

**THE CORPORATION
OF THE TOWN OF INGERSOLL**

BY-LAW NO. 02-4021

**“A By-Law to establish a Tax
Rebate Program for the vacant portions of property
in the Commercial Property Class or the Industrial Property Class”**

WHEREAS the Corporation of the Town of Ingersoll (the “Municipality”) is required to have a tax rebate program for the vacant portions of property in the Commercial Property Class and the Industrial Property Class, both as defined in s.363 (20) of the *Municipal Act*, pursuant to s.442.5 of the *Municipal Act*, R.S.O. 1990, c.M.45, as amended (hereinafter referred to as the “*Act*”);

AND WHEREAS s.442.5 of the *Act* has been supplemented by *Ontario Regulation Number 325/01* (hereinafter referred to as “*O.Reg. 325/01*”);

AND WHEREAS the Council of the Corporation of the Town of Ingersoll deems it appropriate to enact this By-Law for the purpose of establishing a property vacancy tax rebate program;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF INGERSOLL ENACTS AS FOLLOWS:

1. In this By-Law:

“assessment corporation” means the Municipal Property Assessment Corporation (“MPAC”) or its successor;

“base property” has, for the purposes of this by-law, the meaning prescribed by s.2(1) of *O.Reg. 325/01*;

“eligible property” means property that has been prescribed as such by the Minister of Finance (hereinafter referred to as the “Minister”) in *O.Reg. 325/01* for the purposes of s.442.5 of the *Act*;

“eligible property classes” means property that is in the Commercial property class or the Industrial property class as defined in s.363(20) of the *Act*;

“inspector” means an employee of the Municipality or a person designated by the Council of the Municipality, either of whom will conduct inspections and investigations pursuant to this by-law;

“mixed use property” means if portions of a property are classified in different property classes on the assessment roll, each portion shall be deemed to be a separate property for the purposes of this by-law;

“period of time” means the period of time provided for in s.1, 2, 3 and 4 of *O.Reg. 325/01* unless otherwise provided for in this by-law;

“time” – a reference to a period of at least ninety (90) consecutive days shall be read as a reference to a period of at least eighty-nine (89) consecutive days if the period includes all of the month of February;

“use” for the purposes of this by-law, the following activities or factors, without some other activity, do not constitute the use of a building or structure of a portion of a building:

- i) Construction, repairs or renovation;
- ii) Heating, cooling, lighting or cleaning; or
- iii) The presence of fixtures.

2. This by-law shall apply commencing with the 2001 taxation year.
3. This by-law shall apply where:
 - a) a building or structure on property in an eligible property class is unused for at least ninety (90) consecutive days as provided for in s.1(1) of *O.Reg. 325/01* and for the purposes of this by-law such a vacancy shall be referred to as a "Complete Vacancy";
 - b) a portion of a building on property in the Commercial property class is unused for at least ninety (90) consecutive days and the unused portion of the building was clearly delineated or separated by physical barriers from any used portion of the building provided that the unused portion of the building was:
 - (1) capable of being leased for immediate occupation;
 - (2) capable of being leased but not for immediate occupation due to repairs, renovations or construction that was either needed or underway; or
 - (3) unfit for occupation;as provided for in s.1(2) of *O.Reg. 325/01* and for the purposes of this by-law such a vacancy shall be referred to as a "Commercial Partial Vacancy";
 - c) a portion of a building on property in the Industrial property class is unused for at least ninety (90) consecutive days and the unused portion of the building was clearly delineated or separated by physical barriers from any used portion of the building as provided for in s.1(3) of *O.Reg. 325/01* and for the purposes of this by-law such a vacancy shall be referred to as an "Industrial Partial Vacancy";
4. Notwithstanding anything in this by-law, no property shall be considered entitled to any rebate relief under this by-law where the building, structure or portion of the building is:
 - a) Used for commercial or industrial activity on a seasonal basis;
 - b) Leased to a tenant who is in possession of the leasehold interest throughout the period of time; or
 - c) Included in a subclass for vacant land under subsection 8(1) of the *Assessment Act*, R.S.O. 1990, c.A.31, as amended, throughout the period of time.
5. Subject to section 10 hereof, a property owner or its authorized agent may make application for the taxation year **to the Municipality** where the eligible property is located for a rebate of property taxes in respect vacant eligible property.
6. The application required by the Municipality shall be in the form attached hereto as Schedule "A".
7. The application shall be accompanied by such additional information and documentation as the Treasurer of the Municipality reasonably deems to be appropriate, and in accordance with the policy statement attached hereto as Schedule "B".
8. The application shall be accompanied by a Statutory Declaration, sworn under oath or affirmed by the owner of the property that all of the contents of the application and the accompanying information are true and correct
9. The application for a taxation year shall be made after December 31 of the taxation year and no application shall be accepted later than the 28th day of February of the year following the taxation year and no application will be accepted until after the vacancy period has lapsed.
10. An interim application for a taxation year may be made after June 30 of the taxation year for the first six months of the taxation year and no interim application will be accepted later than the last day of July of the taxation year and no application will be accepted until after the vacancy period has lapsed.
11. A copy of the application, or interim application, shall be forwarded to the assessment corporation for determination of the value of the eligible property.

12. An inspector may attend and make entry to the buildings and structures on the property at all reasonable times and upon reasonable notice to the owner or its manager for the purposes of:
- a) Verifying all information accompanying the application;
 - b) Obtaining such other information from every adult person present on the property as is required to assist in determining the applicant's entitlement to the vacancy rebate;
 - c) Requesting or obtaining from the owner or its manager any information or documents relevant to the determination of the applicant's entitlement to the vacancy rebate.
13. The Treasurer of the Municipality may, by written request sent by mail, delivered personally or by courier, require the owner or its manager to provide any information or documents relevant to the determination of the applicant's entitlement to the vacancy rebate.
14. The Treasurer of the Municipality shall establish the reasonable time within which the owner or its manager is required to respond to a request made by the Municipality under sections 12 and 13 hereof.
15. As soon as practicable after receipt of:
- a) All of the information and documents relevant to the determination of the applicant's entitlement to the vacancy rebate; and
 - b) The determination by the assessment corporation of the value of the eligible property;

The Treasurer of the Municipality shall determine if the applicant is entitled to a vacancy rebate and, if so entitled, the rebate shall be calculated as follows:

- i) Multiply the applicable percentage derived from paragraphs 17 or 18 hereof to the taxes applicable determined as follows:
 - (1) Determine the apportioned taxes as the percentage that the value of the eligible property is of the base property multiplied by the taxes for municipal and school purposes for the base property, for the taxation year;
 - (2) Determine the vacancy period as a percentage of the taxation year; and
 - (3) Multiply the apportioned taxes by the vacancy percentage.
16. In the event the vacancy period begins after October 3 in the immediately preceding taxation year then the amount of taxes for municipal and school purposes under s. 15(i)(1) hereof is determined by adding the amounts as directed by s.2(4) of *O.Reg 325/01*.
17. The amount of rebate in respect of eligible property in the Commercial property class shall be thirty percent (30%) of the taxes applicable to the vacant area.
18. The amount of rebate in respect of eligible property in the Industrial property class shall be thirty-five percent (35%) of the taxes applicable to the vacant area.
19. A rebate determined under s. 15 hereof shall be paid or credited by the Municipality to the current owner of the eligible property as soon as practicable following determination and a copy of the calculation shall be provided to the current owner.
20. In the event an application is determined to not be entitled to a vacancy rebate the Municipality shall advise the current owner or its authorized agent, as the case may be, in writing.
21. A rebate shall be recalculated in the event that:
- a) taxes of the base property are reduced under s.442 or s.443 of the *Act*, or
 - b) the assessment of the base property is changed as a result of the following:
 - i) a reconsideration under s. 39.1 of the *Assessment Act*,
 - ii) an appeal under s. 40 of the *Assessment Act*, or

iii) a Court application under s. 46 of the *Assessment Act*

22. If, as a result of a recalculation under s. 19 hereof the Municipality has paid or credited an owner an amount greater than that determined as a result of the recalculation then the Municipality may recover the excess amount against the then current owner.
23. If, as a result of a recalculation under s. 19 hereof the Municipality has paid or credited an owner an amount less than that determined as a result of the recalculation then the Municipality shall pay or credit the current owner the additional rebate amount as soon as practicable following the recalculation.
24. The Municipality may calculate the rebate amount under this By-law based on an estimate of the amount of taxes for municipal and school purposes and then subsequently adjust the rebate amount when the amount of taxes is finally determined for the taxation year.
25. Any rebate that a property owner is entitled to under this By-Law may be offset as a credit against any unpaid taxes or interest in respect of the property.
26. In the event a rebate is erroneously paid under this By-Law, the Treasurer of the Municipality may, within two years after the application for the vacancy rebate was made, notify the current owner of the amount of the overpayment and any such overpayment shall be deemed to be taxes for municipal and school purposes.
27. The costs of the property vacancy rebate program shall be shared proportionately by the municipalities and school boards as the municipalities and school boards share in the revenue from the taxes on the property.
28. Interest on rebates determined under this by-law shall be paid in accordance with the provisions of s. 442.5(21) of the *Act* and s. 6, 7 and 8 of *O.Reg. 325/01*.
29. The offence provisions of s.442.5 (10) and s.442.5 (20) of the *Municipal Act*, as amended and with the necessary changes having been made shall apply to this By-law.

READ a first and second time in Open Council this 11th day of March, 2002.

READ a third and time and passed in Open Council this 11th day of March, 2002.

Michael J. Hennessy, Mayor

Edward A. Hunt, Clerk Administrator

SCHEDULE 'B'

POLICY STATEMENT WITH RESPECT TO SECTION 442.5 PROCESSING APPLICATIONS FOR TAX REDUCTION DUE TO VACANCY

Policy Statement

It is the policy of this Council that applications for tax reduction for bonifide vacancies of commercial or industrial properties be processed quickly and efficiently.

Legislative Reference

Section 442.5 of the *Municipal Act* and Ontario Regulation 325/01.

Principles and Processes

1. Any commercial or industrial property owner or their authorized agent may file an application under this policy.
2. The responsibility rests with the owner to provide full evidence of vacancy and to file an application that is clear and complete. Information to be supplied with the application form shown in Schedule 'A' shall be considered to be the minimum requirements and every owner should submit all information available that supports the application.
3. Up to two applications per year may be filed by a taxpayer, one for the first six months of the year and one for the last six months of the year or alternatively, one application may be filed by the taxpayer for the whole of the year.
4. All applications must be filed after the period of vacancy and at no time shall the Treasurer process an application during or before the time of vacancy.
5. Applications filed after the last day of February of the year following the year of full or partial vacancy shall be rejected.
6. An incomplete application filed during the application period shall be deemed not to be filed until all minimum evidence in support of the application is filed.
7. The Treasurer of the municipality is hereby directed to receive and expeditiously process all applications for vacancy on behalf of the municipality.
8. The Treasurer may authorize other municipal staff to act on his/her behalf.
9. The Treasurer in conjunction with the Treasurers of all Oxford County constituent municipalities and the County shall meet at least annually with the Municipal Property Assessment Corporation staff (MPAC) to ensure that a

complete codification of process between County municipalities and MPAC is in place.

10. Completed applications shall include all information as noted on the application form and accompanying questionnaire (Schedule 'A') and the Treasurer is authorized to direct submission of additional information if, in the opinion of the Treasurer, the application does not conclusively provide evidence of vacancy. Failure to submit additional evidence of vacancy as required by the municipality within 5 business days of the request of same by the municipality invalidates the application and the Treasurer shall reject the application.
11. At the sole discretion of the Treasurer, (s)he may conduct investigations and inspections of the property to ascertain the validity of an application.
12. Types of evidence to be considered may include but are not limited to:
 - Utility records
 - Tenant or lease agreements (both outgoing and incoming)
 - Declared income for rental properties
 - Correspondence relating to agreements for usage
 - Mailing, telephone, delivery records
 - Plan or layout of vacant area, other related buildings
 - Zoning information
 - Sworn affidavit of the application authorizing that the information included on the application form and questionnaire is true and correct.
13. The Treasurer shall audit a representative selection of applications, giving consideration to size of property, complexity of application, and other circumstances which cast doubt on the validity of the application. The audit shall consist of examination of supporting documentation, inquiry of the owner, and site inspection, as deemed appropriate by the Treasurer.
14. The Treasurer shall refuse applications where (s)he is not fully satisfied as to its validity.
15. Any person who knowingly makes a false or deceptive statement in an application or other document submitted to the Municipality is guilty of an offence and is liable on conviction to a fine of not more than an amount that is twice the amount of the rebate obtained or sought to be obtained by the false or deceptive statement except that the fine shall not be less than **\$500**.
16. Every person who is required to provide information related to an application and who defaults in doing so is guilty of an offence and on conviction is liable to a fine of **\$100** for each day during which the default continues.

