

## **CANCELLATION OF PROPERTY TAX PENALTIES**

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### **EXECUTIVE SUMMARY**

Council is requested to consider the cancellation of the penalties for late payment of 2013 non-residential property taxes from flood affected business that had not reopened by 2013 July 12.

### **ADMINISTRATION RECOMMENDATION**

That Council consider the request to cancel the penalties in the amount of \$1,070.77 accrued for late payment of 2013 non-residential property tax on Roll No. 079109104.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

Council approved the following Motion by Mayor Nenshi on 2013 July 29:

NOW THEREFORE BE IT RESOLVED that:

1. Pursuant to Section 347 of the Municipal Government Act, Council hereby cancels the penalties accrued to late payment of 2013 residential and non-residential property tax if the property taxes were paid between July 01, 2013 and midnight on July 12, 2013. 2013 residential and non-residential property taxes unpaid on or after July 13, 2013 are subject to normal property tax penalties; and
2. If Administration receives requests to cancel the penalties accrued for unpaid 2013 non-residential property taxes from flood affected businesses that had not reopened by July 12, 2013, then Administration is directed to bring a recommendation to Council with respect to cancelling such penalties.

### **BACKGROUND**

In accordance to Item 1, the Administration cancelled \$1.21 million in 2013 residential property tax penalties for 10,022 properties and \$1.06 million in 2013 non-residential property tax penalties for 598 properties. The penalty was cancelled because the 2013 property taxes were paid on or before July 12.

In accordance to Item 2, the Administration received one request from the owner of a non-residential property located on 225 17 Avenue S.E. (Roll Number 079109104) requesting Council to consider the cancellation of penalties in the amount of \$1,070.77 accrued due to property tax was not paid on 2013 July 12.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The Administration was contacted by the property owner on 225 17 Avenue S.E. to request Council to consider the cancellation of penalties in the amount of \$1,070.77 accrued in the non-residential property tax account due to the 2013 property tax was not paid until August 31, 2013. The property owner indicated the business was unable to occupy the building as an office from the start of the flooding on June 21 until August 5. They conducted business solely from remote locations, using only cell phones and documents available on-line as there were limited services at the office. Contractors have been working on the building once access was permitted until the end of September.

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### **Stakeholder Engagement, Research and Communication**

Any request of cancellation of property tax penalties received from 3-1-1 is sent to Finance & Supply using a Service Request. Finance & Supply review and investigate the request and work with the property owner if the request meets the criteria set for in the approved Council Motion. The information collected from the property owner is presented in this report for Council's consideration.

### **Strategic Alignment**

The recommendation is in alignment with the direction from Mayor Nenshi's Motion that was approved by Council on 2013 July 29.

### **Social, Environmental, Economic (External)**

No implications were identified.

### **Financial Capacity**

#### **Current and Future Operating Budget:**

The cancellation of the property tax penalties (\$1,070.77), if approved by Council, will be allocated to Program 856 (Taxation).

#### **Current and Future Capital Budget:**

There are no implications on the Capital Budget.

### **Risk Assessment**

No implications were identified.

### **REASON(S) FOR RECOMMENDATION(S):**

The Administration recommendation is based on the direction from the Mayor Nenshi's Motion that was approved by Council on 2013 July 29, which is to consider a request from the non-residential property owner whose business was not reopened by 2013 July 12, due to the June flooding.

### **ATTACHMENT(S)**

None