



Subject: 2015 Tax Relief Request – 149 Roy Lane, 153 Roy Lane and 172 Coventry Drive, Fort McMurray

APPROVALS:

Philip Schofield, Director
Elsie Hutton, Executive Director
Marcel Ulliac, Chief Administrative Officer

Administrative Recommendation:

THAT the requests for cancellation of the 2015 municipal tax portion for 149 Roy Lane, Fort McMurray in the amount of \$462.88; for 153 Roy Lane, Fort McMurray in the amount of \$462.88; and for 172 Coventry Drive, Fort McMurray in the amount of \$478.80, be approved.

Summary:

Administration received a request for a tax refund of the 2015 municipal tax portion of \$462.88, which excludes education and seniors' requisitions, for the properties located at 149 Roy Lane and 153 Roy Lane, which were damaged by fire on April 13, 2015. Also, Administration received a request for a tax refund of the 2015 municipal tax portion of \$478.80 for the property located at 172 Coventry Drive which was destroyed by fire on June 5, 2015.

As per the *Municipal Government Act*, Council approval is required to refund taxes.

Background:

Municipal tax relief requests were received by the Assessment and Taxation Department from the homeowners, requesting relief of the municipal portion of the 2015 property taxes.

Respecting the property at 149 Roy Lane, the following events occurred:

- On April 13, 2015, the property was damaged by fire;
- On June 3, 2015 a request for a cancellation of the 2015 municipal tax portion of \$462.88 was received;
- On June 3, 2015 a clarification email regarding property insurance was sent to the property owner which received no response;
- On August 22, 2016, an email from the property owner was received requesting an adjustment on both the 2015.

Respecting the property at 153 Roy Lane, the following events occurred:

- On April 13, 2015, the property was damaged by fire;
- On August 10, 2016, a request for a cancellation of the 2015 municipal tax portion of \$462.88 was received.
- The owner had not previously requested a refund of municipal taxes.

Respecting the property at 172 Coventry Drive, the following events occurred:

- On June 5, 2015, the residence at 172 Coventry Drive was destroyed by fire;
- On September 15, 2015 a request for a cancellation of the 2015 municipal tax portion of \$478.80 was received;
- Due to clarification on the insurance status of the property, the request for tax cancellation had not previously proceeded to Council.

As per the *Municipal Government Act*, S 349(1):

Taxes that have been imposed in respect of improvement are a first charge on any money payable under a fire insurance policy for loss or damage to those improvements.

As per the *Municipal Government Act*, S 347(1):

If a Council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business or a class of taxable property or business, do one or more of the following, with or without conditions:

- (a) Cancel or reduce tax arrears;*
- (b) Cancel or refund all or part of a tax;*
- (c) Defer the collection of a tax.*

Budget/Financial Implications:

Refund of the municipal portion of property tax for each of 149 Roy Lane and 153 Roy Lane properties results in a net loss of \$462.88 prorated at \$1.76 per day for 263 days for the period from April 13, 2015 to December 31, 2015. Regarding 172 Coventry Drive a refund of the municipal portion of property tax results in a net loss in the amount of \$478.80 prorated at \$2.28 per day for 210 days for the period from June 5, 2015 to December 31, 2015. The detailed calculations for each property is outlined in Attachment 1.

Rationale for Recommendation:

Section 347(1) of the *Municipal Government Act* allows Council, if it considers it equitable to do so, to cancel or refund all or part of a tax. The buildings located at 149 Roy Lane and 153 Roy Lane were damaged by fire on April 13, 2015 and the homeowners could not return to their homes until December 31, 2015. The building located at 172 Coventry Drive was destroyed by fire on June 5, 2015. Administration recommends the tax cancellation be permitted by reducing the 2015 municipal tax levy for 149 Roy Lane in the amount of \$462.88, for 153 Roy Lane in the amount of \$462.88 and for 172 Coventry Drive in the amount of \$478.80.

Strategic Plan Linkage:

Pillar 1 – Building Responsible Government

Attachment:

1. Requests for Cancellation of Municipal Taxes