



**Meeting Date:** November 24, 2021  
**Submitted by:** Tiffany Farrell, Director of Corporate Services  
**Report No:** CPS-56-2021  
**Subject:** Write off of taxes under Section 354 (4) of the Municipal Act 2001

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**Recommendation:**

THAT report CPS-56-2021 regarding write off of taxes under Section 354 (3) of the Municipal Act, 2001 be received;

AND THAT taxes amounting to \$730.60 be written off pursuant to the provisions of Section 354 (3) of the Municipal Act, 2001.

**Purpose:**

The purpose of this report is to provide Council with updated information with respect to the write off of taxes on three landlocked parcels that were recently transferred into the name of the Province.

**Background:**

There are three parcels of land previously owned by a Corporation. The company charter was revoked many years ago by the Province. When this occurs the Province, when requested, will assume title to any properties owned by a defunct Ontario corporation. This has now occurred at the request of Middlesex Centre. The properties for 2021 and forward will be exempt from property taxation. The Province will not assume responsibility for any outstanding property taxes.

Given that the properties are land locked by a railway corridor it is unlikely that a tax sale would yield any purchasers so the outstanding property taxes may never be recovered. Therefore, staff are recommending these be written-off.

The chart below summaries the current tax balance owing on the properties and those portions to be written-off by responsibility:

	<b>Total</b>	<b>Middlesex Centre</b>	<b>County</b>	<b>School Board</b>
Property Taxes	439.83	221.68	150.23	67.92
Interest and penalty	290.77	290.77	-	-
<b>Totals</b>	<b>730.60</b>	<b>512.45</b>	<b>150.23</b>	<b>67.92</b>

This report was originally scheduled to be presented to Council on March 24, 2021 as CPS-11-2021, however it was pulled from the agenda at the request of a resident. As no further action has been taken on these parcels of land, the report has been updated and is being presented to Council.

**Analysis:**

Property taxes can be written-off under Section 354 (4) (b) if the Treasurer provides an explanation of why conducting a tax sale would be ineffective.

The map of the properties are outlined below as the two small triangles in yellow and the one small quadrilateral in yellow.



In March 2021 a resident requested through their lawyer this report be removed from the council agenda as they believe they own these parcels. The Municipality agreed to postpone the matter to give them sufficient time to present their claim. As of November 15, 2021, no claim has been received and numerous attempts to follow up on their proposed course of action have yielded no response. It is unclear whether they intend to pursue their claim or not. However, as these parcels are currently in the name of the Province of Ontario, the Municipality is proceeding with the request to write off taxes as per section 354 of the Municipal Act. The resident may decide to pursue their claim at a later date, at which time if they approach the Municipality, they shall be directed to contact the Province of Ontario.

**Financial Implications:**

The amount of taxes written-off due to Report CPS-11-2021 is \$730.60. The municipal portion of this amount is \$512.45 the County will assume \$150.23 and school board will assume \$67.92.

**Strategic Plan:**

This matter aligns with following strategic priorities:

- Responsive Municipal Government

This report responds directly to Objective 5.3– Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing our timely and effective communication to the public.

**Attachments:**

N/A