



**Mike Mayes, Director  
Financial Services/Treasurer**

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February 22, 2016

## **CORPORATE SERVICES REPORT - FINANCIAL SERVICES-2016-07**

**TO:** Mayor Tony Van Bynen and Members of Council  
Committee of the Whole

**SUBJECT:** Delegation of Authority under the Municipal Act, 2001 s.357 (1) (d.1) for a Tax Relief  
Application for Sickness or Extreme Poverty, to the Assessment Review Board of  
Ontario

**ORIGIN:** Supervisor, Property Tax & Assessment

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### **RECOMMENDATIONS:**

**THAT Corporate Services Report - Financial Services – 2016-07 dated February 22, 2016 regarding the delegation of authority to the Assessment Review Board (ARB) be received and the following recommendations be adopted:**

- 1. THAT the attached By-law be approved;**
- 2. AND THAT a certified copy of the By-law be forwarded to the Registrar of the Assessment Review Board.**

### **COMMENTS**

#### **Purpose**

Delegation of Council's authority related to applications for property tax relief for sickness or extreme poverty to the Assessment Review Board.

#### **Budget Impact**

Funds are budgeted annually for tax rebates and refunds for various reasons.

#### **Summary**

Delegating the municipality's authority to consider applications for property tax relief to the Assessment Review Board provides residents with a consistent and fair process in extreme situations.

## Background

Subsection 357(1) (1.d) of the *Municipal Act, 2001* allows a municipality, through Council authority, to cancel, reduce or refund property taxes due to sickness or extreme poverty. These types of applications are not administrative in nature, and may require the applicant to disclose significant personal health and/or financial information. Currently staff is not equipped to evaluate this type of detailed information in a fair and consistent manner in order to provide appropriate recommendations to Council.

The Assessment Review Board (ARB) has been handling these types of applications for many years. Statistics from the Registrar of the ARB advise that there have been over 850 applications received and heard by the ARB since 2009. The ARB is an independent adjudicative tribunal whose primary function is to hear property assessment appeals; however they are authorized and specially trained to hear Municipal Act appeals as well.

## Current Situation

At the present time, we do not have any applications of this type pending. We are recommending this delegation proactively. Collection of property tax arrears is one of the fundamental tasks undertaken daily by staff. We have been contacting individual property owners whose taxes are in arrears and providing them with payment options. More frequently, we are being told by taxpayers that it is becoming increasingly difficult for them to continue to pay their property taxes and they are looking for alternatives.

We work closely with these taxpayers to provide them with the various options that are available to them, such as monthly installments to spread out the payments, reverse mortgage or line of credit options through their bank and receipt of the Town's elderly assistance grant (\$292.00 for 2016). We also ensure that residents are aware of the Region wide program that allows low income residents between 55 and 64, all seniors 65+ and low income disabled persons of any age to defer tax increases annually, effectively freezing their taxes at a manageable annual amount until the property is sold or ownership is transferred to someone other than the spouse, (copy of the application is included as attachment b). Only when a sale or transfer takes place, do the deferred amounts become payable and no interest is charged on the deferred amounts.

Occasionally however, there are short term extenuating circumstances that are not mitigated by any of the above options and a cancellation of the taxes for one year may be an appropriate solution.

Taxpayers would be required to submit to the Town, an Application for Adjustment of Taxes (Attachment c) by February 28<sup>th</sup> of the year following the year for which relief is sought. They would also be provided with an Information Sheet (Attachment d) to help explain the process and requirements of a hearing before the ARB. Generally the hearings will be scheduled and take place in the Town of Newmarket, or in a neighbouring municipality, eliminating the need for residents to travel far to the hearing.

## BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This recommendation aligns with the Strategic Plan vision of a community "Well beyond the Ordinary". Further, it supports two of Council's 2014-2018 strategic priorities; engaging our changing resident demographics and ensuring effective and efficient services.

## CONSULTATION

Staff surveyed a number of municipalities to determine how they deal with these sensitive applications. Some of the larger municipalities with significant resources are processing them in-house through a very detailed process and an internal committee. Determining and administering the guidelines requires specialized expertise in order to fairly evaluate the applicant's financial or medical situation.

A denial of tax relief from an internal process can still be appealed to the ARB afterwards. Having to go through the process twice, can be a hardship in itself and as a result approximately fourteen municipalities have adopted the direct delegation that is being recommended in this report, including Toronto, Mississauga, Ottawa, Whitby, Hamilton and Kawartha Lakes.

## HUMAN RESOURCE CONSIDERATIONS

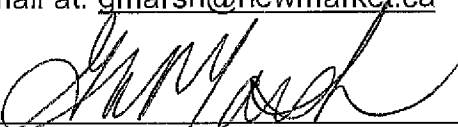
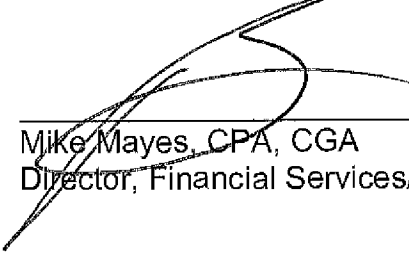
Not applicable to this report.

## BUDGET IMPACT

There is no direct budget impact as funds are budgeted annually for tax reductions, rebates or refunds as a result of assessment changes or legislated programs.

## CONTACT

For more information on this report, contact: Grace Marsh at 905-953-5300, ext. 2143 or via e-mail at: [gmarsh@newmarket.ca](mailto:gmarsh@newmarket.ca)

  
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Grace L. Marsh, CMTP, CMMIII  
Supervisor, Property Tax & Assessment  
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Mike Mayes, CPA, CGA  
Director, Financial Services/Treasurer  
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Anita Moore, AMCT  
Commissioner, Corporate Services

GLM/ne

Attachments: a) By-Law #2016-xx (1 pg.)  
b) Application for Property Tax Deferral (1 pg.)  
c) Application for the Adjustment of Taxes (1 pg.)  
d) Information Sheet (2 pgs.)



CORPORATION OF THE TOWN OF NEWMARKET

BY-LAW NUMBER 2016-XX

A BY-LAW TO AUTHORIZE THE ASSESSMENT REVIEW BOARD TO EXERCISE CERTAIN POWERS AND FUNCTIONS OF COUNCIL PURSUANT TO THE MUNICIPAL ACT, 2001 S. 357(1)(d.1)

WHEREAS subsection 357(1)(d.1) of the *Municipal Act, 2001* as amended, authorizes applications to be made by any person to the Treasurer of a municipality for the cancellation, reduction or refund of taxes levied in the year in respect of which the application is made where such person is unable to pay taxes because of sickness or extreme poverty;

AND WHEREAS subsection 357(11) of the *Municipal Act, 2001* as amended, authorizes the Council to pass a by-law to provide that the Assessment Review Board shall exercise the powers and functions of the Council under subsections 357(1)(d.1) and (5), with respect to applications under subsection 377(1)(1.d);

AND WHEREAS any such by-law passed by Council shall apply to applications made in and after the year in which such by-law is passed and shall continue to apply until repealed;

AND WHEREAS it is deemed expedient and appropriate by the Corporation of the Town of Newmarket that the Assessment Review Board exercise the functions of Council under subsection 357(1) AND (d.1) of the *Municipal Act, 2001* for the current year and each year hereafter until repealed;

THEREFORE BE IT ENACTED by the Council of the Corporation of the Town of Newmarket as follows:

1. THAT the Assessment Review Board shall exercise the functions of Council pursuant to subsections 357(1) and (5), with respect to applications made under subsection 357(1)(d.1) of the *Municipal Act, 2001*, as amended for the cancellation, reduction or refund of taxes levied in the year in respect of which the application is made by any persons who are unable to pay taxes because of sickness or extreme poverty.

ENACTED THIS 29th DAY OF February, 2016.

\_\_\_\_\_  
Tony Van Bynen, Mayor

\_\_\_\_\_  
Andrew Brouwer, Town Clerk



Attachment b)

**APPLICATION FOR PROPERTY TAX DEFERRAL**  
**SENIORS, LOW-INCOME SENIORS OR LOW-INCOME DISABLED PERSONS**  
Taxation Year for which deferral is requested: \_\_\_\_\_

ASSESSMENT ROLL NO. 1948. \_\_\_\_\_ YEAR PURCHASED: \_\_\_\_\_

NAME OF PROPERTY OWNER: \_\_\_\_\_  
(please print)

NAME OF SPOUSE: \_\_\_\_\_  
(if applicable)

PROPERTY ADDRESS: \_\_\_\_\_

**Seniors: age group 55-64 only** (only tax increases in excess of \$100 are eligible for deferral)

I qualify as a "Low-Income Senior" and have attached the following documentation:

Proof of age \_\_\_\_\_; and

- ☐ For a single person - income tax assessment notice showing income of \$23,000 or less; or  
☐ For a family of two or more - income tax assessment notice showing income of \$40,000 or less

**Seniors: age group 65 and older**

☐ I qualify as a "Senior" and have attached the following documentation:

Proof of age \_\_\_\_\_

**I qualify as a "Low-Income Disabled Person" and have attached the following documentation:**

- ☐ Ontario Disability Support Program (ODSP); or ☐ Social Assistance Reform Act; or  
☐ Guaranteed Annual Income Supplement for the Disabled (GAIN); or  
☐ most recent income tax assessment notice & documentation verifying one of the above

I certify that the above information is true, correct and complete.

SIGNATURE OF APPLICANT: \_\_\_\_\_

TELEPHONE #: \_\_\_\_\_ DATE: \_\_\_\_\_

**FOR OFFICE USE:**

|  |          |       |       |
|--|----------|-------|-------|
| Maximum cumulative Deferral:                       | 2015 CVA | x 75% | \$    |
| Year _____ CVA Equivalent Property Taxes           |          |       | \$    |
| minus Year _____ Property Taxes                    |          |       | (\$ ) |
| <b>Tax Increase</b>                                |          |       | \$    |
| minus \$100 threshold for Low-Income Seniors 55-64 |          |       | (\$ ) |
| <b>Current Year Deferral</b>                       |          |       | \$    |
| add <b>Outstanding Taxes</b>                       |          |       | \$    |
| <b>Cumulative Deferral</b>                         |          |       | \$    |

Tax Deferral Program Pursuant to Regional Municipality of York by-Law No. A-0293-2001-064

FAX COMPLETED FORM TO: 905-953-5150 OR E-MAIL TO: [taxes@newmarket.ca](mailto:taxes@newmarket.ca)

## APPLICATION

## Appendix c)

**TO THE COUNCIL OR ASSESSMENT REVIEW BOARD**

FOR ADJUSTMENT OF TAXES FOR THE.....FOR THE YEAR.....

UNDER SECTION 357 ☐ OR SECTION 358 ☐ OF THE MUNICIPAL ACT, 2001, c. 25

|   |   |
|---|---|
| Assessed Address  | Roll Number<br>City. Mun. Map Div. Sub-Div. Parcel Prim./Sub.   |
| Name of Assessed Person   | Telephone No.   |
| Mailing Address of Assessed Person  | Postal Code   |
| Name of Applicant   | Telephone No.   |
| Mailing Address of Applicant  | Postal Code   |
| <b>REASON FOR APPLICATION: (CHECK APPROPRIATE BOX - ONE ONLY)</b>   |   |
| <input type="checkbox"/> Ceased to be liable to be taxed at rate it was taxed - s. 357(1)(a)<br><input type="checkbox"/> Became exempt - s. 357(1)(c)<br><input type="checkbox"/> Razed by fire, demolition or otherwise - s. 357(1)(d)(i)<br><input type="checkbox"/> Damaged by fire, demolition or otherwise - (substantially unusable) - s. 357(1)(d)(ii) | <input type="checkbox"/> Vacant or excess land - s. 357(1)(b)<br><input type="checkbox"/> Sickness or extreme poverty - s. 357(1)(d.1)<br><input type="checkbox"/> Mobile unit removed - s. 357(1)(e)<br><input type="checkbox"/> Gross or manifest clerical error - s. 357(1)(f) or 358(1)<br><input type="checkbox"/> Repairs/renovations preventing normal use for a period of 3 months - s. 357(1)(g) |
| <b>DETAILS OF REASON</b> .....<br>.....<br>.....  |   |
| <b>PERIOD TAX RELIEF CLAIMED:</b> From ..... Date ..... To ..... Date .....   |   |
| <b>Applicant's Signature</b> ..... <b>Date of Application</b> .....   |   |

| <b>ASSESSMENT REPORT – MUNICIPALITY</b> |  |                           | <b>ASSESSMENT REPORT – MPAC</b>  |                       |                                     |
|---|--|---------------------------|--|-----------------------|-------------------------------------|
| <b>Assessment roll as returned</b>      | Revised since roll returner<br>Enter revisions below |                           | <input type="checkbox"/> No change in assessment <input type="checkbox"/> Section 357 required for next year |                       |                                     |
| RTORTQ                                  | Base-year CVA  | Current Phased Assessment | Revised RTORTQ   | Revised Base-year CVA | Change to Current Phased Assessment |

Reason original assessment revised:

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MPAC Staff Name: \_\_\_\_\_  
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

| REPORT ON TAX LIABILITY |                                     |          |      |        |                          |  |  |
|-------------------------|-------------------------------------|----------|------|--------|--------------------------|--|--|
| RTC/RTQ                 | Taxable Realty Assessment Reduction | Tax Rate | Days | Months | Amount of Tax Adjustment | Original Tax Levy  |  |
|                         |                                     |          |      |        |                          |  |  |
|                         |                                     |          |      |        |                          |  |  |
|                         |                                     |          |      |        |                          |  |  |
|                         |                                     |          |      |        |                          |  |  |
|                         |                                     |          |      |        |                          |  |  |
|                         |                                     |          |      |        |                          | <input type="checkbox"/> No Taxation for Tax Adjustment <input type="checkbox"/> Yes <input type="checkbox"/> In Partial <input type="checkbox"/> Total              ▶ |  |

Comments.....

Signature..... Date.....

| COUNCIL OR ASSESSMENT REVIEW BOARD – DECISION MADE UPON ABOVE APPLICATION    |  |  |  |   |
|--|--|--|--|---|
| <input type="checkbox"/> <b>APPROVED</b><br>(Tax to be adjusted accordingly) | <input type="checkbox"/> <b>AMENDED AND APPROVED</b><br>(Tax to be adjusted accordingly) | <input type="checkbox"/> <b>NOT APPROVED</b>         | <input type="checkbox"/> <b>APPLICANT DID NOT APPEAR</b> | <input type="checkbox"/> <b>APPLICATION ABANDONED</b> |
| <b>REASON:</b> _____<br>_____<br>_____                                       |  |  |  |   |
| Appeared for Applicant _____   |  | Appeared for Municipality _____                      |  |   |
| <b>Date of Hearing</b> _____   |  |  |  |   |
| <b>Signature of Secretary or Board Clerk</b> _____                           |  | <b>Signature of Council Rep. or ARB Member</b> _____ |  |   |

The information on this form will be used for the purpose of processing tax applications filed under the *Municipal Act, 2001*, c. 25, ss. 357 and 358. Questions regarding the collection of personal information should be directed to the Municipal Clerk or the Freedom of Information and Privacy Coordinator of the municipality.



## INFORMATION SHEET

Sickness or Extreme Poverty  
Cancellation, Reduction or Refund of Property Taxes  
Section 357(1)(d.1) of the *Municipal Act, 2001*

### Important Information

- If you are unable to pay your property taxes due to extreme poverty or sickness, you can make an application to the Treasurer asking for a cancellation or reduction of property taxes. This program is not intended to assist applicants on an ongoing basis, but rather it is intended to provide one-time or temporary relief due to financial hardship.
- Council has authorized the Assessment Review Board (ARB), an independent tribunal established by the Province of Ontario to hear and determine sickness and extreme poverty appeals.
- Your application will be forwarded to the ARB so that they may schedule a hearing to decide on the matter.
- At the hearing, you will be required to produce evidence to support your claim that because of your sickness or extreme poverty, you are unable to pay your property taxes and therefore, they should be cancelled, reduced or refunded.
- The ARB will decide whether you are entitled to a cancellation, reduction or refund of your property taxes based on your evidence related to your illness and inability to work and your income and assets.
- At the end of your hearing, the ARB Member that heard your appeal may give an oral decision or may reserve the decision for a later date. A copy of the decision will be sent to you and the Town.
- Once the Town receives the decision, it will act accordingly.

### Preparing for the Hearing

- The ARB will mail you a Notice of Hearing advising you of the date, time and location of your hearing.
- The hearing is your chance to prove why you are entitled to a cancellation, reduction or refund of taxes. It is a good idea to prepare for your hearing in advance by gathering evidence to support your position. Make sure you bring three photocopies of each document you plan on presenting as evidence, one for the Town, one for the Board member and one for you.
- All evidence should relate to the tax year of your appeal and relate to all adults living with you in your home.
- Some examples of evidence you may bring to the hearing include:
  - Your initial application
  - Your tax bill
  - Income statements from your employer or any other sources of income (e.g. long term disability)

- Personal income tax assessments from the Canada Revenue Agency
  - Documentation related to the Ontario Disability Support Program (if applicable)
  - Personal bank statements for all bank accounts
  - A listing of all your assets and their values (including medication, medical supplies, transportation, loan payments, mortgage payments, groceries, personal expenses, child care, housing, life insurance and any other expense)
  - Supporting documentation to show that you were unable to work because of sickness (e.g. from the Workplace Safety and Insurance Board)
  - Supporting documentation from your doctor(s) or other medical professionals for any medical care (if sickness is the reason for your application)
  - Any other evidence not listed here that you feel will support your position
- An ARB Member and Town staff will be present at the hearing to ask you questions about your evidence.
  - You must attend your hearing unless you provide authority to someone else to represent you at the hearing. If you do not attend, the ARB may dismiss your appeal. If you know that you will be unable to attend, you must send the Board a request to adjourn the hearing. More information about adjournments is provided on the ARB's website at [www.arb.gov.on.ca](http://www.arb.gov.on.ca)

### **How to Apply:**

- The deadline to file an application is February 28 of the year following the year in respect of which the application is made.
- Applications are available at Customer Service at 395 Mulock Drive, Newmarket, Ontario
- Completed applications should be sent to:

Town of Newmarket  
 Supervisor, Property Tax & Assessment  
 395 Mulock Drive  
 P.O. Box 328, STN Main  
 Newmarket, Ontario L3Y 4X7