



Policy Title: Tax Relief Delegated to Administration Policy
Policy Number: CP2024-05
Report Number: EC2024-0105
Adopted by/Date: Council / 2024 June3
Effective Date: 2024 June3
Last Amended: None
Policy Owner: Assessment & Tax

1. POLICY STATEMENT

- 1.1 In accordance with Charter Bylaw 1H2018, the Municipal Assessor may grant up to \$500,000 in Tax Relief cumulatively per Taxation Year for the following purposes:
 - (a) to cancel, reduce or refund up to three individual property tax penalties incurred:
 - (i) in respect of a Residential Property; and
 - (ii) by a Taxpayer who experiences Extraordinary Circumstances within the 90 days leading up to the tax payment deadline; or
 - (b) to cancel, reduce or refund taxes or tax arrears, including applicable penalties, that were levied because of a Qualifying Prior-Year Error.
- 1.2 The Municipal Assessor is not authorized to defer the collection of taxes under this policy.
- 1.3 The Municipal Assessor must consider the fairness, equity, and stability of the taxation system when granting Tax Relief.
- 1.4 Tax Relief available under this policy is discretionary and is contingent upon the Taxpayer or Assessed Person's application for Tax Relief meeting the requirements as stipulated in this policy.
- 1.5 Decisions made under this policy are final with no right of appeal.
- 1.6 This policy does not limit Council's power to cancel, reduce, refund or defer the collection of taxes in accordance with the *Municipal Government Act (MGA)*, s. 347.

2. PURPOSE

- 2.1 This policy establishes the criteria and procedures through which the Municipal Assessor may grant Tax Relief.
- 2.2 By enabling the Municipal Assessor to provide Tax Relief for the purposes established in this policy, this policy is intended to:



- (a) alleviate penalties incurred by Taxpayers of Residential Properties due to Extraordinary Circumstances outside of their control or reasonable ability to prevent or foresee;
- (b) support Calgary Assessed Persons or Taxpayers with more efficient and responsive customer service; and
- (c) address Qualifying Prior-Year Errors to support fairness and equity in Taxpayer responsibility.

3. **DEFINITIONS**

3.1 In this Council Policy:

- (a) “**Assessed Person**” means a person who is named on an assessment roll in accordance with *MGA*, s. 304;
- (b) “**Charter**” means the *City of Calgary Charter, 2018 Regulation, Alta Reg 40/2018*;
- (c) “**Extraordinary Circumstances**” means circumstances that directly impact a Taxpayer’s ability to pay their property tax by the applicable payment deadline, not including financial ability, but including the death or critical illness diagnosis of the Taxpayer or a Related Person;
- (d) “**MGA**” means the *Municipal Government Act*, RSA 2000 c. M-26;
- (e) “**Municipal Assessor**” means the designated officer appointed in accordance with Bylaw 49M2007, or their delegate;
- (f) “**Qualifying Prior-Year Error**” means an objective error, omission or misdescription of facts in the assessment or tax roll of the prior two Taxation Years:
 - (i) where the error was identified during the subject Taxation Year and not corrected in that year; or
 - (ii) where there were circumstances that made it impossible to identify the error in the subject Taxation Year; and
 - (iii) including but not limited to errors relating to:
 - (A) the physical characteristics of a property or business premises that contribute to the value of the property;
 - (B) the property type or assessment class;
 - (C) assessment of a business that is no longer in operation, or is no longer at the assessed premises; or

- (D) the taxable status of a property or business, if sufficient information was provided to the Municipal Assessor during the subject Taxation Year to substantiate the property or business as partially or fully exempt from taxation; and
- (iv) not including errors, omissions or misdescriptions arising due to:
 - (A) inaccurate or incomplete information provided by the Assessed Person or Taxpayer to the Municipal Assessor about the property or business; or
 - (B) non-compliance with a request for information about the property or business made by the Municipal Assessor in accordance with *MGA*, ss. 294 and 295;
- (g) **“Related Person”** means a person:
 - (i) related to the Taxpayer by blood, marriage, common-law, adoption; or
 - (ii) who is a dependent of the Taxpayer and who ordinarily resides within the Taxpayer’s household;
- (h) **“Residential Property”** means a property that has been assigned a “class 1 – residential” assessment class pursuant to *MGA*, s. 297(1)(a) and that is used as the primary residence of the Assessed Person or Taxpayer applying for Tax Relief;
- (i) **“Tax Relief”** means the cancellation, reduction, or refunding of all or part of taxes or tax arrears pursuant to this policy;
- (j) **“Taxation Year”** means the 12-month period beginning on January 1 and ending on the next December 31 in which a tax was levied; and
- (k) **“Taxpayer”** means the person liable to pay a tax in accordance with *MGA*, s. 331.

4. **APPLICABILITY**

- 4.1 This policy applies to:
 - (a) the Municipal Assessor in their use of delegated authorities related to Tax Relief; and
 - (b) Assessed Persons or Taxpayers seeking Tax Relief for the purposes outlined in this policy.
- 4.2 This policy is subject to the *MGA* as modified by the *Charter* and Charter Bylaw 1H2018.

- 4.3 Applicants for Tax Relief under this policy must be the Assessed Person or Taxpayer of the subject property or tax account or an authorized person acting on the Assessed Person or Taxpayer's behalf.

5. **LEGISLATIVE AUTHORITY**

- 5.1 Pursuant to *MGA*, s. 203(2)(d) as modified by the *Charter*, s. 4(5), Council may delegate its power with respect to taxes under *MGA*, s. 347, where the total amount of taxes to be cancelled, reduced, refunded or deferred by The City of Calgary in a Taxation Year does not exceed \$500,000.
- 5.2 Pursuant to Charter Bylaw 1H2018, the Municipal Assessor may cancel or reduce tax arrears, or cancel or refund all or part of a tax, up to the cumulative amount as permitted by the *Charter*, s. 4(5) only in accordance with a Council Policy or bylaw and must track and report the use of Tax Relief powers to Council at least on an annual basis.
- 5.3 Pursuant to Bylaw 49M2007, s. 4, the Municipal Assessor may sub-delegate their authorities under this policy.

6. **PROCEDURE**

- 6.1 The Municipal Assessor may develop policies, procedures, or forms which elaborate on but do not conflict with this policy to support the implementation of this policy.
- 6.2 Pursuant to *MGA* ss. 294 and 295, a person must provide, on request by the Municipal Assessor, any information necessary for the Municipal Assessor to carry out this policy, including to substantiate eligibility.
- 6.4 Pursuant to Charter Bylaw 1H2018, s. 4.3, the Municipal Assessor must report to Council at least once per year, detailing the use of Tax Relief under this policy in the previous Taxation Year.
- 6.5 If the cumulative amount of Tax Relief to be granted in accordance with this policy may exceed \$500,000 in a given Taxation Year, the Municipal Assessor may recommend Tax Relief to Council for approval in accordance with *MGA*, s. 347 including the following details:
- (a) the roll number for the subject property or business;
 - (b) the civic address for the subject property or business;
 - (c) the total value of the recommended cancellation, reduction, or refund in respect of the subject property or business; and
 - (d) the purpose of the recommended cancellation, reduction, or refund pursuant to this policy, s. 1.1.

7. AMENDMENT(S)

Date of Council Decision	Report/By-Law	Description
June 4, 2024	EC2024-0105	New Council policy in support of amendments to Charter Bylaw 1H2018 to enable an updated Compassionate Property Tax Penalty Relief Program and to establish Administration's authority to correct for prior-year property assessment errors

8. REVIEWS(S)

Date of Policy Owner's Review	Description
None	