



STAFF REPORT TO COUNCIL

Report No: TR2021-20

October 19, 2021

From: Kimberley Goyette, Director of Finance/Treasurer

RE: Elimination of Tax Vacancy Rebate Program

Recommended Motion:

THAT Council of the Township of North Glengarry approves Bylaw #25-2021, being a bylaw to eliminate the Tax Vacancy Rebate program, and that it be read a first, second and third time in open Council, this 25th day of October, 2021.

Background / Analysis:

Section 364 (1) of the Municipal Act, 2001, indicates that every municipal shall have a program to provide tax rebates to owners of property that has vacant portions if that property was in any of the commercial or industrial classes.

The program provides rebates equal to 30 percent for commercial classes and 35 percent for industrial classes, to properties prescribed by the Minister of Finance.

Owners of properties that have vacant industrial or commercial classes can apply to the Township with their name, roll number, dates of vacancy, description of vacant portion and square footage of vacant space on a Vacancy Rebate Application. The application deadline is the last day of February in the year following the taxation year for the rebate and must be vacant for at least 90 consecutive days. (i.e. the application would have to be received in February 2021 for the 2020 tax year.)

The application is then forward to the Municipal Property Assessment Corporation (MPAC) to determine the assessed value of the vacant portion. The Township will then use this vacant assessed value to calculate the amount of the rebate which will then be forwarded onto the owner of the property.

Any change to the rebate program required Minister of Finance approvals and were noted in O.Reg. 325/01.

The Municipal Act was revised in December of 2020 which provided a new section, being 364 (1.1) which indicated that a Municipality was not required to have a program to provide tax rebates to owners if the local municipality passed a by-law providing that indicated it did not have a rebate program. Minister of Finance approval was no longer required.

Attached is Bylaw 25-2021 which eliminates the current Tax Vacancy rebate program.

Alternatives:

1. Approve Bylaw 25-2021
2. Do not approve Bylaw 25-2021.

Financial Implications:

The current vacancy rebate program costs taxpayers \$16,000. The residential tax class, being the largest tax class in North Glengarry, pays for the majority of these costs. Removal of the program will save this amount in the 2022 budget.

Attachments & Relevant Legislation:

Municipal Act, 2001, S.O. 25

By-law No. 25-2021

Others Consulted:

Treasurer of SDG County
Municipal Affairs and Housing

Reviewed and Approved by:
Sarah Huskinson, CAO/Clerk