension agreement, extending the period of time in which the cancellation price is to be paid, with any of the following persons: Any owner of the land, the spouse of the owner, any mortgagee, any tenant in occupation of the land, or any person the Treasurer is satisfied has an interest in the land.

The Treasurer or his/her designate of the Municipality is authorized to enter into extension agreements without Council approval as per the *Municipal Act*.

When an extension agreement is entered into, a copy shall be placed in the Municipal property files and the sale process is suspended or placed on hold until all the terms of the Agreement have been fulfilled.

If there is a breach of the Agreement, the tax sale process recommences by returning to that step in the tax sale procedure immediately prior to the extension Agreement being entered into. When the terms of the Agreement have been fulfilled, the Treasurer shall register a Cancellation Certificate on the land title thus signifying that the tax sale has been averted, and the process stops.

**TAX SALE OF LAND:** At least once per calendar year, the Municipality shall review its Property Tax Aged Trial Balance for property owners whose taxes are at or approaching two years in arrears. If acceptable payment arrangements are not negotiated, then all properties within two (2) or more years in arrears shall be subject to the Municipal Tax Sale Process. A two hundred (\$200) tax sale administration fee will be added to the property tax account when the tax sale registration process is started. Additional fees are also applicable (legal, mailing, etc.) Once a property is registered and tax sale proceedings have begun, payment in full is required. Otherwise, an extension

agreement must be signed. The Municipal solicitor, Treasurer, or a contracted tax registration firm may be used to process the required statutory notices / declarations once a property is registered.

Before the expiry of the one-year period, any person with an interest in the property may have the tax arrears certificate cancelled by paying to the municipality the cancellation price as of the date the payment is tendered. After the expiry of the one-year period, a public sale shall be conducted by the Treasurer.

**PUBLIC TENDER-SALE OF LAND PROCESS:** The *Municipal Act* provides that the property may be sold by sealed tender or public auction. The Municipality's preference is by sealed tender. Land is advertised for sale in the Ontario Gazette and once a week for four weeks in the local newspapers. Tenders are opened in an open forum, recorded as received, and then reviewed to ensure completeness of the tenders submitted. (Note: Council may make a bid or tender on a property, by resolution, but they must have a public purpose for the property.) The highest tender or two highest tenders, if more than one is received, is retained. The minimum acceptable bid is the cancellation price. Notice is sent to the highest bidder requesting payment of the balance of the amount tendered, applicable land transfer tax, and accumulated taxes to date. All tax sale costs are added to the Collector's Roll balance.

Payment must be received from the highest bidder within 14 days from the date of the notices of highest bidder being mailed by the Treasurer. Upon receipt, the Treasurer shall issue a receipt and declare the highest bidder to be the successful purchaser. If no payment is received within 14 calendar days of the mailing of the notice, the deposit is forfeited. A notice is then sent to the second highest bidder and the process repeats.

The proceeds of the sale shall be applied according to the *Municipal Act*.

**VESTING:** Where there is no successful purchaser, a Notice of Vesting may be issued and the Treasurer shall register a declaration to that effect at the local land registry office. Council has two (2) years to decide whether to vest a property. The *Municipal Act* allows for inspection of the property including an environmental assessment.

Council may re-advertise for another tender or auction within two (2) years without writing off the tax arrears. If Council decides not to vest, Council may choose to write off the taxes and issue a tax cancellation certificate. Each year the Tax Administrator may prepare a list of such properties for annual write-off thereafter. Council may also decide to write off all or part of the taxes with the purpose of re-registration of the tax arrears and repeating the tax sale process from the beginning.

If Council decides to vest the property, the tax arrears will be written off and the property may be declared surplus assets and advertised for sale.

#### **SECTION D-WRITE-OFFS, REBATES & DEFERRALS**

The Municipality receives various notifications of change in assessment or tax class throughout the year. Some of the types of assessment notifications that may affect the assessment value on a property which may result in a write off or reduction in taxes are:

- Applications for Reduction in Assessment (*Municipal Act*)
- Request for Reconsideration (RFR) (*Assessment Act*)
- Post Roll Assessment Notice (PRAN) (*Assessment Act*)

- Advisory Notice of Adjustment (ANA) (*Assessment Act*)
- Vacant Commercial & Industrial Unit Rebates (*Municipal Act*)
- Charity Tax Rebates (*Municipal Act*)

Commercial and Industrial property owners must contact MPAC and attempt to arbitrate a change in assessment prior to filing any of the above noted applications, with the exception of the Application for Reduction in Assessment. If a successful outcome is achieved MPAC will issue Minutes of Settlement, have the property owner sign, and then send an executed copy to the Municipality for processing.

**PENALTY AND INTEREST REVERSAL ON WRITE-OFFS:** As per the *Municipal Act*, penalty and interest that has accrued on a property tax account as the result of non-payment, and a write off taxes has occurred as the result of one of the legislated tax reduction methods; the penalty and interest shall be reversed as though the taxes had originally been billed correctly. The amount of penalties and interest cancelled is limited to the amount related to the tax reduction associated with a tax adjustment, change in assessment or Municipal error or omission.

**ASSESSMENT REVIEW BOARD APPLICATIONS:** The Assessment Review Board (ARB) is an independent adjudicative tribunal established under the *Assessment Act*, with a mandate to hear appeals about property assessment and classification. The ARB receives appeals on property assessments and property taxes. The ARB hears these appeals and makes decisions based on the applicable law and the evidence presented at the hearing. The provincial government, through the Ministry of Finance, sets the laws regarding property assessment. Municipalities are responsible for setting tax rates and collecting property taxes. The Municipal Property Assessment Corporation (MPAC) assesses and classifies all properties in Ontario. If there is a dispute between a property owner and MPAC, the property owner can file an appeal with the ARB. More information about how to file an appeal, including forms and fees can be found at the Environment & Land Tribunals Ontario website: [elto.gov.on.ca/arb](http://elto.gov.on.ca/arb).

### **APPLICATIONS FOR REDUCTIONS IN PROPERTY ASSESSMENT**

**VALUE:** According to the *Municipal Act*, applications may be made to the Municipality for reduction in assessment, by the property owner, or their agent for the following reasons:

- Building was razed by fire;
- Building was demolished;
- Ceases to be liable for the tax rate that the property had been originally billed at;
- Became exempt from property taxation;
- Is damaged and substantially unusable;
- Where a Mobile unit is removed;
- Experiences a Gross or manifest clerical / factual error;
- Is under repairs / renovations preventing normal use (min. 3 months).

The prescribed form must be completed and returned to the Municipality. The form may be obtained from the Municipality's web site or the Municipal Office.

The Act requires that the following procedure occur:

1. An application may only be made by the owner of the land at the time of the application or by another person who has an interest in the land, or a tenant or occupant, or the spouse of the owner.

2. An application under this Section must be filed with the Treasury Department on or before the last day of February of the following year in respect of which the application is being made. For example, an application being made to affect the current year assessment must be filed on or before February of the next year.
3. Applications are then forwarded on to the MPAC for their recommendation of assessment value, and or tax class change. At this time, the Municipality will conduct an inspection of the property to ensure the validity of the application.
4. The tax change is calculated by the Tax & Utility Coordinator, using the recommended changes from MPAC. The Treasurer will prepare a report of recommended changes for Council review and approval. The report includes roll number, reason for the reduction or exemption, the section of the Act (if applicable), the tax year to which the tax reduction will apply, the amount of reduction in assessment and the amount of the tax reduction by County, Municipal and Education portion.
5. The reduction of taxes (if any) will be forwarded to the property owner. If there is a credit on the property account, the property owner has the option to leave the credit on the account to be applied towards future billings, or the owner may request a refund in writing.
6. The applicant then has thirty-five (35) days to appeal to the Assessment Review Board if they do not agree with the results.

If an applicant is in the process of selling their property, they are urged to ensure that their Solicitor is aware of this application and of the possibility of a pending rebate.

**REQUEST FOR RECONSIDERATION (RfR):** Property owners who disagree with the assessment of their property may ask MPAC to conduct a review of their assessment through the Request for Reconsideration (RfR) process. Through this process, MPAC staff will review the information relating to the property to determine if the assessment is accurate. The property owner may also be able to provide MPAC with information that was not available at the time the property was last assessed or be able to correct inaccurate information that has played a part in the assessment. There is no fee for this service and a request must be in accordance with MPAC's prescribed deadlines. RfRs can be requested for various reasons, including to correct:

- an assessed value that is too high or too low;
- property data, which can include the size of a building or the area of land;
- the effective date for a supplementary or omitted assessment;
- property classification; and,
- the portion of assessed value attributable to each class for those properties that have more than one property class.

The RfR form is available from MPAC. Once it is completed and submitted to MPAC, MPAC will review the request. Through the review, if MPAC finds that an adjustment is warranted then a settlement between the property owner and MPAC may be reached. To process the settlement, a Minutes of Settlement Agreement must be signed by both parties. The Minutes of Settlement will serve as notification to the Municipality that the assessment has changed. Upon receiving the Minutes of Settlement, the Treasury Department will amend the tax roll accordingly provided there are no objections to the settlement. If the municipality objects to the settlement, it must file a complaint with the Assessment Review Board (ARB) within 90 days

of receiving the Minutes of Settlement. In addition, the Municipality will notify the property owner of their decision to file a complaint.

If the property owner disagrees with MPAC's RfR decision, the property owner has the option to appeal to the Assessment Review Board (ARB). There is a time limit to submit an appeal to the ARB. It starts on the date that MPAC issues the results of the RfR and ends after 90 days. The deadline for submitting an appeal to the ARB will be in the letter that MPAC sends with the results of the RfR review. More information about how to file an appeal, including forms and fees can be found at the Environment & Land Tribunals Ontario website: [elto.gov.on.ca/arb](http://elto.gov.on.ca/arb).

If an applicant is in the process of selling their property, they are urged to ensure that their Solicitor is aware of this application and of the possibility of a pending rebate.

**POST ROLL AMENDED NOTICE (PRAN):** At any time during a taxation year, if there was a factual error(s) in the assessed value, classification or tax status of a property, MPAC has the authority to correct the error by issuing a Post Roll Amended Notice. This notice corrects the assessment(s) provided in a previously issued Property Assessment Notice.

**ADVISORY NOTICE OF ADJUSTMENT (ANA):** Where there has been a change to the assessed value that affects the phase-in values for the current or preceding taxation years and there is no other method to report the revised phase-in values, an Advisory Notice of Adjustment is sent to the property taxpayer. An Advisory Notice of Adjustment is a notification only. These notices are typically used to advise of the change in the phased-in assessment following a decision of the Assessment Review Board.

**VACANT COMMERCIAL & INDUSTRIAL UNIT REBATES:** The *Municipal Act* requires that every municipality shall provide for vacant commercial and industrial rebates. The deadline for submitting applications is February 28 of the year following the taxation year to which the application relates. Applications may be made a maximum of twice per year per property (once per year or semi-annually). To be eligible for a rebate, a building or portion of a building must satisfy the conditions described in Category 1 or Category 2 below.

#### ELIGIBILITY REQUIREMENTS:

##### **CATEGORY 1: BUILDINGS THAT ARE ENTIRELY VACANT**

Buildings or structures that are in the commercial, industrial or landfill property classes are eligible property if for at least 90 consecutive days:

- no portion of the building or structure was used at any time in the 90-day period.

##### **CATEGORY 2: PARTIALLY VACANT BUILDINGS**

A portion of a building that is in the commercial, industrial or landfill property classes is eligible property if, for at least 90 consecutive days, it was:

- unused; and,
- clearly delineated or separated by physical barriers from the used portion of the building; and the portion of the building was:
  - capable of being leased for immediate occupation,

- was capable of being leased but not for immediate occupation because it was in need of or undergoing repairs or renovations or was under construction; or,
- was unfit for occupation.

A portion of a building that is in one of the industrial property classes will be eligible property if, for at least 90 consecutive days, the portion of the building was:

- unused; and,
- clearly delineated or separated by physical barriers from the portion of the building that was used.

**EXCLUSIONS:** When calculating the amount of rebate, eligible property excludes any portion of the property that is:

- exempt from taxes for municipal and school purposes for the year;
- not included in the same class of real property for the taxation year as the eligible property; or,
- classified in the subclass for excess land.

For the purposes of this rebate, the following circumstances do not constitute "use," in the absence of other activity:

- construction, repairs or renovations of the building, structure or portion of the building;
- heating, cooling, lighting or cleaning of the building, structure or portion of the building; or,
- presence of fixtures (e.g., shelving units that are bolted to the wall or floor).

The following properties are not 'eligible property' for the purposes of the vacancy rebate program:

- Seasonal Property: A building, structure or a portion of a building that is used for commercial or industrial activity on a seasonal basis.
- Leased Property: A building, structure or portion of a building that is leased to a tenant in possession of a leasehold interest.
- Subclasses: A building, structure or portion of a building that is included in a vacant land subclass.

**PROCESSING THE APPLICATION:** Once the Vacancy Rebate Application is received and reviewed by the Municipality, the property will be inspected by the Municipality to ensure validity of the application. The application is then forwarded to MPAC. If required, MPAC may contact the property owner or authorized representative regarding their application. MPAC determines the assessed value attributable to the area identified as vacant and provides the municipality the assessed value for that area. The Municipality will calculate the tax rebate attributable to the vacant area and notify the property owner. The rebate will be applied as per the *Municipal Act*. The payment shall first be applied against late payment charges owing in respect of those taxes according to the length of time the charges have been owing, with the charges imposed earlier being discharged before charges imposed later. 2. The payment shall then be applied against the taxes owing according to the length of time they have been owing, with the taxes imposed earlier being discharged before taxes imposed later. If a credit remains on the account, the property owner may request a refund in writing. If an applicant is in the process of selling their property, they are urged to ensure that their solicitor is aware of this application and of the possibility of a pending rebate.

**CHARITY TAX REBATE:** the *Municipal Act* provides that every Municipality shall have a tax rebate program for eligible charities for the purposes of giving them relief from property taxes or amounts paid on account of taxes on eligible property they occupy. The tax rebate program for the Municipality is authorized through the United Counties of SD&G and administered by the Municipality. Applications must be made between January 1 of the year for which the application is made and the last day of February of the following year. Eligible charities must apply annually to receive the rebate.

Registered Charities are eligible to receive a tax rebate of 40% of the property taxes or amounts on account of taxes paid by the eligible charity on the eligible property it occupies. A property is eligible if it is one of the commercial classes or industrial classes, within the meaning outlined in the *Municipal Act*.

Applications can be made by submitting the completed tax relief application form along with the following required document(s):

- Copy of the charity's notification of registration received from the Canada Revenue Agency (if not previously provided), or Letter of Good Standing; and,

If the charity rents the property, the charity also needs to include:

- Copy of the current lease that includes the amount of property taxes paid by the charity;
- Confirmation of square footage; and
- Statement/invoice from the charity's landlord indicating the amount of property taxes billed to the charity.

### **LOW-INCOME SENIOR/LOW-INCOME PERSON WITH DISABILITIES TAX DEFERRAL**

The *Municipal Act* provides that for the purposes of relieving financial hardship, a Municipality, other than a lower-tier Municipality, may pass a By-law providing for deferrals or cancellation of, or other relief in respect of, all or part of a tax increase for 1998 and subsequent years on property in the residential property class for persons assessed as owners who are, or whose spouses are, a low-income senior or low-income person with disabilities. The tax deferral program for the Municipality is authorized through the United Counties of SD&G and administered by the Municipality. Applications must be made between January 1 of the year for which the application is made and the last day of February of the following year. Tax relief will be in the form of a deferral of property taxes and will be the amount that the year's tax increase is in excess of \$500.00.

**ELIGIBILITY:** A low-income senior is a person having attained the age of sixty-five (65) years and in receipt of benefits under the Guaranteed Annual Income System (GAINS). A low-income person with disabilities is a person in receipt of benefits under the Ontario Disability Support Program (ODSP).

### **SECTION E-MISCELLANEOUS**

**DISCLOSURE OF PERSONAL INFORMATION:** To protect the personal privacy of property owners, the Municipality will not provide verbal information concerning property tax accounts to third parties such as real estate agents, solicitors, etc. The Municipality will continue to release property information to property owners. If a property owner would like the Municipality to release personal information to a third party, the Municipality must receive written authorization to do so pursuant to the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O., 1990.

For general property information including property description, total taxes for current and prior year, and assessment information, interested parties can go to "My Tax Account" located on the Municipality's website. Assessment information may also be obtained from the Municipal Property Assessment Corporation (MPAC) or by viewing the assessment roll at the Municipal Office.

**TAX CERTIFICATES:** A tax certificate provides a guarantee of the tax balance on an account at a specific date. Tax certificates are used primarily during the sale/purchase of a property or during refinancing. Tax certificates will be issued upon request by solicitors, owners, financial institutions or mortgage holders. There is a fee for producing the certificate. Verbal updates will be provided on the specific property for 30 days after the date of issue for the certificate. Information after that time frame will only be available if another certificate is requested.

**TAX ACCOUNT PRINTOUTS:** Current property owners may request a printout of their tax account for the current and previous tax years for a fee. Individuals who are on the PAP program or have their taxes paid by mortgage company may receive one (1) printout per year at no cost. All Additional printouts will cost a fee per year requested.

**APPLICATION FOR DIRECTION OF SCHOOL SUPPORT:** MPAC maintains school support information for every property in Ontario as required by the *Assessment Act*. School support information is included on every Property Assessment Notice. It is not necessary for a property owner or tenant to have children in order to support a particular school board or to vote for its Trustees. However, the *Assessment Act* requires that the school support designation default to English-Public unless the owner or tenant advises MPAC otherwise. The *Education Act* sets out the requirements for property owners to indicate their school support. The *Education Act* provides that qualified owners or tenants may designate support for each residential property they own or lease. Where a person owns or leases more than one property in a school board jurisdiction, all properties must carry the same support. The *Education Act* also allows for qualified individuals to vote in the next municipal election for trustees for the school board they support. There are four school support options available in the Municipality:

- English-language Public Board;
- French-language Public Board;
- English-language Catholic Separate Board; and
- French-language Catholic Separate Board.

If a change is required, the property owner shall complete an Application for Direction of School Support form. The form can be obtained from the Municipality's website or from the local school boards office. As required by the *Assessment Act*, changes to school support designation must be made in writing. Once the Application for Direction of School Support is completed and signed, it can be submitted to MPAC.