

Calgary



# Charter Bylaw and Council Policy for Tax Corrections and Compassionate Penalty Relief

EC2024-0105  
2024 March 12



# Previous Council Direction

This is a report back in response to **Notice of Motion EC2023-0457**, approved by Council at the 2023 May 09 Regular Meeting of Council.

Council directed Administration to:

- Review the Dorothy Motherwell Compassionate Property Tax Penalty Relief (“Compassionate Relief”) Program;
- Recommend an updated Charter Bylaw and new Council Policy to provide compassionate penalty relief and to correct prior year assessment or tax errors; and
- Create an annual reporting mechanism to ensure continued compliance with the principles of fairness and equity to taxpayers.

# Recommendations

That the Executive Committee:

1. Direct Administration to:

- a. Forward Report EC2024-0105 to the 2024 June 4 Public Hearing Meeting of Council;  
and
- b. Publish a notice of the 2024 June 4 Public Hearing of the Proposed Charter Bylaw under Report EC2024-0105 in two issues of a newspaper, with each issue being in consecutive weeks and no later than 2024 April 4; and

2. Recommend that Council:

- a. Give three readings to the Proposed Charter Bylaw (Attachment 2) to amend Charter Bylaw 1H2018 to delegated authority to Administration to cancel, reduce, refund or defer taxes up to \$500,000 per taxation year in accordance with an approved Council Policy;  
and
- b. Adopt the proposed Council Policy on “Tax Relief Delegated to Administration” (Attachment 3), should the proposed Charter Bylaw be fully approved by Council.



## Efficient Service Delivery

- Administration will provide tax refund/cancellations to correct errors directly
- No longer requiring the bi-annual *Circumstances Report*
- No more waiting months for a resolution



## More Accessible Supports

- Revised, more inclusive terminology and program criteria
- Larger eligibility window for Compassionate Relief (90 days)
- Error correction criteria updated for clarity and consistency.



## Updated Governance

- Delegation of authority to Director, Assessment & Tax/City Assessor
- Transparent and codified criteria for tax relief in new Council Policy
- Primed for future policy reviews



# Charter Bylaw Amendments

## Current Charter Bylaw 1H2018

Delegates authority to cancel, reduce, refund or defer taxes pursuant to MGA s. 347.

Delegates authority to the **Chief Financial Officer**.

Maximum of **\$25,000** per year.

Tax relief may be granted to **provide Compassionate Penalty Relief only**.

N/A



## Proposed Amendments

N/A

Delegates authority to the **Municipal Assessor**.

Maximum of **\$500,000** per year. (Max allowable under the *Charter*).

Tax relief may be granted **in accordance with a Council Policy or Bylaw**.

Requirement to track and report on the exercise of tax relief powers annually

# Tax Relief Delegated to Administration: Proposed Council Policy



## Compassionate Property Tax Penalty Relief

- New terminology:
  - **“Related Person”** replaces “immediate family member”
  - **“Extraordinary Circumstances”** replaces “significant life issue/event”
- Eligibility window expanded to **90 days** (increased from 60)



## Correction of Prior-Year Errors

- Allows Administration to cancel taxes incurred due to an objective error in the assessment of a property or business.
- Updated criteria from the “Circumstances Report” to be clearer to the public and to ensure the right types of errors can be corrected.



# Process and Next Steps

We are here

**March 12: Executive Committee**

**~March 25 – April 1: Advertisement of Public Hearing RE: Charter Bylaw**

**~May 31: End of 60-Day Period to File a Petition RE: Charter Bylaw**

**June 4: Public Hearing Meeting of Council**

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