

Revenue Collection Policy

1. This Policy may be cited as Revenue Collection Policy.
2. The purpose of this policy is to provide and articulate equitable, supportable, and legal guidelines to staff and the public which are designed to ensure that all taxpayers are well served.
3. In this Policy:
 - (a) "Immediate family" means spouse, children, parents and siblings.
 - (b) "Non-lienable charges" means charges that under law cannot be affixed to a property and, therefore, cannot form an encumbrance against the value of that property. One example is facility rentals.
 - (c) "Lienable charges" means charges that are or can be attached to and encumber the title to a property and can result in the property being sold so the Municipality can collect the money it is owed. These charges can arise pursuant to legislation (e.g. the Municipal Government Act) or a municipal by-law (e.g. Public Sewer By-Law).
4. Non-lienable charges shall be collected as follows:
 - (a) Monthly reminders will be sent to all overdue accounts less than 90 days in arrears.
 - (b) It shall be the responsibility of the Revenue Officer to take the following steps regarding accounts over 90 days in arrears:
 - i demand a payment arrangement;
 - ii where applicable, ensure that no further business is conducted on a billed basis;
 - iii determine which of the following would be most appropriate: Small Claims Court Action, Supreme Court Action, or collection Agency and advise the debtor accordingly; and
 - iv if legal action is chosen, follow up to ensure all steps up to and including an order or warrant are completed in a timely fashion.
5. Lienable Charges shall be as follows:
 - (a) Past Due Reminder Notices will be sent to all accounts with amounts \$10 and greater that are in excess of one month overdue. Past Due Reminder Notices will be sent out quarterly in the first week of the months of July, October, January and April.
 - (b) Subject to provision (i) of this section, a property one year in arrears shall be placed on the tax sale list (see 134(1) of the MGA).
 - (c) Advance Notice of Tax Sale Proceedings will be sent to each assessed owner of property on the tax sale list as per Section 138 of the MGA, advising that the property is liable to be sold for the arrears, with interest and expenses, and that tax sale procedures may be commenced and costs expended, which will also be liened against the property, unless the arrears are paid within 14 days of the date of the preliminary notice.

- (d) 14 days after the issuance of the Advance Notice, if the taxes have not been paid staff will arrange for a title search and, if deemed necessary, undertake a survey of the property.
 - (e) Upon completion of the title search and possible survey, Notice of Intention to Sell will then be sent by registered mail to all registered owners, their spouses (if known), any mortgage company and any person with a lienholder interest in the property.
 - (f) If the registered Notice is returned unopened to the Municipal Office, Notice of Intention to Sell will be posted in a conspicuous place on the property.
 - (g) All properties with taxes, or charges which are in arrears for the preceding three fiscal years SHALL be put up for tax sale (see 134 (2) of the MGA) subject to provisions (h) and (i) of this section.
 - (h) Tax Sale proceedings may be deferred by Council for a property for up to two years (section 134 (3) of the MGA). Council will only defer proceedings under what is deemed to be, by Council, an exceptional circumstance and only after the review of a written request of the property owner for the deferral and a recommendation report prepared by the treasurer. The decision to defer proceedings under this provision of the policy shall further require that an acceptable payment agreement be executed in writing between the Municipality and the property owner that brings the account into current status within the same two year timeframe. Compliance with the payment agreement will be strictly enforced by staff. There will be allowance for two payments to be deferred either by request or by default. On the third instance of non-payment as per the agreement, notice will be given and the tax sale process will recommence with no recourse other than full payment.
 - (i) Pursuant to section 134(4) of the MGA the Municipality may decide not to put a property up for tax sale where:
 - (a) the Municipality's solicitor advises there is high risk of litigation;
 - (b) the amount is below the collection limit established by Council. The Municipality's collection limit is hereby set at \$100.00 for accounts in arrears less than three years;
 - (c) the property has been put up for tax sale once in the past with no satisfactory offer, in which case Staff will then proceed, without further notice to the owner and encumbrances, to advertise the property and sell it at auction. A minimum acceptable bid may be set by Council to reflect the Municipality's expenses and the estimated value of the property; or
 - (d) the taxpayer is compliant with a payment arrangement pursuant to Section 5(h).
6. Once a property has been advertised for tax sale, the process can only be stopped by full payment of all arrears in excess of one year and all tax sale expenses. Payments will be received up to the beginning of the tax sale auction.
7. Any surplus funds from the tax sale may be applied to reduce any non-lienable charges owed by the owner of the land to the Municipality. These outstanding amounts do not need to have a direct relationship to the property sold. The withdrawal of any surplus cannot be completed until after the redemption period (within six months after the sale date) where applicable. Properties are not redeemable if there are taxes owing that are greater than six years in arrears (see provision 152 of the MGA).
8. A successful bidder shall pay at the time of the tax sale, the Tax Deed Fee and the fee for the Certificate of Sale, in addition to the amount of their bid.
9. The Municipality will not accept a tender/bid from a tax assessed owner, his/her agent, or his/her

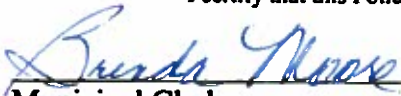

immediate family for any sum less than the full amount of taxes, interest and expenses associated with respect of the land.

10. Other Collection Authorizations:

- (a) Principal or interest for less than \$10 can be written off for accounts in arrears at staff's discretion.
- (b) Interest charges of less than \$100 may be relieved by staff when it is determined that the account has been in dispute and the taxpayer is not at fault.
- (c) Interest charges of less than \$100 may be relieved by staff if it is determined that insufficient support for the billing or insufficient follow up by staff has resulted in undue interest charges.
- (d) Where staff determine that both the taxpayer and staff may have been jointly responsible for delays in billing, or in providing appropriate details to support or refute the billing or for lack of timely follow up, staff may grant partial interest relief on an account up to \$100.
- (e) No adjustment to billings can be made by any staff members except as outlined above, unless there was an error in the original billing and corresponding back up is provided by the treasurer.
- (f) No account will be sent to write-off unless all efforts have been exhausted in its collection and will only be so sent after recommendation of the Municipal treasurer (provision 38 of the MGA).

- (g) Only Council can approve final write-off of any revenue accounts. Such write-off reports will be provided not less than once per year.
- (h) After an assessment appeal is determined and any appeal from that decision is decided, any taxes that were overpaid shall be refunded to the applicant, together with interest at a rate equal to the rate actually earned by the Municipality of the County of Cumberland on its short term investments. The interest rate shall be determined and the interest calculated monthly but shall not be compounded.

11. Upon adoption of this Revenue Collection Policy all previous Revenue Collection Policies of the Municipality are hereby repealed.

<u>Clerk's Annotation for Official Policy Book</u>	
Date of Notice to Consider:	<u>April 4, 2018</u>
Date of Adoption of Policy:	<u>April 18, 2018</u>
I certify that this Policy was adopted by Council as indicated above.	
 _____ Municipal Clerk	 _____ Date