

T O W N

OF

C O B O U R G



MEMO
TOWN OF COBOURG
CORPORATE SERVICES
IAN D. DAVEY
TREASURER
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To: Mayor and Members of Council

From: Ian D. Davey - Treasurer

Re: Vacancy Rebates - Industrial and Commercial Buildings - 2016

Date: May 25, 2017

ORIGIN

Finance Department property tax adjustments.

BACKGROUND

Section 357 of the Municipal Act, 2001 provides the authority for a local municipality to cancel, reduce or refund all or part of the taxes levied if one of the following events occurs:

*** As a result of a change event, the property is eligible to be reclassified in a different class of real property.**

* The property has become vacant land during the year.

* The property has become exempt because it has been acquired by the Crown or a municipality.

* A building on the land has been destroyed or damaged during the year.

* A mobile unit on the land has been removed from the municipality.

* An owner has been overcharged due to a gross or manifest error that is clerical or factual in nature.

* Repairs or renovations to the property prevented the normal use of the property for a period of at least three months during the year.

In addition, Ontario Regulation 325/01 provides for a rebate of property taxes for vacancies in Commercial and Industrial Buildings when the entire building or a portion thereof has been vacant and unused for a period of at least 90 consecutive days during the year.

Taxpayers may also appeal the assessment of their properties which can lead to a reduction in their tax liabilities. These appeals may be settled on an informal basis as Minutes of Settlement or on a formal basis to the Assessment Review Board. When the Town is notified of these decisions, a tax adjustment is made either by way of a credit or a refund.

Section 361 of the Municipal Act, 2001 provides that every municipality shall have a tax rebate program for eligible charities for the purposes of giving them relief from taxes on eligible property that they occupy. The rebate is calculated based on 40% of the total taxes on that portion of the property occupied by the eligible charity.

The Town of Cobourg also provides a Heritage Tax Incentive for properties within the Commercial Core Heritage District to encourage the renovation and restoration of these properties. The amount of the grant is equal to the amount of the annual increase in the municipal portion of the taxes for such properties that is a direct result of a reassessment due to an approved restoration project.

TAX ADJUSTMENTS

Included with this report is a spreadsheet providing the background calculations to support tax adjustments for 2016 Vacancy Rebates as mandated in the Municipal Act, 2001 for those properties considered to be eligible for the rebate based on applications submitted and reviewed by MPAC. The net result of these changes is a reduction in taxes in the amount of **\$324,969.01**.

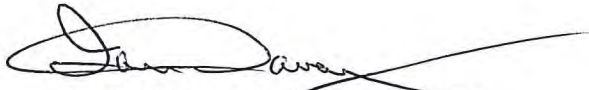
FINANCIAL IMPLICATIONS

The net reduction in taxes included with this report amounts to \$324,969.01. This balance is shared with the County, and School Boards on the following basis:

	May 31, 2017	Year To Date	2017 Budget
Town of Cobourg	\$ (124,650.96)	\$ (936,058.62)	\$(800,000)
County of Northumberland	\$ (70,811.20)	\$ (505,864.77)	
Education	\$ (129,506.85)	\$ (975,210.48)	
DBIA	\$ N/A	\$ 27.08	

RECOMMENDATION

That council pass a motion to approve the reduction of property taxes in the amount of \$324,969.01.



Ian D. Davey, BBA, CPA, CA
Treasurer

TOWN OF COBOURG

WRITEOFFS - 2016 Vacancy Report

ASSESSMENT REVIEW BOARD AND / OR
2016 VACANCY REBATES

May 31, 2017

ROLL #	ADDRESS	REASON	TAX YEAR	TAX CHANGE	TOWN	COUNTY	EDUC
000.110.00300	253 Division Street	Vacancy Rebate	2016	415.17	155.69	88.43	171.05
000.160.00500	1 Northam Industrial Park	Vacancy Rebate	2016	30,252.44	11,828.85	6,720.44	11,703.15
000.110.05000	239 Division Street	Vacancy Rebate	2016	982.45	368.42	209.26	404.77
000.160.00201	750 Division Street	Vacancy Rebate	2016	5,967.91	2,655.72	1,509.88	1,802.31
000.160.00203	880 Division Street	Vacancy Rebate	2016	2,541.60	953.10	541.36	1,047.14
000.170.01000	1040 Division Street	Vacancy Rebate	2016	1,408.86	528.32	300.09	580.45
000.170.00600	1024 Division Street	Vacancy Rebate	2016	1,211.28	454.23	258.00	499.05
000.160.02300	701 Brook Rd North	Vacancy Rebate	2016	18,864.13	7,074.05	4,018.06	7,772.02
000.110.05300	16 King Street West	Vacancy Rebate	2016	333.44	125.04	71.02	137.38
000.100.01900	330 Division Street	Vacancy Rebate	2016	2,190.35	821.39	466.54	902.42
000.160.00204	900 Division Street	Vacancy Rebate	2016	21,197.42	7,949.04	4,515.05	8,733.33
000.180.01905	83 Veronica Street	Vacancy Rebate	2016	25.59	9.60	5.45	10.54
000.210.20302	1035 - 1045 Elgin St W	Vacancy Rebate	2016	12,401.18	4,650.44	2,641.45	5,109.29
000.210.20310	1111 Elgin St Wet	Vacancy Rebate	2016	48,486.79	18,182.55	10,327.67	19,976.57
000.190.01100	609 William Street	Vacancy Rebate	2016	3,454.39	1,295.41	735.78	1,423.20
000.100.07050	62 Swayne Street	Vacancy Rebate	2016	2,035.09	763.16	433.47	838.46
000.180.11000	711 Ontario Street	Vacancy Rebate	2016	16,092.94	7,161.35	4,071.52	4,860.07
000.180.01200	965 Division Street	Vacancy Rebate	2016	2,067.76	775.40	440.44	851.92
000.020.09300	22 Queen Street	Vacancy Rebate	2016	5,277.23	1,978.96	1,124.05	2,174.22
000.280.01700	75 Strathy Road	Vacancy Rebate	2016	8,944.76	3,354.29	1,905.23	3,685.24
000.040.24311	79 King St W lev 1 Unit 10	Vacancy Rebate	2016	305.63	114.61	65.10	125.92
000.040.24310	79 King St W lev 1 Unit 9	Vacancy Rebate	2016	801.15	300.44	170.64	330.07
000.040.24309	79 King St W lev 1 Unit 8	Vacancy Rebate	2016	3,148.00	1,180.50	670.52	1,296.98
000.040.24306	83 King Street West	Vacancy Rebate	2016	162.11	60.79	34.53	66.79
000.100.04300	2 King Street East	Vacancy Rebate	2016	4,699.39	1,762.28	1,000.96	1,936.15
000.040.24800	97 - 99 King Street West	Vacancy Rebate	2016	1,816.12	681.05	386.83	748.24
000.100.04400	14 - 16 King Street East	Vacancy Rebate	2016	362.98	136.12	77.31	149.55
000.060.01200	429 William Street	Vacancy Rebate	2016	13,131.86	4,924.44	2,797.09	5,410.33
000.180.01600	989 Division Street	Vacancy Rebate	2016	889.30	333.49	189.42	366.39
000.180.01910	83 Veronica Street	Vacancy Rebate	2016	488.50	183.19	104.05	201.26
000.150.09600	472 Ontario Street	Vacancy Rebate	2016	4,778.03	2,126.22	1,208.84	1,442.97
000.040.24308	87 King Street West	Vacancy Rebate	2016	621.45	233.04	132.37	256.04

TOWN OF COBOURG

**ASSESSMENT REVIEW BOARD AND / OR
MINUTES OF SETTLEMENT**

May 31, 2017

ROLL #	ADDRESS	REASON	TAX YEAR	TAX CHANGE	TOWN	COUNTY	EDUC
000.040.24307	85 King Street West	Vacancy Rebate	2016	590.89	221.58	125.86	243.45
000.040.24312	79 King St W Lev 1, Unit 11	Vacancy Rebate	2016	1,151.66	431.88	245.30	474.48
000.040.24305	79 King St W Lev 1, Unit 4	Vacancy Rebate	2016	1,018.77	382.04	217.00	419.73
000.040.24304	79 King St W Lev 1, Unit 3	Vacancy Rebate	2016	1,344.77	504.28	286.44	554.05
000.040.24303	79 King St W Lev 1, Unit 2	Vacancy Rebate	2016	906.71	340.02	193.13	373.56
000.160.00213	800 Division Street	Vacancy Rebate	2016	10,574.43	3,965.41	2,252.35	4,356.67
000.190.01510	743 William Street	Vacancy Rebate	2016	3,035.93	1,138.48	646.65	1,250.80
000.240.21200	441 King Street East	Vacancy Rebate	2016	1,548.53	580.70	329.84	637.99
000.180.04120	650 Victoria Street	Vacancy Rebate	2016	862.29	323.36	183.67	355.26
000.070.12510	316 King Street East	Vacancy Rebate	2016	13,266.82	4,975.06	2,825.82	5,465.94
000.240.22000	421 King Street East	Vacancy Rebate	2016	2,383.92	893.97	507.77	982.18
000.110.06600	52 King Street West	Vacancy Rebate	2016	3,184.13	1,194.05	678.22	1,311.86
000.250.00680	210 Willmott Street	Vacancy Rebate	2016	844.38	375.75	213.63	255.00
000.120.09800	140 King Street West	Vacancy Rebate	2016	1,302.25	488.34	277.38	536.53
000.040.23301	35 King Street West	Vacancy Rebate	2016	137.87	51.71	29.36	56.80
000.040.23400	37 King Street West	Vacancy Rebate	2016	667.16	250.19	142.10	274.87
000.110.05200	10 - 14 King Street West	Vacancy Rebate	2016	2,066.11	774.80	440.08	851.23
000.020.09800	1 King Street East	Vacancy Rebate	2016	4,665.76	1,749.66	993.81	1,922.29
000.020.10600	37 - 39 King Street East	Vacancy Rebate	2016	919.40	344.78	195.83	378.79
000.040.23600	41 King Street West	Vacancy Rebate	2016	2,312.61	867.22	492.59	952.80
000.040.023700	43 - 45 King Street West	Vacancy Rebate	2016	1,854.16	695.31	394.94	763.91
000.110.06500	48 - 50 King Street West	Vacancy Rebate	2016	2,719.64	1,019.86	579.29	1,120.49
000.180.15900	520 William Street	Vacancy Rebate	2016	52,255.52	19,961.33	11,339.29	20,954.90
TOTAL FOR THIS REPORT				324,969.01	124,650.96	70,811.20	129,506.85