



**THE CORPORATION OF THE
TOWN OF COBALT**

Office Consolidated

BY-LAW NO. 2020-32

Being a By-Law for the Adoption of a Municipal Property Tax Policy for the Corporation of the Town of Cobalt

By-Laws and Resolutions amending Original Municipal By-Law No. 2020-050:

By-Law 2023-19	July 18, 2023	Section 3.1 and 3.2 Change Installment Due Dates
By-Law 2023-34	November 21, 2023	Numerous Amendments

Note:

This office consolidation has been prepared to assist the reader in understanding the amendments to By-Law No. 2020-32



**THE CORPORATION OF THE
TOWN OF COBALT**

BY-LAW NO. 2020 - 32

Being a By-Law for the Adoption of a Municipal Property Tax Policy for the Corporation of the Town of Cobalt

WHEREAS Section 306 to Section 389 inclusive of the Municipal Act, S.O. 2001, c.25, as amended, provides legislation with respect to municipal property taxes;

AND WHEREAS under Section 8 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, the powers of the municipality shall be interpreted broadly to enable it to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to municipal issues;

AND WHEREAS under Section 9 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS under Section 10(1) of the Municipal Act, 2001, S.O. 2001, c.25, as amended, a single-tier municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

NOW THEREFORE the Council of the Corporation of the Town of Cobalt hereby enacts as following as a By-Law:

1. That Council for the Town of Cobalt adopts a Municipal Property Tax Policy identified as Schedule "A", attached hereto and forming part of this By-Law.
2. That By-Law No. 83-25, as amended is hereby repealed.
3. That this By-Law shall come into force and take effect on the date of its final passing.
4. That the CAO of the Town of Cobalt is hereby authorized to make minor modifications or corrections of a grammatical or typographical nature to the By-Law and schedule after the passage of this By-Law, where such modifications or corrections do not alter the intent of the By-Law.

READ a first, second and third time and finally passed this 28th of July, 2020

MAYOR

CLERK



**THE CORPORATION OF THE
TOWN OF COBALT**

Schedule "A" to

By-Law 2020- 32

**MUNICIPAL PROPERTY TAX POLICY FOR
THE CORPORATION OF THE TOWN OF COBALT**

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Purpose

The purpose of this policy is to establish procedures for effective and efficient property tax billing and collection while ensuring that ratepayers are treated fairly and equitably.

It will also provide a guideline for other taxation issues such as assessment.

1. Definitions

The words and phrases defined in this section have the following meaning for the purposes of this By-Law.

“Arrears” means unpaid taxes.

“Appeals” means the process by which a property owner can formally challenge the assessment of the property. The document is to be filed with the Assessment Review Board by March 31st of the current assessment year with the applicable filing fees.

“Assessment” means the current market value.

“Assessment Review Board (ARB)” means the independent tribunal of the Province of Ontario that reviews assessment issues.

“Cancellation Price” means any amount equal to all the realty tax arrears owing on a parcel of land at any time in respect of land together with all current realty taxes, interest, penalties and reasonable cost incurred by the Town.

“Council” means the Council for the Corporation of the Town of Cobalt

“Extension Agreement” means a contract between the municipality and the registered owner of the property to obtain information for collection purposes and/or collect tax arrears.

“Deferral” means the payment of taxes is suspended until the property is sold or transferred.

“Due Dates” means the specific dates as set by the By-Law by Municipal Council for the collection of taxes.

“Final” means the last tax billing of the year which bills the property at the tax rates as set by Municipal Council by By-Law in order to meet budget requirements.

“Improved Land” means land that has a building(s) situated on the property.

“Installment” means the payments as set by council for the collection of taxes. There are 4 installments in each taxation year (two installments with interim billings and two installments with the final billing).

“Interest” means the charge imposed each month on the due and unpaid taxes.

“Interim” means the first tax billing of the current year which represents a maximum of 50% of the previous year’s tax levy.

“Land Transfer Tax” means the amount payable to the Minister of Finance based on the percentage of the purchase price of the property.

“Local Improvements” means additional charges such as water and sewer that are imposed against the property. Local improvements are specific to the individual property.

“Municipal Property Assessment Corporation (MPAC)” means the independent body that is responsible for determining assessment values and classifying properties according to use for each of the four million properties in Ontario.

“Notice of Vesting” means the document registered at the Land Registry Office that confers title of the property to the Town of Cobalt when there has been no successful tender of a parcel of land and the sale has not been cancelled by the C.A.O.

“Payment Agreement” means the mutually agreed upon payment schedule whereby payments are made on weekly/bi-weekly/monthly basis in order to facilitate the collection of unpaid taxes

“Penalty” means the charge imposed on the due and unpaid taxes on the first day of default.

“Public Tender” means the process used during a Tax Sale to receive bids on the eligible properties by interested parties.

“Receipt” means the official document showing proof of payment.

“Request for Reconsideration (RFR)” means the official documentation to be completed and filed with the Municipal Property Assessment Corporation (MPAC) in order for them to review the assessment on the property based on the arguments stated in the document. The deadline for filing this request is December 31st of the current taxation year and there is no filing fee.

“Supplementary/Omit” means an additional billing that is assessed against the property for improvements, new buildings or change of use.

“Tax Arrears Certificate (TAC)” means the document that is registered at the Land Registry Office for properties that have tax arrears dating back two years.

“Tax Deed” means is the document registered at the Land Registry Office in the name of the successful purchaser/tenderer of the property after payment of the balance of the cancellation price.

“Taxes” means the municipal and education amounts levied against the property.

“Tax Levy” means the amount of money required to be raised for budget purposes through taxation.

“Town” means the Town of Cobalt.

“Vacancy Rebate” means the process whereby property owners of commercial or industrial properties can apply for a reduction of taxes for unused portions of the property.

“Vacant Land” means land that does not have any building(s) situated on the property.

2. Mailing

- 2.1.** Mailing Section 343(1) of the Municipal Act, 2001 requires tax billings be post marked and mailed no later than twenty-one (21) calendar days from the date of the first installment due date.

Property tax bills and notices are mailed to the address of the property as shown on the tax roll, unless the taxpayer advises the Town, in writing, of an alternate mailing address. Use of the alternate mailing address continues until it is revoked in writing or ownership of the property changes. Property ownership changes remain until the municipal office receives notification from a lawyer/solicitor.

Any bill or notice sent by standard letter mail is considered delivered to and received by the addressee, unless the notice is returned by Canada Post and an error in the mailing address is evident. Where Canada Post fails to deliver the tax bill to the property owner, the responsibility rests with the property owner to contact the Town for a duplicate mailing by use of the User Fee By-Law for such a service. Taxpayers are responsible to notify the Town of any changes to a mailing address(es). Failure to notify the Town of an address change in writing is not an error on behalf of the Town.

- 2.2.** A mortgage listing of roll numbers, taxes due and owing, and the due dates, in a standard format will be provided to each mortgage company who has provided the Town with notification that they hold an interest in a particular property.

3. Bill Procedures

Property taxes will be billed by interim and final billings established by Municipal By-Law each year in accordance with the provisions of the Municipal Act, 2001.

There will be four installments per year due on the final business day of the month in which they are due. Installments for the interim and final billings will also be established by Municipal By-Law.

3.1. Interim Tax Bill

Interim Bills are mailed out at the beginning of March of the current year with the installments being due on the last business day of the month of February and April.

The interim amount levied on a property shall not exceed 50 percent of the total amount of taxes for municipal and school purpose levied on the property for the previous year (Municipal Act, 2001 s.317(3)).

3.2. Final Tax Bill

Final bills will be mailed out once the final budget and tax rates have been established by Municipal By-Law, with installments being due on the last business day of August and October.

The final tax bill will be based on the current assessment value and will reflect any changes in municipal taxes and education portions of the taxes. The Municipal Property Assessment Corporation (MPAC) is responsible for placing a value on all properties in Ontario. From the information supplied by MPAC, the Town calculates the tax amounts and issues the tax bills.

The Municipal tax billing will meet all the requirements of the provincially legislated standard tax bill. Arrears are included in the first installment due date amount. Installment due dates will be indicated on the payment stubs. Billing messages may be used to relay information to the ratepayers (i.e.: penalty and interest charge rates).

3.3. Supplementary/Omit Tax Bills

A supplementary/omit tax bill is issued by the Town and reflects any changes, additions or improvements made to the property.

A supplementary bill is sent for one of the following reasons:

I. Building Assessment:

- Renovations/improvements completed to a property that has increased its current value;
- Construction of a building on the property

II. Reclassification:

- There has been a change in the use of a property resulting in change in the tax class or property assessment

From the information supplied by MPAC, the Town calculates the tax amounts due and issues the tax bills. Until the Town receives information from MPAC, a supplementary/omit tax bill cannot be issued. Consequently, there may be a considerable time lapse from the effective date of the supplementary until you receive a tax bill.

Supplementary/omit tax bills are issued and mailed in the same manner as interim and final tax bills, with the exception that a separate levying By-Law is not required, and these bills are due in one installment. Penalties and interest are charged on supplementary/omit taxes.

3.4. Calculation of Taxes

Property taxes are calculated by multiplying the assessed value of the property by the tax rate for the specific tax class. In addition, special charges and local improvements may apply. The Commercial, Industrial and Multi-Residential tax classes may be subject to capping calculations to achieve the current tax levy of the property.

Example of breakdown of calculation

<u>Assessed Value</u>	<u>Municipal Rate</u>	<u>Municipal Property Tax Portion</u>
\$100,000	0.0135541	\$1,3551.41
	<u>Education Rate</u>	<u>Education Property Tax Portion</u>
\$100,000	0.0026400	\$264.00
Total Municipal and Education Taxes:		<u>\$1,619.41</u>

3.5. Billing Adjustments

Other charges such as water, sewer or solid waste diversion fee are property specific and are billed annually on the tax bills. The codes for the charges are very specific in what is being billed and it is essential that the property owner review these charges to ensure they are being billed for the correct number of units on their dwelling.

Water, sewer and solid waste diversion are a per unit charge as per the annual By-Law passed by Council.

Should a property be billed incorrectly for local improvements, it is the responsibility of the property owner to advise the taxation department. Upon said notification, the Town reserves the right to perform an inspection to ascertain the status of said property. An affidavit will also be required to be completed by the property owner swearing to the correctness of the information being provided.

Billing adjustments will be made for the current year and on a go forward basis. The tax department will not adjustment for prior years as it is impossible to confirm the status of property at that point in time.

4. Collection Procedures

4.1. Application of Payment

Payments shall be applied to the tax account as provided in the Municipal Act. The payment shall first be applied against late payment charges owing in respect of those taxes according to the length of time the charges have been owing, with the charges imposed earlier being discharged before the charges imposed later. The payment shall then be applied against the taxes owing according to the length of time they have been owing (Municipal Act, 2001 s.347(1)(2)).

No part payments shall be accepted on property in respect of which a tax arrears certificate is registered (Municipal Act, 2001, s.347(3)).

4.2. Payment Options

Payments can be made in person at the Town Office located at 18 Silver Street, Cobalt. The hours of operation of the municipal office are 8:00 a.m. to 4:00 p.m., Monday thru Friday. Cheques, cash or debit/credit payments are accepted.

Post-dated cheques will be accepted and held for deposit as they become due. Post-dated cheques can be mailed or dropped-off in person during municipal office hours.

Payments can be mailed to: Town of Cobalt
18 Silver Street

P.O. Box 70
Cobalt, ON P0J 1C0

If making payments by mail, please remember to include the tax bill stub.

Payments may also be made at participating banks. Internet banking or telebanking options are also available. Electronic payments normally require two to three business days to process and ratepayers are responsible for allowing their financial institution processing time to submit the payment to the Town. Ratepayers are responsible for any fees and charges that may be imposed when making payments.

Payments received at the municipal office shall be recorded as received by the Town on the date received or on the date of the cheque (if post-dated). Payments made at the banks, or by internet or telebanking options shall be recorded as received by the Town on the date received by the Town's bank.

It is the responsibility of the property owner to ensure that payment is received by the due date to avoid penalty/interest charges.

4.3. Refunds and Overpayments

Tax account refund requests must be submitted in writing. Refunds are reviewed by staff and approved by the CAO, if all eligibility criteria are met. Tax accounts with balance owing will not be eligible for refunds. If the credit on the account is less than \$1,500, the credit will be transferred and applied to the next upcoming tax billing. Prior to refunding a any payments from the property tax account, the municipality will verify that all other debts with the Municipality have been cleared. The Municipality reserves the right to transfer credits on property tax accounts to accounts with other debt. Refunds will be issued to the current owner of the property. Property owners are encouraged to review their tax account prior to real estate transactions. Refunds are subject to an administrative fee in accordance with the Town's User Fee By-Law.

4.4. Misapplied Payments

Erroneous payments made to a tax account require written request to correct the payment application. These corrections are subject to an administrative fee in accordance with the Town's User Fee By-Law

5. Penalty

Municipal Act, 2001 s. 345 (1) states that “A local municipal may, in accordance with this section, pass By-Laws to impose late payment charges for the non-payment of taxes or any installment by the due date”.

A percentage charge, not to exceed 1¼ percent of the amount of taxes due and unpaid, may be imposed as a penalty for the non-payment of taxes on the first day default or such later date as the By-Law specifies (345(2)).

Interest charges, not to exceed 1¼ percent each month of the amount of taxes due and unpaid, may be imposed for the non-payment of taxes in the manner specified in the by-law but interest may not start to accrue before the first day of default (345(3)).

Penalty and interest charges cannot be waived, except where a Town error has occurred.

6. Arrears Collection

6.1. Mailing of Tax Reminder Notices

In January of each year a Tax Reminder Notice of past due taxes and the related late penalty/interest charges shall be mailed to every taxpayer who owes taxes from a preceding year as per Section 348(2) of the Municipal Act.

Tax Reminder Notices of past due taxes shall be mailed to all accounts in arrears over \$10.00 in the month following the last installment of the interim and final billing.

The fee for a Tax Reminder Notice as prescribed in the Town of Cobalt User Fee By-Law shall be applied to every property that a Tax Reminder Notice is issued to.

6.2. Eligible Tax Arrears Certificate (TAC) Properties

Each year, the CAO shall compile a list of properties that will be two years in arrears effective January of the following year.

6.3. Pre-Registration Collection Process

The Town of Cobalt’s solicitor will be used to process the required statutory notices/declarations. The schedule for registration will be adhered to and it is only after collection methods described below have been unsuccessful that the Town will proceed to Tax Registration.

- a. Interim Tax Billings are sent in February and Final Tax Billings are sent in August. Tax arrears owing at the time of the billing are included on each tax bill.
- b. Penalty and interest are charged according to Municipal By-Law, as outlined in section 5 of this Policy.
- c. The Municipal Act requires that the Treasurer send a statement on or before February 28th of each year to any property owner who has arrears on their respective tax account. The statement must be the balance at December 31st.
- d. Any notice sent by ordinary mail is considered delivered subject to section 2.1 of this Policy.

- e. For tax accounts which indicate two previous years taxes owing, a collection letter is sent by the Town of Cobalt's solicitor to the registered property owner(s) advising of the tax arrears situation and asking for payment in full or satisfactory payment arrangements to be made by a given date. The letter also states that failure to remit payment will result in further action in the form of notification for the start of legal proceedings. If acceptable payment arrangements are made, the account is monitored for compliance.
- f. Satisfactory payment arrangements would be a series of post-dated cheques or other arrangement that are satisfactory to the CAO. Penalty/interest will accrue during such period and are payable during the completion of the payment arrangements.
- g. If there is no reply to the letter outlined in section 6.3(e), the municipal solicitor shall send one final letter advising the client that they have a prescribed number of days to make suitable arrangements with the Town for payment or tax sale proceedings will be started.
- h. If no reply or satisfactory arrangements are made with the Town, the solicitor will be directed to start tax registration.
- i. All cost incurred for the collection to obtain information and/or collect tax arrears are payable by the property owner and are added to the tax account.
- j. The CAO has the authority to exercise discretion in the application of these policies where unusual circumstances are apparent in order that consistent fairness is provided to the taxpayer and municipal collection procedures are maintained in principal, pursuant with approved policies and/or where governed by legislation.

6.4. Payment Arrangements

Should the property owner be unable to pay the installments of taxes as they become due, the Town will accept partial payment. Penalty as per section 5 of this Policy will be applied to any/all unpaid principal until such time as the account is paid in full. The application of the payment will be accordance with Section 4.1 if this Policy.

Should taxes fall into arrears and are in a position to be registered for a Tax Arrears Certificate, a formal payment agreement can be entered into with the CAO in order to suspend the registration process.

The amount of taxes in arrears will be reviewed with the CAO and the property owner and a mutually satisfactory payment agreement will be entered into for a period not to exceed one (1) year. The payment agreement should attempt to clear the entire balance of arrears owing during the time period, however financial circumstances will be taken into consideration.

The agreement will be signed by the property owner who will receive a copy of the agreement in addition to a statement of account showing the status of the tax arrears as of the date of signing. A fee prescribed in the Town of Cobalt User Fee By-Law will apply.

Payment options will be available such as postdated cheques and internet banking. Any defaulted payments will be subject to the returned payment fee as per section 6.5 of this Policy will automatically null and void the payment agreement. Should the property still

have taxes two (2) years in arrears at this time, the property will be registered for a Tax Arrears Certificate.

6.5. Defaulted Payments

Any payment that is defaulted (whether due to insufficient funds, account closed, etc.) shall be subject to a returned payment fee as prescribed by council in the Town of Cobalt User Fee By-Law. Upon notification of a defaulted payment, the property owner is required to pay the defaulted amount, in addition to the defaulted payment fee. Failure to repay the defaulted amount, will result in the payment being reversed, applicable penalty applied and an invoice forwarded for the returned payment fee.

After two (2) cheques within twelve (12) month period are returned, personal cheques from a taxpayer, for any financial transaction within the Town of Cobalt, may not be accepted unless certified. This restriction will be in effect for a period of one (1) year. If there is a reoccurrence of two (2) returned cheques within a twelve (12) month period, cheques will no longer be accepted from the property owner, indefinitely, unless they are certified.

6.6. Tax Arrears Certificate (TAC)

If tax arrears remain unpaid on vacant or improved land for two (2) years prior to January 1st of any year, the Town may begin a tax sale process by the registration of a Tax Arrears Certificate. These timelines apply to both residential and non-residential classes or properties.

A Tax Arrears Certificate indicates that the property may be sold if taxes, penalties, interest and the TAC administration fees as prescribed in the Town of Cobalt's User Fees By-Law are not paid within one (1) year of the registration date of the certificate. Once a certificate has been registered, partial payments cannot be accepted unless a Tax Extension Agreement is in place (Municipal Act, 2001 s.347(3)).

I. Tax Sale

If the cancellation price is not paid before the expiry of the one-year redemption period, these properties are advertised for sale by public tender. Advertisements are published in a local newspaper for four (4) consecutive weeks and the Ontario Gazette for one (1) week. The advertisement will also be posted on the Town of Cobalt website www.cobalt.ca.

The sales are always subject to certain rules and follow procedures, which have been established by legislation. At these sales, the minimum acceptable offer on a property is always the cancellation price which include all taxes levied (whether due or not) to this date, all late payment charges to the date of the sale, all items added to the tax roll having priority lien status and all administration fees.

II. Tax Sale Process

The Municipal Act provides important definitions including the following summaries:

- Cancellation Price – means an amount equal to all the realty tax arrears owing on a parcel of land at any time in respect of land together with all current realty taxes, interest, penalties, and reasonable costs incurred by the Town.
- Tax Deed – is a tax deed, as prescribed by section 379 of the Municipal Act, 2001, provided to the successful purchaser of the property after payment of the balance of the Purchase Price.
- Notice of Vesting – means a notice of vesting prepared under subsection 379 of the Municipal Act, 2001 conferring title to the Town where there has been no successful tender of a parcel of land and the sale has not been cancelled by the CAO.

A Tax Sale of any property is subject to cancellation up to the time of tender opening without further notice.

The minimum bid is the Cancellation Price. To be eligible, bids must be at least equal to the advertised minimum tender amount. The successful purchasers will be required to pay the amount tendered, accumulated taxes, penalties and interest, HST, if applicable and the relevant land transfer tax.

A separate tender must be provided for each parcel bid on and must be in the form provided. No substitutes can be accepted.

The tender must be accompanied by a deposit of at least 20% of the tender/bid amount by way of money order, bank draft or certified cheque payable to the Town of Cobalt.

The Town is not obliged to provide a survey or reference plan for any parcel being sold under tax sale.

The CAO is not obliged to inquire into the value of the land prior to conducting a sale.

Furthermore; there is no obligation to obtain fair market value of the land to ensure that land being sold under tax sale may obtain fair market value at the time of the sale or in the future.

Prior to submitting a tender, the onus is on the potential bidder to conduct his/her own inquiries into such matters as zoning, access, work orders, water/hydro and other arrears/building restrictions, or title problems. The Town makes no representations what so ever as to the quality and/or quantity of the land being purchased. All tax properties are sold without warranty and are sold as is.

Potential bidders are further advised that a lawyer should be retained in order to ensure that his/her interests are protected prior to the submission of a bid/tender.

The Town does not conduct tours or provide access to the properties being sold under tax sale.

The Town does not provide legal opinions to potential bidders in respect of issues which may arise in the context of a public sale. If two (2) bids of equal amount are tendered, then the person who submitted the earlier bid will be deemed to be the highest bidder.

The successful tender is the highest bidder who has submitted a properly completed tender and who makes payment (by certified cheque/bank draft/money order payable to the Town of Cobalt) within fourteen (14) calendar days of being notified by mail of the balance of the amount tendered, the appropriate land transfer tax and the accumulated taxes to the Town.

Accumulated taxes are amounts that have been added to the tax roll, such as additional charges, taxes and/or interest and penalty, after the first day of advertising.

Land Transfer Tax is an amount payable to the Minister of Finance by certified cheque, cash or money order. Any questions in respect to Land Transfer Tax may be directed to the Registry Office.

If the highest bidder does not submit the remaining funds as described, then the highest bidder's deposit is forfeited and the land is offered in the same manner to second highest bidder who then has fourteen (14) calendar days from the date of notification to remit the monies owing to the Town.

A **Tax Deed** which is provided to the successful purchaser at the time when the balance of the Purchase Price is paid, transfers title of the land in "fee simple" subject generally to:

- Easements and restrictive covenants; and
- Estates and interest of the Crown in right of Canada or the Province of Ontario (e.g. execution in favour of the Ministry of Finance); and
- Adverse possession interests by abutting owners, if any.

7. Rebate Programs

7.1. Vacancy Rebate Application

The Municipal Act, 2001 provides for rebates to vacant business units. Properties owners who are eligible for a rebate must submit an application to the municipality each year that a building, or a portion of a building, is vacant. The deadline to submit an application for a tax year is February 28th of the following year.

To be eligible, for a rebate, a building or a portion of a building must satisfy the following:

- Buildings that are entirely vacant – a whole commercial or industrial building will be eligible for a rebate if the entire building is vacant for at least 90 consecutive days.
- Building that are partially vacant - a suite or unit within a commercial building will be eligible for a rebate if, for at least 90 consecutive days, it was:
 - Unused; and
 - Clearly delineated or physically separated from the used portions of the building; and
 - Either – 1) capable of being leased for immediate occupation; or 2) not capable of being leased for immediate occupation because it was undergoing or in need of repairs or renovations or was unfit for occupation.

A portion of an industrial building will be eligible for a rebate if, for at least 90 consecutive days, it was:

- Unused; and
- Clearly delineated or physically separated from the used portions of the building.

8. Receipt Policy

Upon attendance at the Town of Cobalt's municipal office with payment of taxes, a receipt will be issued. There will be no charge for this service.

If postdated cheques are submitted, no receipt will be issued as the cheques must be held for deposit until they become due. A confirmation of the receipt of the cheques may be issued upon request.

Payment received by mail will not be issued a receipt. If a receipt is required, the entire tax bill must be submitted with payment along with a self-addressed, stamped envelope. If no envelope is submitted, the receipted bill will be held in a file for pick-up. There is no charge for this service.

For those properties who have a mortgage company interest registered on title, a mortgage listing is forwarded to the mortgage company for payment. Upon receipt of the payment, the paid tax bill will be forwarded to the taxpayer for their files. There is no charge for this service.

In the case where a property was sold throughout the year, no receipt will be issued. When the property is sold, there is a calculation by the lawyer to determine which portion of taxes pertains to each property owner (old and new). The information on the tax system based on the property as a whole and no breakdown is available to allocate to each property owner.

Tax information will not be provided over the phone.

9. Non-Tax Debt

As per section 398 (1) of the Municipal Act, 2001 identifies debt as "fees and charges imposed by a municipality or local board on a person constitutes a debt of the person to the municipality or local board, respectively".

Section 398 (2) states that non-tax debt can be added to the tax roll and collected in the same manner as municipal taxes.

"Section 398 (2) Amount owing added to the tax roll – the treasurer of a local municipality may and upon the request of its upper-tier municipality, if any, or of a local board whose area of jurisdiction includes any part of the municipality shall, add fees and charges imposed by the municipality, upper-tier municipality or local board, respectively, to the tax roll for the following property in the local municipality and collect them in the same manner as municipality taxes:

- I. In the case of fees and charges for the supply of a public utility, the property to which the public utility was supplied.
- II. In all other cases, any property for which all of the owners are responsible for paying the fees and charges.

9.1. Non-Tax Debt - Other

Procedure:

- I. All fees and charges will be initially processed thru the Accounts Receivable module.
- II. If an invoice remains unpaid after 90 days, the charges, along with all penalty accrued to date, will be transferred to the tax roll for collection purposes.
- III. If the invoice remains unpaid after the transfer to the tax roll, penalty will be applied at a rate of 1.25% per month.

The scope of fees and charges that will be added to the tax roll if unpaid include but are not limited to the following:

- Facility Rentals
- Program Fees
- Cemetery Fees

9.2. Non-Tax Debt – Property Related Charges

Procedure:

- I. All fees and charges will be initially processed thru the Accounts Receivable module.
- II. If an invoice remains unpaid after 90 days, the charges, along with all penalty accrued to date, will be transferred to the tax roll for collection purposes.
- III. If the invoice remains unpaid after the transfer to the tax roll, penalty will be applied at a rate of 1.25% per month.

The scope of fees and charges that will be added to the tax roll if unpaid include but are not limited to the following:

- Property Standards Orders and Executions
- Building Department Notices, Orders and Permit Fees

9.3. Non-Tax Debt – Property Related Charges (Direct to Tax Roll)

Procedure:

- I. All fees and charges will be directly applied to the tax roll for collection purposes and is due upon application.
- II. Penalty will be applied at a rate of 1.25% per month on any unpaid charges.

The scope of fees and charges that will be added to the tax roll if unpaid include but are not limited to the following:

- Defaulted Payment Fee
- Tax Registration Fees

10. Responsibilities

Who is responsible? There are three (3) governments and one (1) corporation that play a role in property assessment and taxation.

10.1. Assessment and Tax Legislation – Province of Ontario

The Provincial Government sets the legislative framework for assessment and taxation in Ontario. It does this by creating legislation, called Provincial Statutes. The Government also creates regulations, which are authorized under the Statutes. The principal ministry involved in setting assessment and taxation policies in the Ministry of Finance, thru the Assessment and Municipal Acts.

10.2. Assessed Value – Municipal Property Assessment Corporation (MPAC).

The Municipal Property Assessment Corporation (MPAC) is responsible for determining assessment values and classifying properties according to use, for each of the four million properties in Ontario. These values are used to calculate property and education tax rates and to determine the amount each property is taxed. Assessment information is provided to taxpayers in November of each year through a Notice of Assessment and to municipalities in December through the Assessment Roll.

The Town of Cobalt uses the information supplied by MPAC to set tax rates and to calculate your tax bill. MPAC is separate and independent from the Town and is governed by its own Board appointed by the Minister of Finance.

10.3. How is my assessment determined?

The Town of Cobalt does not determine the value of your property. This is done by the Municipal Property Assessment Corporation (MPAC) which is completely separate and independent of the Town of Cobalt. The Assessment Act requires that the assessed value of your property be based on what the property would likely sell for on a specific date. Local property sales occurring around that date provide a basis as to the assessed value of similar, unsold properties. MPAC continually collects information about properties to ensure that those similar features (age, size, location, construction, etc.) have similar but not necessarily identical assessed values.

10.4. I disagree with my assessment.

If you believe that your property assessment is incorrect, you should first contact the Municipal Property Assessment Corporation (MPAC) to discuss your assessment or verify details about your property. If you still have concerns, you may ask MPAC for a formal reconsideration of your assessment. For complete details on the Reconsideration process, please visit the MPAC website at www.mpac.ca

There is also an appeal process through the Assessment Review Board (ARB). Full details on how to appeal your assessment to the ARB may be obtain through their website www.arb.gov.on.ca.

A tax account is only adjusted when the Town is notified of the change in assessment by MPAC or the ARB. It is recommended that the taxes continue to be paid while an appeal or reconsideration is underway to avoid penalty and interest charges in the event that the

appeal or reconsideration is not successful. There may be a significant delay between the time an assessment is appealed, and a decision is rendered.

10.5. Is my assessment correct?

Ask yourself if your assessed value is close to what you would have expected to sell your property for. What were similar properties selling for? MPAC provides an on-line service called About My Property. Using this service, property owners can review basic assessment information for their own properties. Further information can be obtained from MPAC at www.mpac.ca or by calling 1-866-296-6722.

10.6. Taxes

The Town of Cobalt collects property taxes on behalf of the Town and the Province of Ontario (Education Taxes). Each level of Government is responsible for its own tax rates.

10.7. How are Tax Rates Calculated?

Annually, the Town of Cobalt establishes a budget to provide municipal services, infrastructure and capital. A tax rate is calculated in accordance with Provincial legislation which meets the funding requirement identified in the budget. The Province sets the education rate for all properties.