

By-Law No. 2019-10

Being a By-law to establish and adopt a Tax Collection Policy

WHEREAS the Council of the Corporation of the Township of Dubreuilville deems it desirable to establish and adopt a Tax Collection Policy; that will provide guidance to both Council and staff and will provide a basis for decision making relating to tax collection procedures for all rate payers in the municipality;


AND WHEREAS the Municipal Act, 2001, S.O. 2001, c.25, including the new changes in Bill 68, Modernizing Ontario's Municipal Act, 2017, which came into effect May 30th, 2017, makes certain provisions for the orderly and prompt collection of taxes;

AND WHEREAS should there be any incongruences between the policy and the governing legislation, the provisions of the governing legislation will prevail;

AND WHEREAS arrangements may be made with the Tax Collector for the payment of property taxes by way of various acceptable payment methods, so as to provide for the complete payment of property taxes in mutually agreed upon installments before December 31st of the billing year;

1. THAT this By-Law shall take effect upon its reading and being passed.
2. That By-law No. 98-46 be and is hereby repealed.

READ a first, second and third time and be finally passed this 13th day of February, 2019.

Deputy- 
MAYOR


CAO-CLERK

ADMINISTRATIVE POLICIES AND PROCEDURES

Section of Manual <p style="text-align: center;">- T -</p>	Effective Date <p style="text-align: center;">February 13, 2019</p>
Subject Tax Collection Policy	
Department <p style="text-align: center;">Administration</p>	Resolution No. 19-063 By-law No. 2019-10 Repealed Res. No.98-46

POLICY STATEMENT

It shall be the policy of the Corporation of the Township of Dubreuilville to ensure that all ratepayers are treated in a fair and equitable manner with respect of tax arrears situations. Understanding and clemency shall be foremost in resolving outstanding tax balances. Continued contact with the ratepayer and the desire to work with them to resolve outstanding tax arrears in a mutually agreeable manner is foremost in this policy.

In the collection of taxes the Treasurer / Tax Collector shall use means as provided by the Municipal Act in order to secure maximum collection rates while keeping administration and legal cost to a minimum.

PURPOSE

The purpose of this policy is to provide procedure to staff for guidance and a basis for decision making in a fair and equitable billing and collection of property taxes

SCOPE

This document will provide guidance to Council and staff and provide a basis for decision-making relating to tax billing and tax collection procedures for all ratepayers in the municipality. It is designed to be implemented in accordance with the governing legislation.

Should there be any incongruence between the policy and the governing legislation, the provisions of the governing legislation will prevail.

METHODS

Revision Date: February 2019

Billing / Interest / Penalties

To Ensure Taxes are collected in a Timely Manner:

1. Tax bills shall be issued as expediently as possible.
 - a) Interim tax billings shall be issued no later than January 31 of each year. Interim tax billings will be issued with two (2) installment due dates; being the last business day of the month of February and the last business day of the month of April.
 - b) Final tax billings shall be issued no later than July 30 of each year. Final tax billings will be issued with two (2) installment due dates; those being the last business day of the month of August and the last business day of the month of October.
2. In all cases, the Municipal Act requires a minimum of 21 days between the issuance of the tax bill and the due date.
3. Interest is to be applied at the maximum rate allowable under the Municipal Act. The rate set is 1.25% and is added on the first day of default and the first day of each calendar month thereafter in which the default continues.

Payments

1. Various post-dated payment methods will be accepted for payment of property tax accounts.
2. Online Banking will be accepted for payments for the property tax accounts.
3. Only payments received directly at our office in person will be issued a tax receipt. Later Copies of tax receipts are available for a fee as per our User Fee By-law, if payment was not received directly in the office..
4. Due to difficulties encountered with exchange rate calculations, the Township can no longer accept U.S. cheques for payment of property taxes. We will only accept payment by Canadian currency, cash or cheque.

General Mechanisms to collect Taxes in Arrears:

Taxes which remain unpaid after billing due dates are considered in arrears.

1. Monthly Past Due Reminder Notices are sent to remind the taxpayer of the current delinquency with respect to taxation and secondly, to determine whether discrepancies exist within the account that should be followed up on an immediate basis. No Reminder Notices will be sent to those accounts in which the minimum balance is \$10.00 or less.
2. Past Due Reminder Letters will be forwarded quarterly to property owners when deemed necessary.
3. In addition to notices, personal contact can be made by the Treasurer / Tax Collector when deemed necessary by way of telephone follow up, personal interviews or emails.
4. The Treasurer / Tax Collector or designate shall have the authority to negotiate suitable payment schedules/arrangements. Payment schedules will indicate tax account, roll number and indicate payment amount, payment frequency and payment dates. The schedule will be signed by the Treasurer / Tax Collector and the ratepayer, and a duplicate issued to the taxpayer. Separate files will be kept for each payment schedule and monitored monthly to ensure payments are being met. Failure to comply with payment scheduled will result in a reminder letter being sent to the ratepayer and a follow up personal discussion, and if necessary, renegotiations of a revised payment schedule.

Collection of Tenants Rent where Landlord has Tax Arrears:

1. Under Section 350(1) of the Municipal Act, where taxes are owed in respect of any land occupied by a tenant, the Treasurer / Tax Collector may give the tenant notice in writing requiring the tenant to pay the rent in respect of the land to the Treasurer as it becomes due up to the amount of the taxes due and unpaid plus costs, and the tenant shall comply with the notice.
2. After taxes have been in arrears for one (1) year and the procedures of this policy have been used, a notice will be sent via registered mail to the landlord informing him/her of our intention to proceed with rent collection and allowing him/her a final opportunity to make suitable arrangements within twenty-one (21) days.
3. If taxes remain unpaid after the twenty-one (21) day grace period, the tenants of the rental property will be informed by letter via registered mail to direct their rental payments to the Municipality. A copy will be sent to the land owner via registered mail.
4. Rents will continue to be collected until such time as all penalties, interest and taxes have been collected or alternate arrangements have been negotiated between the property owner and the Municipality.

Collection of Property Taxes in Distress (Realty):

1. When property taxes are considered in distress:
 - a) Any part of tax arrears that are due with respect to any improved land on the 1st day of January in the 2nd (second) year following that in which the property taxes become owing. As stated in the Municipal Act, 2001, S.O. 2001, c. 25 Part XI
 - b) Any part of tax arrears that are due with respect to any vacant land on the 1st day of January in the 2nd (second) year following that in which the property taxes become owing. As stated in the Municipal Act, 2001, S.O. 2001, c. 25 Part XI
2. After all reasonable means have been exhausted, as per previously mentioned in this policy, the following means of enforced collection shall be instituted:
 - a) Tax Sale Registration:
 - i) The Treasurer / Tax Collector or agent appointed by the Municipality shall then proceed with registration following the procedures as outlined in the Municipal Act, 2001, up to a realization of the tax arrears or possession and sale of the property.
 - ii) At any time during a year in which tax registration has been commenced on a property, the property owner may request an extension to the time period. The Treasurer / Tax Collector shall bring these requests forward to the Council, who will then decide if they wish to enter into such an agreement. If so, a By-Law must be passed by Council to set the terms and conditions of the extension agreement.
 - iii) Separate files shall be kept for each property in registration and a detailed record of all transactions and occurrences concerning each file will be documented and retained in said file.
3. All cost associated with the Taxes Sales will be added to the Roll, to be recovered by the Sale.

Writing off Taxes that are Uncollectible:

1. Where the Treasurer / Tax Collector ascertains that certain taxes are uncollectible, the Treasurer shall recommend to Council that such outstanding taxes be struck off the roll and Council may direct the Treasurer to strike such taxes off the roll. The land / property in question shall be vested to the Township's name per unsuccessful tax sale process and re-advertised for sale per direction of Council, if feasible to do so.
2. The Treasurer / Tax Collector may strike taxes from the roll by reason of a decision under Section 442 or 443 of the Municipal Act.
3. The Treasurer / Tax Collector may strike taxes from the roll resulting from a decision of a Judge of any Court.

