City of Mississauga

Corporate Policy & Procedure

Assessment Base Management

Policy number:	04-02-07
Effective date:	May 17, 2023
Last review date:	February 25, 2026
Accountable division:	Finance/Manager, Revenue and Taxation
Approved by:	Council

Policy Statement

The City strives to provide fair tax treatment to property owners and to achieve fiscal stability through stable, predictable, accurate and equitable property valuation and Property Classification.

Purpose

This policy outlines the City's Assessment Base Management (ABM) program and provides a framework for:

- The protection and maintenance of the Assessment Base, ensuring the City has a predictable, steady and sustainable property tax revenue stream, and
- Fair, transparent and equitable Assessment review practices

Scope

This policy applies to all staff and management involved in managing the City's Assessment Base.

Legislative Authority

This policy complies with the *Municipal Act,* the *Assessment Act,* the *Municipal Freedom of Information and Protection of Privacy Act, associated* Ontario Regulations, and the Rules and Procedures of the Assessment Review Board, as amended, as well as applicable City by-laws.

Related Policies

04-02-08 - Assessment Appeal and Tax Adjustment Application Management

05-04-01 - Real Estate Acquisition and Disposal of Interests in Real Property

Definitions

For the purposes of this policy:

“Assessment” means the value attributed to land and property by MPAC to enable municipalities to levy property taxes.

“Assessment Base” means the aggregate value of all land and properties in the City of Mississauga as assessed by MPAC.

“Assessment Review Board” (ARB) is an independent adjudicative tribunal established under the *Assessment Act*, with a mandate to hear appeals about property Assessment and Property Classification.

“Assessment Roll” is a publicly available list, prepared annually by MPAC, of all assessable properties in Mississauga that includes the information the City requires to allocate property taxes.

“City” means the Corporation of the City of Mississauga.

“Municipal Capital Facility” (MCF) is a property where a municipality has entered into an agreement for the purposes of exempting the property from taxation for specific municipal uses as set out in Ontario Regulation 603/06, as amended.

“Municipal Property Addressing” is the legal land location identifier, which includes the street number, unit number (if applicable), street name, city, province and postal code.

“Municipal Property Assessment Corporation” (MPAC) is an independent, not-for-profit corporation, funded by Ontario municipalities, that administers property Assessments, Property Classification and associated appeals in the Province of Ontario.

“Municipal Tax Sale” means the sale of land for Tax Arrears according to proceedings prescribed by the *Municipal Act* and Ontario Regulation 181/03, as amended.

“Omitted Assessment” (OMIT) means Assessment for land that should have been recorded but has been omitted from the Assessment Roll for the current taxation year and/or any part of the two preceding taxation years.

“Occupancy” means the action of residing in or on a place and/or using a space for its intended purpose.

“Occupancy Date” means the day on which a property owner or tenant is able to use or occupy a property for its intended purpose in accordance with Ontario Building Code regulations.

“Payment in Lieu of Taxes” (PILT) is a payment in place of taxes to municipalities, provinces and other bodies exercising functions of local government that levy real property taxes.

“Property Assessment Notice” (PAN) is a notice issued by MPAC that indicates the assessed value and classification of a property as of a legislated valuation date.

“Property Classification” means the identification of a property or a portion of a property according to its use. The various Property Classifications are set out in Ontario Regulation 282/98 under the *Assessment Act,* as amended.

“Property Legal Description” means specific details that identify the physical, geographic location of a parcel of land.

“Property Zoning” means controlling how land may be used through municipal by-laws that permit specific use(s) for particular area(s) of land based on the location of the property within the relative designated zoning boundary in conformance with the City’s Official Plan and zoning legislation.

“Service Level Agreement” (SLA) is a mutual agreement involving MPAC and municipalities that establishes fair, meaningful and achievable performance standards for assessment services that municipalities and taxpayers rely on.

“Supplementary Assessment” (SUPP) is issued by MPAC when there is a change/improvement to a property for the current year. A SUPP results in a change in the value attributed to land and property and/or the Property Classification.

“Tenant” means an occupant or temporary possessor of lands by someone other than the owner.

“Treasurer” means the Corporation’s Treasurer as appointed by the By-law 0120-2023, as amended, or its successor or replacement by-law, and includes any person who has been authorized, in writing, to temporarily act during absence or vacancy in that office.

Roles and Responsibilities

Treasurer

The Treasurer is accountable for:

- Ensuring all applicable managers/supervisors are aware of this policy and any subsequent revisions, and
- Ensuring compliance with this policy

Manager, Revenue and Taxation

The Manager, Revenue and Taxation is accountable for:

- Ensuring applicable staff are aware of and trained on this policy and any related protocols, as well as any subsequent revisions, and
- Ensuring staff comply with this policy and follow all related procedures/protocols

Supervisor, Assessment Review and Appeals

The Supervisor, Assessment Review and Appeals, is accountable for:

- Ensuring this policy reflects current legislation, and
- Ensuring all records related to ABM are maintained in accordance with the City’s Records Retention By-law 97-17, as amended

Assessment Review and Appeals Staff

Assessment Review and Appeals staff are responsible for monitoring, reviewing and analyzing property information and identifying risks and/or irregularities.

Legal Services, Legislative Services Department

Applicable staff are responsible for providing Assessment Review and Appeals staff, as required, with:

- Interpretations of federal and provincial legislation and municipal by-laws
- Guidance and support related to *Municipal Act* and *Assessment Act* appeals, and
- City purchase/acquired property transfer documents/agreements

Realty Services, Corporate Services Department

Applicable staff are responsible for liaising with Tenants of City property to identity the method of tax payments, if applicable, and advising Revenue and Taxation staff.

Planning and Building Department

Applicable staff are responsible for:

- Assisting, as required, with monthly reporting to MPAC for new and closed building permits, along with Occupancy Dates, if applicable, and
- Providing MPAC staff with access to the ePlans portal, as required, in accordance with agreed terms of service, for the accurate determination of Assessment values and Property Classification

Geospatial Solutions, Information Technology Division

Applicable staff are responsible for:

- Assigning and maintaining accurate Municipal Property Addresses, and
- Providing Assessment Review and Appeals staff, as required, with accurate:
  - property location and mapping
  - legal descriptions, and
  - all valid/active addresses

Role of MPAC

MPAC is one of four components to Ontario's Assessment System, along with municipalities, the Assessment Review Board and the property tax payer. MPAC assesses and classifies all properties in Ontario in compliance with the *Assessment Act* and provincial regulations. MPAC has a legislative obligation to deliver the annual Assessment Roll to the City Clerk by the second Tuesday following December 1st. The Assessment values included in the annual Assessment Roll are used in the calculation of the annual tax rates and for determining the taxes apportioned to each property owner.

MPAC processes in-year changes to Assessment values as applicable, reflecting ARB decisions, Request for Reconsideration (RfR) decisions, SUPP, OMIT and any other applicable changes as permitted through legislation. The in-year changes in Assessment values result in changes to the City's Assessment Base.

The City relies on MPAC to process in-year changes in an accurate and timely manner as the Assessment Base is incorporated into the City's annual budget process.

Review of the Assessment Roll

After the City has received the annual Assessment Roll, Assessment Review and Appeals staff undertake a comprehensive review to ensure the following:

1. Appeals completed by the ARB in the previous year have been carried forward into the Assessment Roll
2. Properties that are significantly under-valued, misclassified, missing, or otherwise incorrectly assessed are identified
3. Large year-over-year increases and/or decreases in Assessment are identified
4. Lots and blocks in new plans of subdivision have the correct Assessment, acreage, Property Classification and Property Zoning
5. Requests to update the Assessment Roll have been actioned
6. PILT properties are correctly classified, have correct ownership information and are fairly assessed
7. All changes to vacant land are captured and accurate
8. All farm land is correctly classified and changes in valuation are captured
9. The status of exempt properties is accurate
10. Municipally owned properties are correctly classified and fairly assessed, and where applicable, reflect the correct tax treatment for leased/licensed municipal properties, and
11. If there are changes in ownership for properties owned by the Province of Ontario and/or the Government of Canada in the previous Assessment year the changes are accurately reflected

Where an error is identified and validated, Assessment Review and Appeals staff will request that MPAC correct the error as appropriate (using a SUPP and/or other legislative means within their authority).

Where MPAC is unable to correct an error, Assessment Review and Appeals staff may initiate an appeal on behalf of the City under Section 40 of the *Assessment Act.*

Building Permits and Zoning By-laws

Assessment Review and Appeals staff provide MPAC with building permit information and Occupancy reports, where applicable, in accordance with MPAC's Service Level Agreement (SLA).

Assessment Review and Appeals staff monitor anticipated Assessment growth and ensure new Assessments are captured by MPAC as soon as Occupancy is permitted by tracking building permits and Occupancy Dates, if applicable. MPAC endeavors to assess 95% of all new construction within one year of Occupancy.

Assessment Review and Appeals staff review new Property Zoning by-laws provided by the City's Records Administrator. Where appropriate, Assessment Review and Appeals staff forward a copy of the by-law to MPAC and request either an in-year change or a year-end update to the Assessment Roll. Assessment Review and Appeals staff maintain an inventory of all change requests and monitor to ensure that requested changes are reflected in the Assessment Roll.

Improvements to properties owned by the Province of Ontario (e.g. Metrolinx properties) or the Government of Canada (e.g. Greater Toronto Airports Authority properties) do not require a City building permit. Assessment Review and Appeals staff report changes to such properties, where known, to MPAC for investigation in order to ensure the properties are correctly classified and fairly assessed.

Greater Toronto Airports Authority Lands

The Greater Toronto Airports Authority (GTAA) is the operator of the Toronto Pearson International Airport, which leases lands from the Federal Government. The GTAA remits a PILT to the City, as legislated under Section 45.1 of the *Assessment Act* and O. Reg. 282/98, as amended. Portions of the property occupied by third-party tenants (other than Federal undertakings) are liable to pay property taxes.

Assessment Review and Appeals staff actively track and monitor new development and changes to existing infrastructure at the airport, as changes may impact the City's taxes and/or Assessment base. Assessment Review and Appeals staff report changes to GTAA lands, where known, to MPAC for investigation in order to ensure correct Property Classification and fair Assessment.

Supplementary and Omitted Assessment Reviews

Supplemental and Omitted Assessments are generated by MPAC to capture new or missing Assessment on properties.

Assessment Review and Appeals staff utilize the inventory of change requests, building permit lists and information provided by Realty Services and/or Legal Services, as applicable, in order to monitor inventory of properties to ensure all required supplemental Assessments have been processed by MPAC.

Assessment Review and Appeals staff research negative assessments if noted on a new SUPP or OMIT. Negative values on a SUPP or OMIT may result when MPAC shifts Assessment out of one Property Classification (resulting in a decrease) into another Property Classification (resulting in an increase).

Property Severances and Consolidations

When MPAC notifies the City that land has been divided into parcels under the provisions of Section 356 of the *Municipal Act*, and/or when MPAC notifies the City that two or more properties have been consolidated, Assessment Review and Appeals staff:

- Ensure the accuracy of Municipal Property Addressing and Property Legal Description
- Ensure the Assessment is consistent and not lost or removed, and
- Review possible increase in value in the following year's Assessment Roll

Municipal Addressing and Legal Updates

When Assessment Review and Appeals staff detect or are informed of discrepancies between City records and MPAC, they investigate, notify MPAC, advise staff in Geospatial Solutions and ensure errors are corrected, as appropriate.

Condominium Registration and Mapping

Assessment Review and Appeals staff review and monitor new condominium construction and associated Property Zoning, ensuring all newly constructed buildings/units are correctly classified and fairly assessed with accurate Occupancy Dates.

Specific Property Research

Assessment Review and Appeals staff, through system reporting, conducts periodic reviews of specific property groups (e.g. daycares, vacant land) to ensure correct Property Classification and fair Assessment across the group.

City Owned/City Leased Property

To ensure correct Property Classification, fair Assessment and legislative compliance, staff monitor land/properties that are:

- Purchased by the City
- Sold by the City
- Vested to the City
- Owned by the City and leased/licensed to others, and
- Owned by others and leased/licensed by the City

Roles and responsibilities are set out below.

New MCFs

- **Legal Services**
  - Drafts by-law, and
  - Drafts lease agreement
- **Realty Services**
  - Prepares and provides a corporate report to Revenue and Taxation to validate property information, and
  - Provides a copy of the lease agreement to Assessment Review and Appeals staff
- **Legislative Services**
  - Forwards by-law to MPAC, Region of Peel and School Boards and copies Assessment Review and Appeals staff on the correspondence
- **Assessment Review and Appeals**
  - Initiates Tax Adjustment appeal application with MPAC and provides necessary documentation

Reversal of MCF

- **Legal Services**
  - Drafts reversal by-law
- **Realty Services**
  - Prepares and provides a corporate report to Revenue and Taxation staff to validate property information, and
  - Provides a copy of the lease termination document to Assessment Review and Appeals staff

- **Legislative Services**
  - Provides reversal by-law to MPAC, Region of Peel and School Boards and copies Assessment Review and Appeals staff on the correspondence
- **Assessment Review and Appeals**
  - Confirms MPAC processes the applicable change in Property Classification

City Purchase of Property

- **Legal Services**
  - Provides a copy of the purchase agreement to Assessment Review and Appeals staff
- **Assessment Review and Appeals**
  - Initiates Tax Adjustment appeal application with MPAC and provides necessary documentation

Sale of City Property

- **Legal Services**
  - Provides a copy of the sale agreement to Assessment Review and Appeals staff
- **Assessment Review and Appeals**
  - Provides a copy of the sale agreement to MPAC
- **Tax Billing and Accounting**
  - Bills new property owner for SUPPs and OMITs

Property Vested to the City through a Failed Tax Sale

- **Legal Services**
  - Provides a copy of the vested property tax sale document to Assessment Review and Appeals staff
- **Assessment Review and Appeals**
  - Initiates Tax Adjustment appeal application with MPAC and provides necessary documentation
- **Collections**
  - Determines if any City departments, the Region of Peel or any local school boards are interested in purchasing the property after the failed tax sale, and
  - Ensures that tax account arrears are written off once the property is vested to the City

City Property Leased to Tenant

- **Legal Services**
  - Drafts lease/license agreement
- **Realty Services**
  - Provides Assessment Review and Appeals staff with a copy of the lease/license agreement, and
  - Advises staff in the Tax Billing and Accounting Unit of arrangements for tax payments (as stipulated in the lease/license agreement), and
  - Advises the Tax Billing and Accounting Unit of the lease termination date
- **Assessment Review and Appeals**
  - Provides MPAC with a copy of the lease/license agreement

- **Tax Billing and Accounting**
  - Ensure GL transfers of tax payments commence and stop in accordance with the lease/license agreement (as communicated by Realty Services)

Property Assessment Notices (PANs)

Assessment Review and Appeals staff review PANs for City owned properties to ensure Property Classification is accurate and the Assessment is reasonable.

Payments in Lieu of Taxes

Assessment Review and Appeals staff:

- Liaise with the Sr. Analyst Tax Policy, Revenue and Taxation, Finance Division to track the purchase and/or sale of PILT properties, and
- Monitor any new development on PILT properties

Reporting

The Supervisor, Assessment Review and Appeals, reports as required, to the Manager, Revenue and Taxation on the following:

- Open and completed building permits along with the estimated construction cost
- GTAA new development, and
- Other reports as appropriate

Records Retention

All records pertaining to Assessment Base Management must be maintained in accordance with the Records Retention By-law 0097-2017, as amended. Confidential records, whether maintained in paper or electronic format, must be appropriately secured.

Revision History

Reference	Description
GC-0203-2023	Approved by Council on May 17, 2023.
2024 02 07	Housekeeping revisions to reflect changes to organizational structure.
2025 01 29	Housekeeping revisions to reflect changes to organizational structure.
2026 02 25	Scheduled review. No revisions required. Republished.
2026 06 12	Housekeeping revision to align with the current organizational structure.
2026 11 02	Housekeeping revision to clarify that references to “reports” with respect to MCFs are intended to mean “corporate reports”.