
REPORT TO: Committee of the Whole

DATE OF MEETING: December 19, 2022

SUBMITTED BY: Saleh Saleh, Director of Revenue, 519-741-2200 ext. 7346

PREPARED BY: Feras Abdulhadi, Tax Specialist, 519-741-2200 ext. 7440

WARD(S) INVOLVED: All

DATE OF REPORT: November 30, 2021

REPORT NO.: FIN-2022-504

SUBJECT: Applications for Cancellation, Refund, Reduction of Taxes –
December 19th Hearing

RECOMMENDATION:

That the applications to City Council for write-off, cancellation, reduction, or refund of taxes totalling \$93,821.29 as attached to Financial Services Department report FIN-2022-504, be approved, pursuant to Sections 354 and 357 of the *Municipal Act, S.O. 2001, c. 25* (“the Act”).

BACKGROUND:

Sections 354 and 357 of the *Act* allow the local municipality to write-off, cancel, reduce or refund all or part of taxes levied on land in the year in respect of which the application is made for certain specific reasons as laid out in these sections of the *Act*.

REPORT:

Twenty-three applications for adjustment of taxes under Sections 354 and 357 of the *Act* were processed, resulting in a net reduction of taxes in the amount of \$93,821.29. The required notices to the affected parties were sent out in accordance with the relevant legislation.

The following table shows a breakdown of the reduction in taxes in this report by the applicable reason.

Relevant subsection of the Act	Reason for Application	Total Taxes Reduced
357(1)(a)	Ceases to be liable for tax at rate it was taxed	\$7,815.02
357(1)(c)	Became exempt	\$5,087.22
357(1)(d)(i)	Razed by fire, demolition or otherwise	\$33,724.14
357(1)(d)(ii)	Damaged and substantially unusable	-
357(1)(f)	Gross or manifest clerical/factual error (in the assessment roll)	-
357(1)(g)	Repairs/renovations preventing normal use	\$47,194.91
	Total	\$93,821.29

STRATEGIC PLAN ALIGNMENT:

The recommendation of this report supports the achievement of the city's strategic vision through the delivery of core service.

FINANCIAL IMPLICATIONS:

The tax reductions are shared with the Regional Municipality of Waterloo and the School Boards. The net effect to the City of Kitchener is a reduction in current year revenue, including a reduction in City levies of \$ 27,397.52 and a reduction in BIA levies of \$1,028.01 dollars, both of which are accommodated within the 2022 Operating Budget. The City share forms part of the year's net supplementary taxes and write-offs, which carries a net revenue budget of \$1.1 million annually.

COMMUNITY ENGAGEMENT:

INFORM – This report has been posted to the City's website with the agenda in advance of the council meeting.

The required notices to the affected parties were sent out in accordance with the relevant legislation under Section 357 of the *Act*.

ACKNOWLEDGED BY: Jonathan Lautenbach, Chief Financial Officer.