

**To: David Creery, Chief Administrative Officer**

**From: Artem Voytsekhovskiy, Asset Management Accountant**

**Re: Application for Tax Relief under Section 354 of the Municipal Act, 2001**

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**AIM**

To obtain Council's approval for cancellation, reduction or refund of taxes levied in 2024 and 2025 for various reasons and to obtain Council's approval to write off taxes related to an unsuccessful tax sale, as described in the attached reports.

**BACKGROUND**

Section 354(2) of the Municipal Act, 2001 provides that Council on the recommendation of the Treasurer shall remove unpaid taxes from the tax roll as a result of tax relief under Section 357 of the Municipal Act, 2001. Section 354(2) further allows the write-off of taxes after an unsuccessful tax sale.

**COMMENTS**

Section 357(1) of the Municipal Act, 2001 provides that upon application to the Treasurer of a local municipality made in accordance with this section, the local municipality may cancel, reduce or refund all or part of taxes levied on land in the year in respect of which the application is made if,

- a) as a result of a change event, as defined in clause (a) of the definition of "change event" in subsection 34 (2.2) of the Assessment Act, during the taxation year, the property or portion of the property is eligible to be reclassified in a different class of real property, as defined in regulations made under that Act, and that class has a lower tax ratio for the taxation year than the class the property or portion of the property is in before the change event, and no supplementary assessment is made in respect of the change event under subsection 34 (2) of the Assessment Act;
- b) the land has become vacant land or excess land during the year or during the preceding year after the return of the assessment roll for the preceding year;
- c) the land has become exempt from taxation during the year or during the preceding year after the return of the assessment roll for the preceding year;
- d) during the year or during the preceding year after the return of the assessment roll, a building on the land,
  - (i) was razed by fire, demolition or otherwise, or
  - (ii) was damaged by fire, demolition or otherwise so as to render it substantially unusable for the purposes for which it was used immediately prior to the damage;
- e) the applicant is unable to pay taxes because of sickness or extreme poverty;
- f) a mobile unit on the land was removed during the year or during the preceding year after the return of the assessment roll for the preceding year;

- g) a person was overcharged due to a gross or manifest error that is clerical or factual in nature, including the transposition of figures, a typographical error or similar error but not an error in judgment in assessing the property; or
- h) repairs or renovations to the land prevented the normal use of the land for a period of at least three months during the year.

The City of Woodstock has always relied on the Municipal Property Assessment Corporation for assessment information used in calculating tax adjustments on Section 357 applications. If the taxpayer is not in agreement, they may appear before Council. The taxpayer may also wish to pursue their right to appeal a Section 357 decision under Section 357(7), of the Municipal Act, 2001, which states:

“Within 35 days after Council makes its decision, an applicant may appeal the decision of Council to the Assessment Review Board by filing a notice of appeal with the registrar of the Board”.

Section 354(2) of the Municipal Act provides that unpaid taxes can be removed from the tax roll on the recommendation of the treasurer after an unsuccessful tax sale whether or not the municipality vests the property. In April 2025, the City conducted a tax sale on a laneway property north of Dundas Street and east of Delatre Street accessed from Delatre Street. There were no bids received for this tax sale. Staff are currently reviewing options related to the property and at this time would like to remove the tax arrears from the tax roll.

## **ATTACHMENTS**

1. Section 357 – 2025 Tax Relief
2. Section 357 – 2024 Tax Relief
3. Section 354 – Unsuccessful Tax Sale

## **RECOMMENDATION**

That Council directs the Treasurer to:

- (i) cancel, reduce or refund the taxes levied in 2024 and 2025
  - (ii) write off taxes related to an unsuccessful tax sale
- as detailed in the attached reports.

*Authored by: Artem Voytsekhovskiy, Asset Management Accountant*

*Approved by: Stephanie Harper, CPA, Director of Administrative Services*

*Approved by: David Creery, P. Eng, MBA, Chief Administrative Officer*