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## Municipality of Cumberland Policy 13-01

### Tax Reduction on Destroyed Property Policy

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1. This Policy is entitled the “Tax Reduction on Destroyed Property Policy”.

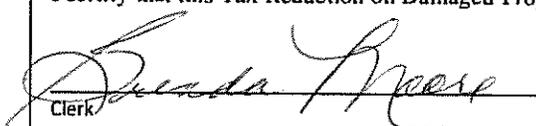
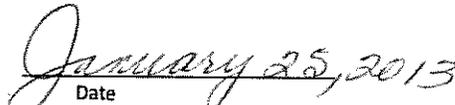
#### Introduction

2. Section 69A of the *Municipal Government Act* allows Council, by policy, to provide for the reduction, to the extent that is considered appropriate, of the taxes payable with respect to a property if a building situated on the property has been destroyed or partially destroyed by fire or storm, or otherwise, and the destruction is not reflected in the property’s assessment, and to provide for the reimbursement of any overpayment resulting from the reduction.

#### Terms of the Policy

3. For the purpose of this Policy, “taxes” includes all applicable area rates which are calculated by reference to assessed values.
4. A taxpayer may submit a written request to the Municipal Treasurer asking for a reduction in, or reimbursement of, their taxes, if their property has been destroyed or partially destroyed by fire, flood or otherwise. The request shall include a sworn Declaration confirming the date, cause and extent of the destruction, the location of the property and eligibility pursuant to section 5 of this Policy.
5. This reimbursement or reduction shall only apply to owners who have no intention of repairing the structure within 6 months of the application date. Tidying up or securing a fire site to avoid injury, unsightliness or further deterioration of the property shall not be deemed a repair for the purposes of this section.
6. Upon receipt of the request the Treasurer shall submit a written request to the Director of Assessment to value the property.
7. The valuation must be at least 10% lower than the original assessment for the Municipality to proceed with a tax reduction under this Policy.
8. The Treasurer will then prorate and apply a tax reduction, based on the difference between the valuation and the original assessment, for the remaining portion of the taxation year, between the date of the destruction and March 31 of the same taxation year.
9. If the destruction is too late to be reflected in the annual assessment cut-off date of December 1 for the following taxation year, then the tax reduction shall be in effect for that following taxation year as well

10. The tax reduction shall not follow into future years as the taxpayer has the option of appealing their assessment if it continues to reflect pre-destruction values.
11. If the destruction occurred during the 12 months immediately preceding the adoption of this Policy, the application for a tax reduction must be submitted within 6 months of the date this Policy is adopted. In all other cases the application must be submitted within six months of the date the destruction occurred.
12. The Treasurer may revoke any tax reduction granted pursuant to this Policy if any aspect of the Declaration made pursuant to section 4 is found to be inaccurate or is not adhered to, in which case the full amount of taxes which would otherwise have been payable shall become due and payable forthwith, plus interest.
13. The Municipality's "Tax Reduction on Damaged Property" policy, adopted April 6, 2011, is hereby repealed.
14. This Policy comes into force upon adoption.

<u>Clerk's Annotation For Official Policy Book</u>	
of Intent to Consider [7 days minimum] <u>January 9, 2013</u>	Date of Notice to Council Members
Date of Passage of Current Policy: <u>January 23, 2013</u>	
I certify that this Tax Reduction on Damaged Property Policy 13-01 was adopted by Council as indicated above.	
 Clerk	 Date