



# City Council Report

---

**REPORT NUMBER** 037-2026-Corporate Services-Revenue

**DATE**

**PREPARED**

March 18, 2026

**FILE**

**CITY COUNCIL  
MEETING DATE**

April 7, 2026

**SUBJECT**

Property Tax Accounts with 2024 Arrears

---

## **RECOMMENDATION TO CITY COUNCIL**

WITH RESPECT to Report 037-2026-Corporate Services-Revenue, we recommend the registration of tax arrears certificates against the properties as shown in Attachment A to this report, thereby starting the Municipal Tax Sale process;

AND THAT any necessary by-laws be presented to City Council for ratification.

## **EXECUTIVE SUMMARY**

The purpose of this Report is to seek approval for the registration of tax arrears certificates against properties for which taxes are over two years in arrears totaling \$15,462,622.90. The affected properties are listed in Attachment A to this Report.

A Tax Arrears Certificate indicates that the property will be sold if taxes, penalties, interest and reasonable costs incurred by the City are not paid within one year of registration of the certificate. Once a certificate has been registered, partial payments cannot be accepted, but an approved extension agreement may be arranged with the property owner/interested party prior to the expiry of the one-year period.

Tax registration is typically a measure of last resort. Administration will make every effort to collect outstanding taxes using the various tools available. Only after all reasonable collection methods have been exhausted is tax registration pursued.

## **DISCUSSION**

Under the *Municipal Act, 2001*, property taxes are levied consistently across all properties based on their assessed value, forming the basis for how taxes are billed, collected, and ultimately enforced.

## Corporate Report 037-2026-Corporate Services-Revenue

Under Section 373 *Municipal Act, 2001*, if a property is two years in tax arrears, the Treasurer of the municipality, unless otherwise directed by the municipality, may prepare and register a tax arrears certificate against the title to that land, thereby starting the Municipal Tax Sale process.

Once a tax arrears certificate is registered, the property owner/interested party, has one year to pay the property tax account in full (cancellation price), or enter into an extension agreement. If the cancellation price is not paid or an extension agreement is not executed within one year of the tax arrears certificate being issued, the property shall be offered for public sale.

City Council, by resolution, may authorize the municipality to bid or submit a tender on the property in a public sale provided there is a municipal purpose for its use.

If there is no successful purchaser of the property, the Treasurer may prepare and register, in the name of the municipality, a notice of vesting in accordance with S. 379 of the *Municipal Act 2001*. The Treasurer's decision to vest a property is guided by the City's Corporate Tax Sale Vesting Policy.

The tax sale process may be terminated where, in the opinion of the Treasurer, it is not in the financial interest of the municipality to continue the proceedings.

Tax registration, and ultimately tax sale, is typically a measure of last resort. Administration will make every effort to collect outstanding taxes using the various tools available. Only after all reasonable collection methods have been exhausted is tax registration pursued.

Attachment A is a listing of 162 properties to be registered totaling \$15,462,622.90 which represents 5.9% of the 2024 tax levy. A tax certificate will be registered on these properties unless otherwise directed by Council or unless payment is received in the interim. While the *Municipal Act* permits registration once taxes are two years in arrears, the Treasurer has discretion regarding the timing of registration. As a result, some properties may have taxes owing in excess of two years where registration was not previously recommended.

Historically, most properties registered for tax sale are paid before the redemption date. In most cases, taxes are paid by mortgagees who are notified of the arrears upon registration of a tax arrears certificate. The chart below provides details of the number of properties that were approved for tax registration and sale proceedings in recent years.

Year Approved	# Properties Approved	# Properties Paid Before Tax Sale	# Properties Entered into Extension Agreements	# Properties Sold	# Properties Not Sold
2021	389	364	19	5	1
2022	305	282	17	3	3
2023	331	312	15	4	0
2024	432	405	23	3	1

All accounts listed in Attachment A are over two years in arrears. In addition to regular statements, collection letters were mailed to owners outlining payment requirements and the implication of non-payment; and in several cases, telephone contact was made.

**FINANCIAL IMPLICATION**

This report has no direct financial implications. When a property is listed for tax sale, the minimum tender amount must be equal to the cancellation price or the total outstanding balance on the property tax account.

The operating budget includes an annual provision for write-offs, covering potential tax amounts that may need to be written off due to unsold tax sale properties.

**BACKGROUND**

For Council’s information, statistics pertaining to tax registration for 2024 properties as well as for the previous ten years are as follows:

**NON-RESIDENTIAL PROPERTIES**

Year Approved for Registration	Arrears Year	No. of Properties	Total Arrears Balance	Percent of Tax Levy
2017	2014	32	672,914	0.3
2018	2015	26	691,592	0.3
2018	2016	38	438,768	0.2
2019	2017	45	709,959	0.3
2020	2018	34	826,987	0.4
2021	2019	51	2,447,101	0.9
2022	2020	33	564,567	0.3
2023	2021	35	624,132	0.3
2024	2022	45	878,829	0.4
2025	2023	22	732,516	0.3
2026*	2024	12	14,218,408	5.4

\*Recommended

**RESIDENTIAL PROPERTIES**

Year Approved for Registration	Arrears Year	No. of Properties	Total Arrears Balance	Percent of Tax Levy
2017	2014	149	1,081,793	0.6
2018	2015	152	1,173,087	0.6
2018	2016	199	971,017	0.5
2019	2017	298	1,819,525	0.9
2020	2018	232	1,663,825	0.8
2021	2019	338	1,939,147	1.1
2022	2020	272	1,877,554	0.8
2023	2021	296	2,163,190	0.9
2024	2022	387	2,773,921	1.1
2025	2023	285	2,273,433	0.9
2026*	2024	150	1,244,215	0.5

\*Recommended

**TOTAL PROPERTIES**

Year Approved for Registration	Arrears Year	No. of Properties	Total Arrears Balance	Percent of Tax Levy
2017	2014	181	1,754,707	0.9
2018	2015	178	1,864,679	0.9
2018	2016	237	1,409,785	0.7
2019	2017	343	2,529,484	1.2
2020	2018	266	2,490,812	1.2
2021	2019	389	4,386,248	2.0
2022	2020	305	2,442,121	1.1
2023	2021	331	2,787,322	1.2
2024	2022	432	3,652,749	1.5
2025	2023	307	3,005,949	1.2
2026*	2024	162	15,462,623	5.9

\*Recommended

**REFERENCE MATERIAL ATTACHED**

Attachment A – List of Properties to be registered for 2024 Tax Arrears Under the *Municipal Act, 2021*.

***REPORT PREPARED BY***

Chantal Harris, CPA, Manager – Billing & Collection Services

***REPORT SIGNED AND VERIFIED BY***

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

03/30/26 (MM/DD/YEAR)