

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: Cancellation, Reduction or Refund of Taxes - FIRST REPORT 2017
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 several properties. The net result of these changes is a reduction in taxes in the amount of **\$2,092,137.78**.

FINANCIAL IMPLICATIONS

The net reduction in taxes included with this report amounts to \$2,092,137.78. This balance is shared with the County, and School Boards and the DBIA on the following basis:

	May 31, 2017	Year To Date	2017 Budget
Town of Cobourg	\$ (811,407.66)	\$ (811,407.66)	\$(800,000)
County of Northumberland	\$ (435,053.57)	\$ (435,053.57)	
Education	\$ (845,703.63)	\$ (845,703.63)	
DBIA	\$ 27.08	\$ 27.08	

RECOMMENDATION

That council pass a motion to approve the reduction of property taxes in the amount of \$2,092,137.78.



Ian D. Davey, BBA, CPA, CA
Treasurer

TOWN OF COBOURG

WRITEOFFS May 31 2017

ASSESSMENT REVIEW BOARD AND / OR
MINUTES OF SETTLEMENT

May 31, 2017

ROLL #	ADDRESS	REASON	TAX YEAR	ASSESSMENT CHANGE	TAX CHANGE	TOWN	COUNTY	EDUC	DBIA
000.040.23800	47 King Street W	Building damaged by fire	2015	RT (\$41,936)	-634.31	-354.68	-197.85	-81.78	
				CT \$3,888	146.50	49.82	27.79	55.60	13.29
			2016	RT (\$43,000)	-647.26	-360.91	-205.51	-80.84	
				CT \$4,000	149.63	50.87	28.97	56.00	13.79
000.210.20302	1035 - 1045 Elgin St W	A.R..B Decision	2013	CT(\$1,143,550)	-39,746.95	-14,597.42	-8,110.63	-17,038.90	
				ST (\$3,565,450)	-123,926.13	-45,512.97	-25,287.95	-53,125.21	
		Reduce Vacancy Rebate		n/a	32,505.76	11,929.61	6,631.18	13,944.97	
		A.R..B Decision	2014	CT(\$1,143,550)	-39,502.68	-14,668.32	-8,138.53	-16,695.83	
				ST (\$3,565,450)	-123,164.55	-45,734.03	-25,374.95	-52,055.57	
		Reduce Vacancy Rebate		n/a	48,129.35	17,855.98	9,914.65	20,358.72	
		A.R..B Decision	2015	CT(\$772,200)	-26,477.05	-9,902.79	-5,523.93	-11,050.33	
				ST (\$2,425,250)	-83,097.32	-31,079.58	-17,336.66	-34,681.08	
		Reduce Vacancy Rebate		n/a	27,742.58	10,375.73	5,798.20	11,568.65	
		A.R..B Decision	2016	CT(\$720,990)	-24,484.10	-9,169.26	-5,220.98	-10,093.86	
				ST (\$2,296,010)	-77,970.21	-29,199.74	-16,626.33	-32,144.14	
		000.210.20310	1111 Elgin Street W	A.R..B Decision	2013	CT(\$795001)	-7,197.79	-10,148.19	-5,638.54
ST (\$6,743,055)	-33,704.74					-86,075.10	-47,825.12	-100,471.52	
Reduce Vacancy Rebate				n/a	1,914.94	702.74	390.66	821.54	
A.R..B Decision	2014			CT(\$809,435)	-20,968.35	-10,382.62	-5,760.67	-11,817.75	
				ST (\$8,107,565)	-213,816.43	-103,995.74	-57,700.73	-118,370.45	
Reduce Vacancy Rebate				n/a	14,729.66	5,464.73	3,034.28	6,230.65	
A.R..B Decision	2015			CT(\$782,462)	-25,479.17	-10,027.25	-5,593.35	-11,189.21	
				ST (\$8,156,537)	-266,750.52	-104,526.02	-58,306.19	-116,638.48	
Reduce Vacancy Rebate				n/a	17,946.08	6,711.85	3,750.73	7,483.50	
A.R..B Decision	2016			CT(\$755,490)	-25,655.69	-9,608.02	-5,470.81	-10,576.86	
				ST (\$8,205,510)	-278,650.91	-104,354.39	-59,419.38	-114,877.14	
000.100.01500	310 Division Street			Minutes of Settlement	2013	RT(\$1,009,250)	-15,366.34	-8,502.53	-4,724.20
		2014	RT(\$1,109,500)		-16,856.19	-9,392.58	-5,211.32	-2,252.29	
		2015	RT(\$1,209,750)		-18,297.95	-10,231.58	-5,707.36	-2,359.01	
		2016	RT(\$1,310,000)		-19,718.77	-10,995.22	-6,260.75	-2,462.80	
000.280.01760	1050 DePalma Drive	Minutes of Settlement	2009	CT(\$600,427)	-24,040.50	-8,236.60	-4,614.22	-11,189.68	
				CU 44,744	1,254.05	429.65	240.70	583.70	
			2010	CT(\$1,152,285)	-44,216.17	-15,420.91	-8,496.72	-20,298.54	
				CU 51,163	1,374.28	479.29	264.09	630.90	
			2011	CT(\$1,704,142)	-62,627.05	-22,043.25	-12,162.97	-28,420.83	
				CU 57,581	1,481.27	521.37	287.68	672.22	
			2012	CT(\$2,256,000)	-77,728.45	-28,432.37	-15,681.68	-33,614.40	
				CU 64,000	1,543.54	564.61	311.41	667.52	
			2013	CT(\$2,803,750)	-97,451.35	-35,789.87	-19,885.60	-41,775.88	
				CU 64,500	1,569.30	576.34	320.22	672.74	
			2014	CT(\$3,351,500)	-115,773.88	-42,989.69	-23,852.29	-48,931.90	
				CU 65,000	1,571.75	583.63	323.82	664.30	
			2015	CT(\$3,899,250)	-133,601.57	-49,968.89	-27,873.40	-55,759.28	
				CU 65,500	1,570.99	587.57	327.76	655.66	
			2016	CT(\$4,447,000)	-151,015.68	-56,555.17	-32,202.51	-62,258.00	
				CU 66,000	1,568.90	587.55	334.55	646.80	
000.210.20105	1011 Elgin Street West	Minutes of Settlement	2015	CT (\$283,413)	-9,710.70	-3,631.94	-2,025.95	-4,052.81	
			2016	CT (\$290,000)	-9,848.11	-3,688.10	-2,100.01	-4,060.00	
000.150.00700	475 George Street	Minutes of Settlement	2017	RT (\$101,500)	-1,528.28	-858.23	-488.36	-181.69	
000.040.02308	145 Third Street, #108	Minutes of Settlement	2017	RT (\$10,000)	-150.57	-84.56	-48.11	-17.90	

TOWN OF COBOURG

ASSESSMENT REVIEW BOARD AND / OR
MINUTES OF SETTLEMENT

May 31, 2017

ROLL #	ADDRESS	REASON	TAX YEAR	ASSESSMENT CHANGE	TAX CHANGE	TOWN	COUNTY	EDUC	DBIA
000.040.02755	106 Maria's Quay	Minutes of Settlement	2017	RT (\$3,500)	-52.70	-29.59	-16.84	-6.27	
000.030.00200	202 Church Street	Minutes of Settlement	2017	RT (\$34,250)	-515.70	-289.60	-164.79	-61.31	
000.100.08905	18 Chapel Street, #2	Minutes of Settlement	2017	RT (\$5,250)	-79.05	-44.39	-25.26	-9.40	
000.010.13200	221 Bay Street	Minutes of Settlement	2017	RT (\$12,569)	-189.25	-106.28	-60.47	-22.50	
000.240.10700	19 Springbrook Rd	Minutes of Settlement	2017	RT (\$3,500)	-52.70	-29.59	-16.84	-6.27	
000.080.12621	240 Chapel Street, #426	Minutes of Settlement	2017	RT (\$22,500)	-338.79	-190.25	-108.26	-40.28	
000.270.12002	932 Caddy Drive	Minutes of Settlement	2017	RT (\$7,750)	-116.69	-65.53	-37.29	-13.87	
000.060.18700	311 University Ave W	Minutes of Settlement	2017	RT (\$4,750)	-71.51	-40.16	-22.85	-8.50	
000.040.24315	79 King St W Lev 1 Unit 14	Heritage Incentive Grant	2017	RT(\$220,615)	-1,865.41	-1,865.41			
000.040.24320	79 King St W Lev 2 Unit 4	Heritage Incentive Grant	2017	RT(\$236,922)	-2,003.29	-2,003.29			
000.040.24321	79 King St W Lev 2, Unit 5	Heritage Incentive Grant	2017	RT(\$228,338)	-1,930.71	-1,930.71			
000.040.24324	79 King St W Lev 2 Unit 8	Heritage Incentive Grant	2017	RT(\$205,472)	-1,737.36	-1,737.36			
000.040.24325	79 King St W Lev 2 Unit 9	Heritage Incentive Grant	2017	RT(\$148,174)	-1,252.89	-1,252.89			
000.040.24327	79 King St W Lev 2 Unit 11	Heritage Incentive Grant	2017	RT(\$171,125)	-1,446.95	-1,446.95			
000.040.24328	79 King St W Lev 2 Unit 12	Heritage Incentive Grant	2017	RT(\$225,879)	-1,909.92	-1,909.92			
000.040.24313	79 King St W Lev 1 Unit 12	Heritage Incentive Grant	2017	RT(\$256,205)	-2,166.34	-2,166.34			
000.040.24317	79 King St W Lev 2 Unit 1	Heritage Incentive Grant	2017	RT(\$232,942)	-1,969.64	-1,969.64			
000.040.24319	79 King St W Lev 2 Unit 3	Heritage Incentive Grant	2017	RT(\$259,218)	-2,191.82	-2,191.82			
000.040.24323	79 King St W Lev 2 Unit 7	Heritage Incentive Grant	2017	RT(\$250,936)	-2,121.79	-2,121.79			
000.040.24326	79 King St W Lev 2 Unit 10	Heritage Incentive Grant	2017	RT(\$186,543)	-1,577.31	-1,577.31			
000.040.24329	79 King St W Lev 2 Unit 13	Heritage Incentive Grant	2017	RT(\$177,690)	-1,502.46	-1,502.46			
000.040.24330	79 King St W Lev 2 Unit 14	Heritage Incentive Grant	2017	RT(\$184,491)	-1,559.96	-1,559.96			
000.040.24331	79 King St W Lev 2 Unit 15	Heritage Incentive Grant	2017	RT(\$248,829)	-2,103.97	-2,103.97			
000.040.24332	79 King St W Gar 16 17 18 19	Heritage Incentive Grant	2017	RT(\$14,616)	-123.59	-123.59			
000.040.24316	79 King St W Lev 1 Unit 15	Heritage Incentive Grant	2017	RT(\$288,066)	-2,435.74	-2,435.74			
000.040.24318	79 King St W Lev 2 Unit 2	Heritage Incentive Grant	2017	RT(\$205,293)	-1,735.85	-1,735.85			
000.040.24322	79 King St W Lev 2 Unit 6	Heritage Incentive Grant	2017	RT(\$288,188)	-2,436.77	-2,436.77			
000.250.30814	31 Thomas Street	Consolidation	2017	RT(\$105,250)	-1,584.74	-889.94	-506.40	-188.40	
000.060.18125	494 King Street	Minutes of Settlement	2017	RT(\$10,500)	-158.10	-88.78	-50.52	-18.80	
000.040.02559	0 Hibernia Street	Minutes of Settlement	2017	RT(\$1,575)	-23.72	-13.32	-7.58	-2.82	
000.050.05200	185 Forth Street	Minutes of Settlement	2017	RT(\$14,750)	-222.09	-124.72	-70.97	-26.40	
000.040.02560	0 Hibernia Street	Minutes of Settlement	2017	RT(\$1,575)	-23.72	-13.32	-7.58	-2.82	
000.180.13589	1040 Glenhare Street	Minutes of Settlement	2017	RT(\$2,000)	-30.11	-16.91	-9.62	-3.58	
					-2,092,137.78	-925,061.33	-498,192.14	-977,306.83	27.08
REALLOCATE CAPPING						113,653.67	63,138.57	131,603.20	
TOTAL FOR THIS REPORT					-2,092,137.78	-811,407.66	-435,053.57	-845,703.63	27.08