



# TOWNSHIP OF NORTH HURON

# REPORT

Item No.

**REPORT TO:** Reeve Vincent and Members of Council  
**PREPARED BY:** Donna White  
**DATE:** 15/05/2017  
**SUBJECT:** Support for Resolution  
**ATTACHMENTS:** Havelock-Belmont-Methuen Resolution

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## **RECOMMENDATION:**

THAT the Council of the Township of North Huron hereby supports the resolution from the Township of Havelock-Belmont-Methuen regarding Legislative Changes impacting Tax Registrations and Tax Sales and a letter of support be sent to the Minister of Municipal Affairs.

## **EXECUTIVE SUMMARY**

The Township of Havelock-Belmont-Methuen passed a motion requesting support to oppose legislative changes to the Municipal Act which came into effect on December 10, 2016. These changes are being brought about by implementation of the Forfeited Corporate Property Act, 2015.

In addition, the Ministry of Municipal Affairs also announced some key changes to the Municipal Act that are under consideration as part of its legislative review. Some of these changes will have a significant impact on tax registrations and tax sales.

## **DISCUSSION**

The changes in the Forfeited Corporate Property Act came into effect on December 10, 2016 and there was no opportunity to effectively oppose any changes to the effect of that legislation.

However, although the provincial consultation period regarding the changes being considered under the Municipal Act has ended, the Province is still receiving comments from municipalities. The changes are being introduced under Bill 68, Modernizing Ontario's Municipal Legislation Act, 2017.

A report from the Deputy Clerk providing information on this Act is included in the agenda package. Under this legislation, a tax arrears certificate can be registered after two years which will expedite the tax sale process.

The main area of concern is the end to payments out of court for municipalities. Municipalities will be no longer eligible to apply for and receive excess proceeds of a tax sale that remain in the court after those with an interest in the property have been paid, nor after the expiry of one year since the payment into court was made.

If no claim is made within 10 years after the payment into court, the remaining amount together with accrued interest would be forfeited to the Crown in right of Ontario. In the past, the municipality was able to apply for these funds to put to productive use if no other claim was made and now that opportunity will no longer be available. It is not something that happens very often,

but it was in the municipality's best interest if the situation did arise. There have been no tax sales in North Huron since amalgamation in 2001.

**FINANCIAL IMPACT**

There is very limited financial impact.

**FUTURE CONSIDERATIONS**

Staff will continue to monitor the impacts of Bill 68 and recommend changes as required for Council's review.

**RELATIONSHIP TO STRATEGIC PLAN**

Goal #4 – Our municipality is fiscally responsible and strives for operational excellence.



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Donna White, Director of Finance



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Sharon Chambers, CAO