

**Subject: Tax Refund Request - Plan: 1421965 Unit: 2****APPROVALS:****Jamie Doyle**\_\_\_\_\_  
Director\_\_\_\_\_  
Chief Administrative Officer**Recommended Motion:**

THAT the request for a tax refund, in the amount of \$9,263.76 comprising of municipal tax, education requisition and senior's requisition, for the property located at Plan: 1421965 Unit: 2 in Fort McMurray, be approved.

**Summary:**

Administration received a tax refund request for a portion of the 2020 and 2021 taxes in the amount of \$9,263.76.

**Background:**

The lessee contacted the Assessment branch on February 28, 2022, regarding an assessment value error. The space in question is leased for religious practice and therefore the property exemption was granted. The property owner filed a plan in 2019 and a new account was created, however the exemption for the 2236SF leased space did not transfer to the new account. Therefore, the property was taxed incorrectly in 2020 and 2021 as 7% of the property should have been exempt from taxes as per the *Municipal Government Act (MGA)*, S 362(1):

The following are exempt from taxation under this Division:

(k) property held by a religious body used chiefly for divine service, public worship or religious education and any parcel of land that is held by the religious body and used only as a parking area in connection with those purposes

The account information has been corrected for 2022; however, the Assessment branch cannot adjust previous years' assessments or refund taxes without Council approval as per MGA S347 (1). Due to a Municipal error the taxpayer should not have been charged the full tax amount and therefore funds should be refunded.

**Budget/Financial Implications:**

A refund of the property tax portion located at Plan: 1421965 Unit: 2 will result in a decrease in property tax revenues of \$9,263.76.

**Rationale for Recommendation:**

Subsection 347 (1) of the *Municipal Government Act* authorizes the Council, where it deems it equitable, to cancel or refund all or part of a tax. Due to an internal Municipal error the property owner paid higher taxes for the past two years. Administration recommends that a tax refund be allowed for a portion of the 2020 and 2021 taxes located at Plan: 1421965 Unit: 2 in the amount of \$9,263.76.

**Strategic Priorities:**

Responsible Government