



## COUNCIL REPORT

### REGULAR COUNCIL MEETING September 10, 2024

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#### Section 347(1) Request to Waive Property Tax Late Payment Fees – Roll #009911

##### RECOMMENDATION

THAT the request to waive property tax penalties in the amount of \$243.22 pertaining to Roll #009911 be denied.

##### REQUESTED COUNCIL ACTION

Decision required

##### COUNCIL BYLAW, POLICY, MASTER PLAN

This request does not fall within a council bylaw, policy, or master plan.

##### COUNCIL AND COMMITTEE HISTORY

There has been no council or committee history on this matter.

### Report

In most cases, tax exemptions are governed by provincial legislation; however, Council has authority to cancel, reduce, refund, or defer levied tax on an individual or group of property owners. The relevant section of the Municipal Government Act (MGA) reads:

Cancellation, reduction, refund or deferral of taxes 347(1)

If a council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business or a class of taxable property or business, do one or more of the following, with or without conditions:

- (a) cancel or reduce tax arrears;
- (b) cancel or refund all or part of a tax;
- (c) defer the collection of a tax.

There are several important considerations related to Council's exercise of this authority. First, Council's authority to cancel, reduce, refund, or defer property tax is limited to municipal property tax only. Education property tax is levied by the provincial government and the full amount levied must be remitted to the province.

Second, any decision under this authority can only apply to the current year or previous years. So, unlike an exemption where a property can be exempted from property tax on a go-forward basis, tax cancellations, reductions, refunds or deferrals need to take place annually to maintain a reduction.

Third, section 203 of the MGA prohibits Council from delegating this power to Administration.

Finally, a cancellation, refund, reduction, or deferral of all or part of a property tax impacts all property owners because these amounts must be made up by all other property owners, so it is imperative that Council exercises this authority in an equitable manner that aligns with the obligation of councillors to consider the interests and welfare of the whole municipality.

Administration receives numerous requests to cancel, refund, reduce, or defer property taxes each year for a variety of reasons and instructs rate-payers that Administration does not have the ability to grant the request. In these situations, Administration informs the resident on the opportunity to present their request to Council in accordance with section 347 of the MGA. In order to maintain equity for all property owners the only instance administration would recommend Council grant a section 347 request would be if there was an error in fact regarding the assessment, calculation of taxes, or application of penalties.

The resident is requesting that penalties be cancelled from their account from July 2024 due to not receiving their tax notice before the due date. The penalties incurred in July 2024 total \$243.22.

Pursuant to section 337 of the Municipal Government Act:

A tax notice is deemed to have been received 7 days after it is sent.

The tax notice for Roll 009911 was sent on May 31, 2024.

### **Financial Analysis**

As detailed in this report, Council decisions related to property tax relief have a financial impact. The specific cost depends on the scope of the request and the number of requests granted. The amount requested totals \$243.22.

### **Risk Analysis**

The financial risks associated with this decision have been detailed above.

### **Community Insight**

Once Council has made a decision on this request, Administration will notify the resident of the outcome.

### **Attachments**

- 1 347(1) Request to Waive Penalties – Roll 009911
- 2 347(1) Request to Waive Penalties – Additional Information – Roll 009911