

ATTN: NEWS EDITOR

FOR IMMEDIATE RELEASE:

MPAC in credibility crisis

TORONTO, Ontario (March 28, 2006) – The Municipal Property Assessment Corporation (MPAC) is experiencing a crisis of credibility and must take real and concrete steps to improve public confidence in the assessment system, Ombudsman André Marin said at a press conference announcing the release of his report on the investigation into the transparency of the property assessment process and the integrity and efficiency of decision-making at MPAC.

“While I would like to acknowledge the willingness on the part of MPAC to cooperate with our investigation and the proactive steps it has committed to improving its process since this investigation began, the credibility of MPAC’s evaluation process simply cannot be restored without altering how it operates on a day-to-day basis and changing key aspects of its corporate culture,” the Ombudsman said.

Following a five-month investigation, Mr. Marin presented 22 recommendations in his final report titled, “*Getting it Right.*” The Ministry of Finance and MPAC pledged to implement 18 of the recommendations immediately and to consider implementation of the remaining four after further study. MPAC has agreed to report back to the Ombudsman within six months time on its progress in implementing the report’s recommendations.

The Ombudsman recommended increasing taxpayer access to MPAC’s information, improving the accuracy and consistency of property assessments and improving the fairness and integrity of the appeal process by requiring MPAC to recognize and carry forward assessment reductions after appeal unless there are legitimate reasons why the assessment is no longer valid. Finally, the Ombudsman recommended removing the onus from the taxpayer and shifting the burden to MPAC to justify the accuracy of its assessments if the property owner challenges the assessment before the Assessment Review Board.

“The current situation of putting the onus on the property owner is anachronistic, unfair and just doesn’t make sense. Fixing the problem and laying the onus on the state’s

assessor will level the playing field and recognize that MPAC is filling a public service role in carrying out property assessments for taxation purposes,” Mr. Marin noted. “It will also place the onus on MPAC to ensure that its assessments are accurate and defensible.”

Mr. Marin explained that he undertook the investigation of MPAC because of the overwhelming volume of complaints his office received from frustrated taxpayers. “Never in the 30-year history of this Office have so many complaints been received in so short a period about a single public agency,” he said. “Our Office was inundated with protests from disaffected citizens – more than 3,700 of them.”

Complaints were received from individual homeowners across the province, as well as from current and former Assessment Review Board and MPAC employees, interest groups and organizations including the Canadian Association for the Fifty Plus (CARP) and the Canadian Advocates for Tax Awareness (CAFTA). Over 104 local, regional and provincial representatives from 83 municipalities, including several mayors and Members of the Provincial Parliament complained or provided submissions during the investigation.

Based on the investigation’s findings, the Ombudsman said that MPAC had failed to ensure property owners were provided with sufficient and timely assessment information to help them understand and challenge their property assessments fairly. He also found that MPAC had undermined the integrity of the Assessment Review Board process through failing to recognize its decisions and to carry them forward to future years’ assessments.

This press release is available in French

- 30 -

The Ombudsman is an officer of the Legislature and is independent of both the political process and government administration. Generally an office of last resort, the Ombudsman investigates and resolves complaints about provincial governmental organizations and recommends corrective action. Services are free and confidential. Other languages can be arranged. For further information, call 416-586-3300, TTY 1-866-411-4211 or visit our website: www.ombudsman.on.ca

For further information contact:

Gail Scala

Manager, Communications

Ombudsman Ontario

Tel: 416-586-3402

Email: gscala@ombudsman.on.ca