

## **Administrative Policy Regarding Refunds for Licensing Applications, Renewals and Cancellation Requests**

<b>Date:</b>	April 24, 2008
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	Lenna Bradburn, Executive Director, Municipal Licensing and Standards
<b>Wards:</b>	All
<b>Reference Number:</b>	LS12.7

### **SUMMARY**

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This report provides information on the Municipal Licensing and Standards Division's (ML&S) administrative policy regarding the refunding of monies paid for licence applications, renewals and cancellation requests.

When an application for a new licence is made or a renewal of a licence is received, ML&S collects a fee, which includes an administrative processing fee and a fee for the actual licence. ML&S currently has administrative policies in place with respect to the refunding of those fees which are set out in this report.

### **Financial Impact**

This report will have no financial impact beyond what has already been approved in the current year's budget.

## **DECISION HISTORY**

At its meeting of April 12, 2008 the Licensing and Standards Committee was in receipt of a memo, see the link below, dated April 3, 2008 regarding a renewal application by a licensee.

<http://www.toronto.ca/legdocs/mmis/2008/ls/bgrd/backgroundfile-11918.pdf>

The Licensing and Standards Committee referred the (April 3, 2008) memo from Councillor Moscoe to the Executive Director, Municipal Licensing and Standards, with a request that she report back to the Licensing and Standards Committee, at its next meeting on May 9, 2008, on the Division's administrative policy for handling licence application refunds, renewals, cancellation requests and on the number of requests received for such matters.

## **ISSUE BACKGROUND**

As a result of an inquiry from an applicant who failed to renew his licence and to respond to the Notice of Appeal to the Toronto Licensing Tribunal, the Licensing and Standards Committee requested the Executive Director of ML&S, to report to the Committee on its refund policy.

## **COMMENTS**

When an application for a new licence is made or a renewal of a licence is received, ML&S collects a fee, which includes an administrative processing fee and a fee for the actual licence. ML&S has administrative policies to deal with the cancellation of applications, renewals or situations where licence issuance or renewal is not recommended.

### **Application Cancellations**

When an application for a licence is cancelled at the request of the applicant, ML&S retains the administrative portion of the fee and the licence portion of the fee is returned to the applicant. However, if an application was taken in error the entire fee paid is returned to the applicant.

## **Renewal Cancellations**

When a licence renewal application is cancelled by the applicant and ML&S has processed the payment and renewed the licence, ML&S keeps the entire fee, including the licence portion of the fee.

If a renewal application is cancelled by the applicant before ML&S has processed the payment and renewed the licence and a clerk has processed the paperwork, ML&S retains the administrative portion of the fee and returns the licence portion. If the paperwork has not been processed, ML&S returns the entire fee.

## **Non-Recommendation/Refusal of Licence**

When an applicant for an initial licence or renewal of a licence is forwarded a letter of non-recommendation/refusal of the licence by ML&S and the applicant does not request a hearing before the Toronto Licensing Tribunal regarding the issuance or renewal of the licence, the application is cancelled and ML&S retains the entire fee paid.

When an applicant for an initial licence or renewal of a licence is forwarded a letter of non-recommendation/refusal of the licence by ML&S and the applicant requests a hearing before the Toronto Licensing Tribunal regarding the issuance or renewal of the licence and the licence issuance is denied, the application is cancelled and ML&S retains the entire fee paid.

## **Refund Statistics**

The following table indicates the number of refunds ML&S provided to clients from 2003 to 2007.

<b>Year</b>	<b>Number of Refunds to Clients</b>
2003	284
2004	241
2005	243
2006	469
2007	269

## **2005 Licence Fee Increase Statistics**

At its meeting of October 26, 27, 28, and 31, 2005, City Council adopted By-Law No. 904-2005 which increased business licence fees, effective November 1, 2005. As a result, ML&S was required to send out 6,744 amended Licence Renewal Notices (LRNs), reflecting the licence fee increases.

Of the 6,744 licensees who were forwarded a second LRN, 2,106 had already remitted payment based on the original LRN. Of those 2,106 who had remitted payment, 2,041 remitted the additional fees and their licences were renewed. The licences of the remaining 65 licensees who did not remit the additional fee were not renewed and their licences cancelled from the system as per the provisions of the Municipal Code. New applications would be required if these licensees wished to obtain new licences.

## CONTACT

Mark Dimuantes  
Senior Policy & Research Officer  
Municipal Licensing and Standards  
Telephone: (416) 392-8794  
Fax: (416) 392-0797  
E-mail: [mdimuant@toronto.ca](mailto:mdimuant@toronto.ca)

## SIGNATURE

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Lenna Bradburn, Executive Director  
Municipal Licensing and Standards