

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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