

## TAXES RECOMMENDED FOR CANCELLATION (WRITE-OFF)

### Cancellation of Uncollectible Taxes and Penalties

#### RECOMMENDATION

That Executive Committee recommend to City Council:

That the cancellation (write-off) of \$79,307.42 in uncollectible taxes, including all accrued penalties, as at December 31, 2021, as outlined in Attachment 1 of the February 16, 2022, Financial and Corporate Services report FCS00893, be approved.

#### Report Purpose

##### Council decision required

City Council approval is required to write off uncollectible taxes, pursuant to s.347 of the *Municipal Government Act*.

#### Executive Summary

- This annual report recommends the cancellation (write-off) of uncollectible property and Business Improvement Area taxes and penalties.
- There are 226 inactive accounts for a total write-off of \$79,307.42.

#### REPORT

Administration has reviewed the inactive accounts on the City's tax roll with outstanding property and Business Improvement Area (BIA) taxes. These accounts reflect unpaid taxes and penalties as of December 31, 2021. As all methods of collection have been exhausted, these account balances are recommended for cancellation (write-off).

The annual write-off of uncollectible BIA taxes represents 0.6 per cent of the annual BIA tax levy and reflects account balances related to 2020 and prior years, as the 2021 BIA tax levy was covered by a grant. The increase in uncollectible amounts is attributable to the suspension of collection activity during 2020 and into 2021, due to COVID-19 impacts.

The criteria for cancellation (write-off) is described in Attachment 1. The inactive account types and balances are listed in Attachment 2.

# **Taxes Recommended for Cancellation (Write-Off) - Cancellation of Uncollectible Taxes and Penalties**

## **Budget/Financial Implications**

Administration has budgeted for uncollectible taxes and penalties.

## **COMMUNITY INSIGHT**

No public engagement was undertaken for this process. This annual report to City Council requests approval to write-off uncollectible taxes and penalties on inactive property and Business Improvement Area tax accounts, for which all methods of collection have been exhausted.

## **ATTACHMENTS**

1. Cancellation (Write-Off) Criteria By Category
2. Account Balances Recommended for Write-Off by Category