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## Council-In-Committee Meeting – September 09, 2025

Subject: Revised Policy and Guidelines for Section 357-359 Applications  
 Report Number: CS-25-114  
 Division: Corporate Services  
 Department: Finance  
 Ward: All Wards  
 Purpose: For Decision

### Recommendation(s):

That report CS-25-114 Revised Policy and Guidelines for Section 357-359 Applications be received as information; and

That By-law 2019-54 be amended in accordance with Appendix 1 of this report with an effective date of January 1, 2026; and

Further that Council endorses Governance Policy-034 for Section 357-359 Applications as included as Appendix 2 of this report with an effective date of January 1, 2026.

### Executive Summary:

#### Purpose of the Report

The purpose of this report is to amend By-law 2019-54 to reflect an up-to-date practice of delegating authority for the review and approval/denial of tax-write offs and increases under section 357-359 of the Municipal Act, 2001 (Act). In addition to this, staff are also seeking Council’s endorsement of GP-034 which formalizes the Sections 357-359 Application process utilized by the County.

#### Background and Context:

By-law 2019-54 outlines the process of delegating the authority to approve tax write-offs and increases in relation to Section 357-359 of the Municipal Act, 2001. Previously, this the 357-359 process was conducted internally without an officially recognized framework. The proposed GP-034 represents the formalization of the Sections 357–359 Applications Policy to be utilized. This policy highlights the application process, guidelines by which any reductions are determined, and the responsibilities of all stakeholders. For additional context, each section of the Act is summarized as follows:

### Overview of Sections 357 and 357.1

Section 357 and 357.1 provides an opportunity for taxpayers to apply for tax adjustments where certain circumstances or events have occurred after the Municipal Property Assessment Corporation (MPAC) has prepared and released the annual assessment roll. The most common change events are building demolitions, structure fires, and property tax class changes.

### Overview of Section 358

Section 358 is also available to property owners for an error that is clerical or factual in nature that has resulted in an overcharge for the current or two years preceding the year in which the application is made.

### Overview of Section 359

Section 359 applications can only be submitted by the Treasurer. An application may be submitted by Norfolk County as a result of an undercharge caused by a clerical or factual error for the current year.

### **Key Findings and Analysis:**

It has been determined that current By-law 2019-54 has not been updated since inception in 2019 and does not reflect current practices and overall framework for adjustments. As a result, the recommended amendments as outlined in this report are being presented for Council's approval.

**Options:** No other options were explored in preparing this report.

**Conclusions:** It is recommended that By-law 2019-54 be amended to incorporate Policy GP-034, establishing a formal framework for managing tax applications under Sections 357-359 of the Municipal Act, 2001. The policy is proposed to take effect on January 1, 2026.

**Recommendations:** Please refer to Recommendations noted above.

**Financial Implications:** Please see Financial Service Comments below.

### **Discussions:**

The purpose of this report is to amend By-law 2019-54 (the By-law) in order to modernize and update current and best practices. In addition to this, staff are also seeking Council's approval to introduce GP-034 which formalizes Sections 357-359 Application review process utilized by the County.

A summary of changes for each item is included below for further information.

### **Summary of Amendments to By-law 2019-54**

As a result of a review of the existing By-law, staff are proposing changes as outlined below for council's consideration:

#### **Delegation of Review of Section 357 (1) (d.1) to Assessment Review Board**

*Current:* Similar to all other adjustments, delegation of s. 357 (1) (d.1) is delegated to the Treasurer for review and approval/denial.

*Proposed:* Recitals and resolutions of the proposed amended By-law reflect the delegation of s. 357 (1) (d.1) to the Assessment Review Board (ARB) for review and approval/denial of applications.

*Comments:* s. 357 (1) (d.1) provides property owners with the ability to apply for property tax relief due to an inability to pay taxes because of sickness or extreme poverty. As part of these applications, individuals are required to submit sensitive information regarding their health and financial circumstances. Staff believe that having the ARB review these applications increases the anonymity of these applications and eliminates the need for sensitive information to be evaluated by the County, which, in turn, may enhance the comfort level and confidence of individuals submitting an application.

#### **MPAC Review of Applications for Relief**

*Current:* Applications that are being recommended for approval are submitted to MPAC for the review and support of write-offs.

*Proposed:* The proposed change to By-law 2019-54 eliminates the criteria for staff delegation that requires an application to be supported by MPAC.

*Comments:* MPAC has changed their approach to adjustments and currently does not provide opinions on Municipal Act tax applications as they believe providing comment on approval/denial is outside of their jurisdiction. As such, staff are updating the By-law to reflect this change.

#### **Introduces Policy Framework for Delegation to Treasurer**

*Current:* By-Law 2019-54 does not contain information regarding the formalized Section 357-359 Application process.

*Proposed:* It is suggested that the adjustments to By-law 2019-54 adhere to the formalized GP-034 being proposed to Council upon its approval.

*Comments:* Updating the By-law to reflect the requirement of adherence to a policy more accurately aligns with how applications will be reviewed going forward.

#### Exclusion of Write-Off for Operating Budget

*Current:* All tax write-off allowances must remain within the total amount approved as part of the annual operating budget.

*Proposed:* Eliminate reference to this section from By-law.

*Comments:* Considering this, and in alignment with the principles of fairness outlined in applicable legislation, it is unreasonable to restrict tax adjustments for applicants facing circumstances beyond their control. By-Law 2019-54 should be amended to allow for relief in such cases, subject to approval, regardless of available budget.

#### Exclusion of Mayor's Opportunity to Review

*Current:* The Mayor is provided with the opportunity to review Section 357-359 Applications prior to the Treasurers' approval.

*Proposed:* Eliminate reference to this section from By-law.

*Comments:* To prioritize efficiency, staff are proposing to eliminate the distribution of a document for review prior to Treasurer approval. Under the current process, the applications are circulated for review to an individual that currently does not have the ability to influence the outcomes of the applications. Information regarding the annual Section 357-359 applications will continue to be distributed to Council by March 31 of the following year for information only.

### **Summary of the Proposed Policy for Section 357-359 Applications**

As indicated previously, Norfolk County does not have a formal policy for 357-359 application reviews. As such, staff are seeking approval to introduce a policy for which the proposed policy items are summarized below against current informal practices for Council's consideration.

#### Formalizing the Application Process

*Current:* The Application Process is not formally addressed for internal and external stakeholders.

*Proposed:* The introduction of GP-034 formally outlines the application process. It includes eligibility requirements, acknowledgment of the application form, and submission procedures to Norfolk County. The policy also details the review and decision-making process, as well as the steps taken following approval or denial of an application.

*Comments:* This introduction will allow for a more streamlined application process where all stakeholders are aware of the application process in advance of an application being submitted.

#### Maximum Reductions for Renovation under section 357 (1) (g)

*Current:* According to current practices, staff defer to MPAC for assessing the applicability of any reductions, guiding municipalities on maximum reductions.

*Proposed:* In relation to Section 357 (1) (g), a strict maximum reduction limit of 30% to the existing structures value prorated for the area of the structure that is being renovated or repaired is recommended to be in place. The property type will be determined based on the use of the structure, prior to the renovations or repairs taking place.

*Comments:* MPAC has taken a step back on assessing these reductions leaving Norfolk County to create our own threshold to review reductions in relation to renovations. Staff believe the proposed approach is fair and aligns with discussions with other municipalities.

#### Standardized Stakeholder/Administrative Responsibilities

*Current:* The responsibilities of stakeholders/administrators are not formally standardized in the form of a policy.

*Proposed:* The proposed policy defines the responsibilities of Norfolk County staff throughout the review process noting the role of the applicant, the Property Tax Analyst, Supervisor of Corporate Billing, Tax Collector/Manager of Revenue Services, and concludes with the final oversight by the Treasurer.

*Comments:* The introduction of this proposed policy will allow for an optimized application process where all stakeholders are aware of the review processes in advance of an application being submitted.

#### **Financial Services Comments:**

There are no material financial impacts as a result of this change.

The County budgets annually for Section 357-359 adjustments and carries annual budgeted expenses of \$90,000. With this change, it will not have an impact on the amount of annual expenditure but will decrease the administration requirement for completing the application process. Guidelines for determining reductions are clearly stated.

**Interdepartmental Implications:**

None.

**Consultation(s):**

None.

**Strategic Plan Linkage:**

Empowering Norfolk- putting the tools and resources in place to ensure our business' and residents' success.

**Attachment(s):**

- Appendix 1 – Proposed By-law 2019-54 as Amended
- Appendix 2 – Proposed Policy GP-034 - Policy for Section 357-359 Applications

**Approval:**

Approved By:  
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