



Staff Report

Finance and IT Services

Report To: Committee of the Whole
Meeting Date: February 27, 2019
Report Number: FAF.19.025
Subject: Tax Billing and Collection Policy Report
Prepared by: Kris Couture, Tax Collector

A. Recommendations

THAT Council receive Staff Report FAF.19.025 entitled “Tax Billing and Collection Policy Report”;

AND THAT Council repeal Policy POL.COR.13.20 entitled “Tax Billing and Collection Policy” enacted May 27, 2013;

AND THAT Council enact a new “Tax Billing and Collection Policy”, **POL.COR.19.****.

B. Overview

The guidelines in this policy will serve to supplement the provincial legislation that covers Tax Billing and Collection especially for situations where legislation provides a choice allowing the Treasurer’s discretion and issues on which legislation is silent.

C. Background

Council approved Tax Billing and Collection Policy POL.COR.13.20 on May 27, 2013. Staff recommend repealing and replacing the current Policy with a new updated Policy that reflects the current *Municipal Act* legislation, including accessibility requirements, and Town practices and procedures. The current Policy is attached as Attachment #1, the new draft Policy is attached as Attachment #2.

D. Analysis

The use of the Tax Billing and Collection Policy will ensure prompt, effective and efficient collection of all realty taxes due to The Blue Mountains and ensure that all ratepayers are treated in a fair and equitable fashion.

E. The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational and Operational Excellence
Objective #4: To Be a Financially Responsible Organization

F. Environmental Impacts

None.

G. Financial Impact

None.

H. In consultation with

Ruth Prince, Director of Finance & IT Services / Treasurer

I. Public Engagement

The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Kris Couture at tax@thebluemountains.ca.

J. Attached

Attachment 1: POL.COR.13.20 Tax Billing and Collection Policy approved May 27, 2013
Attachment 2: Draft Tax Billing and Collection Policy

Respectfully Submitted,

Kris Couture
Tax Collector

Ruth Prince
Director of Finance and IT Services

For more information, please contact:
Kris Couture
tax@thebluemountains.ca
519-599-3131 extension 225

TOWN OF THE BLUE MOUNTAINS

POLICY & PROCEDURES

Subject Title: Tax Billing and Collection Policy

Corporate Policy (Approved by Council)	<input checked="" type="checkbox"/>	Policy Ref. No.:	POL.COR.13.20
Administrative Policy (Approved by CAO)	<input type="checkbox"/>	By-law No.:	
Department Policy: (Approved by Mgr.)	<input type="checkbox"/>	Name of Dept.:	Finance & IT Services
Date Approved: May 27, 2013		Staff Report:	FIT.13.20

Policy Statement

This policy is to ensure prompt, consistent and effective billing and collection of realty tax in accordance with the applicable Provincial Legislation and Town By-laws.

Purpose

The purpose of this policy is to provide procedures to staff for guidance and a basis for decision-making in the fair and equitable billing and collection of realty tax, tax penalty and interest, and amounts added to the tax roll. The guidelines in this policy serve to supplement the provincial legislation that covers this area especially for situations where legislation provides a choice allowing for the Treasurer’s discretion and issues on which legislation is silent.

Application

This policy applies universally to Town Council, Staff and Taxpayers, or their agents, with respect to tax billing and collection.

Definitions

Assessment means the assessment for real property made under the Assessment Act according to the last returned assessment roll.

Change events mean assessment changes resulting from: Minutes of Settlement resulting from Requests for Reconsideration and Assessment Review Board Appeal Decisions; Section 357/358/359 Application Decisions; Vacancy and Charity Rebates; Assessor’s Reports; Post Roll Amended Notices (PRANs); Advisory Notices of Adjustment (ANAs); Severance/Consolidation Apportionments and Condominium Plan

Information Sheets; and, other assessment change documents issued by the Municipal Property Assessment Corporation (MPAC).

Tax or Realty Tax means taxes which are levied upon the whole of the assessment for real property; and, *Supplementary Tax* means tax calculated as a result of supplementary and/or omitted assessment rolls received during a year from the Municipal Property Assessment Corporation (MPAC).

Tax Arrears means any portion of property taxes which remain unpaid after the date on which they are due.

Taxpayer means a person whose name is shown on the tax roll as a property owner.

Procedures

1. Tax Billing

- 1.1. Tax levying By-laws passed by Council are required in advance of annual Interim and Final tax billings. *The Municipal Act Section 307, 317*
- 1.2. Interim tax billings (Schedule “A” to this policy) will be produced in February based on 50% of the annualized taxes of the property for the previous calendar year. The tax billing may include local improvement charges, area charges, business improvement area charges and any special charges levied by the Town or Province. Outstanding charges authorized by legislation may be added to the interim billing at one hundred percent. The tax billing will clearly identify that it is from the Town of The Blue Mountains, include the owner names, mailing address and legal description of property, the demand date, the percentage used to calculate the interim taxes up to a maximum of 50%, and calculated taxes levied and any arrears owing against the property. *The Municipal Act Section 317*
- 1.3. Final tax billings (Schedule “B” to this policy) are produced subsequent to the passing of the annual Town budget no later than July 31st and are based on tax rates established by by-law from the budget requirements of the Town, the County of Grey, and the Ministry of Finance (in relation to the Education tax rate). The tax billing will be calculated to produce a tax billing equal to the phased-in assessment according to the returned assessment for the year and the appropriate tax rate, and will include all local improvement charges, area charges, business improvement area charges, Bill 140 capping/clawback amounts, any special charges levied by the Town or Province. Contents of the tax bill will be as legislated. *The Municipal Act Section 343, 344*
- 1.4. Supplementary tax billings (Schedule “C” to this policy) are produced as soon as practicable after receipt of supplementary and omitted assessment rolls from the Municipal Property Assessment Corporation. *The Municipal Act Section 341*
- 1.5. Assessment Change Event tax credit notices are produced as soon as practicable after receipt of documentation from the Municipal Property

Assessment Corporation (MPAC). Applicable credits will be applied to the tax roll with net credit balances refunded to property owners unless the taxpayers give written instructions to have the credit remain on the tax roll account for future taxation. *The Municipal Act Section 341, 356*

1.6. Tax billings will be post marked and mailed not later than twenty one calendar days before the date of the first instalment due date. *The Municipal Act Section 343*

1.7. Arrears are included solely in the first instalment due date amount. Instalment due dates will be indicated on the payment stubs. Billing messages may be used on the face or reverse of the tax billing.

1.8. Amounts added to the tax roll under the authority of legislation are payable and collectable in the same manner as municipal taxes.

1.9. Tax bills will be sent to the Taxpayer's residence or business or to the premises of the property unless the Taxpayer directs in writing that the bill should be sent to another address. Failure to receive a tax bill does not excuse a Taxpayer from the responsibility for payment of taxes nor relieve the owner of the liability for the penalty and interest accrued as per Section 5.1 of this policy. *The Municipal Act Section 343(6)*

2. **Due Dates** *The Municipal Act Section 342*

2.1. Instalments and due dates for the payment of taxes will be as follows:

2.1.1 Interim Tax Bill: Two instalments, due respectively on two days within the last week of the months of March and May.

2.1.2 Final Tax Bill: Two instalments, due respectively on two days within the last week of the months of August and October.

2.1.3 Supplementary Tax Bill(s): Two instalments, the first instalment due 21 days after mail-out and the second due not less than a month after the first due date.

2.2. The specific due dates will be identified in both the Interim and Final Tax Levy By-laws passed annually.

2.3. Where due dates are delayed as a result of factors beyond the Town's control, they will be set with regard to the notice provisions in Section 1.6 of this policy.

3. **Options for Payment of Taxes** *The Municipal Act Section 342, 346*

Tax payments payable to *Town of The Blue Mountains* in Canadian funds will be accepted by the Town as follows:

3.1. **In person** at the "FINANCE" reception desk of The Blue Mountains Town Hall, 32 Mill Street, Thornbury. Office hours are Monday to Friday, 8:30 am to 4:30

pm. Payment by cash, cheque or direct debit is available. A mail box for after hours payment by cheque or money order is located by the east doors of the Town Hall.

- 3.2. **By mail** by sending a cheque, money order or post dated cheques for each instalment to Town of The Blue Mountains, PO Box 310, Thornbury, ON N0H 2P0.
- 3.3. **By courier** by sending a cheque, money order or post dated cheques for each instalment to 32 Mill Street, Main Floor Finance, Thornbury, Ontario N0H 2P0.
- 3.4. **By branch, telephone or internet banking** through participating financial institutions. Payments through this method typically take three days to reach the Town.
- 3.5. **Through mortgage companies** who provide a service to pay property taxes as part of taxpayer's monthly mortgage instalment.
- 3.6. **Payment by pre-authorized bank withdrawal:** Taxpayers with no outstanding taxes may enrol in one of two Pre-Authorized Payment (PAP) plans by completing and submitting a PAP application (Schedule "D" to this policy) along with a cheque marked VOID.
 - 3.6.1. Monthly Pre-authorized Payment Plan: The amount of the previous year's taxes will be automatically withdrawn in ten equal instalments (10% each), on the first day of each month January through October from taxpayer's bank accounts. Should there be an increase from the previous year's taxes as levied or an adjustment for the current year, resulting in an outstanding amount after the October 1st payment, the balance will be withdrawn on November 1st. A letter notifying taxpayers of the amount that will be withdrawn will be sent early October. If there is a credit balance over two hundred dollars (\$200.00) after the October 1st payment, a refund cheque will be issued by November 30th. Balances under this amount will carry forward to the next year unless a written request for a refund is received. There will not be an instalment drawn in December. Taxpayers wishing to enrol in the monthly plan for the next year must do so by November 1st of the current year. A letter notifying taxpayers of the monthly amount for the next year will be mailed in early December of the current year.
 - 3.6.2. Due date Pre-authorized Payment Plan: On each due date the tax instalment will be automatically withdrawn from taxpayer's bank accounts. Taxpayers wishing to enrol in the due date plan must do so one month before a scheduled due date.
 - 3.6.3. To cancel the pre-authorization on a tax account, Taxpayers must submit a written request seven days before the monthly payment or a scheduled due date as applicable.

3.6.4. Payment by established pre-authorization is not applicable to Supplementary Taxation

3.6.5. Pre-authorized payments dishonoured by the financial institution will be subject to returned cheque fees as established by Town Fees and Charges By-law. After two dishonoured payments, the pre-authorization will be taken off the roll account until such time as the account is brought up-to-date.

4. Payment Application *The Municipal Act Section 347*

4.1. Tax payments will be applied first against late payment charges owing in respect of those taxes according to the length of time the charges have owed, with the charges imposed earlier being discharged before charges imposed later. Then the payment will be applied against the taxes owing according to the length of time they have been owed, with the taxes imposed earlier being discharged before taxes imposed later.

4.2. A part payment on account of taxes may be applied in a manner different than set out in 4.1 at the written request of the person making the payment upon approval by the Manager of Revenue.

5. Late Payment and Returned Cheque Charges *The Municipal Act Section 345*

5.1. Penalty and Interest Late Payment Charges: A penalty at the rate of 1.25% shall be applied on the first day of the month following the month in which the taxes were due and interest shall be charged at the rate of 1.25% on the first day of each month thereafter on the balance of unpaid taxes in accordance with Town annual Interim and Final tax By-laws. Failure to receive a tax bill does not excuse a taxpayer for the responsibility for payment of taxes nor relieve the owner of the liability for the penalty and interest accrued.

5.2. Returned Cheque Charge: An amount will be charged to taxpayers for payments returned by the financial institution due to non-sufficient funds according to the Town Fees and Charges By-law.

5.3. Penalty and interest late payment charges will be adjusted and/or waived in the following circumstances:

5.3.1. Upon a failed tax sale

5.3.2. Upon a reduction due to a Change Event. The adjustment will be calculated on the amount of the reduction only and not the total amount of taxes in arrears.

5.3.3. If charges were as a result of Town staff error or omission.

5.3.4. At the discretion of the Manager of Revenue with respect to amounts under \$10 or for new owners of property taxpayers and other such 'good faith' adjustments.

6. Collection of Tax Arrears

- 6.1. By Mail: Notice of Property Tax Arrears (Schedule "E" to this policy) will be mailed to taxpayers in default of payment in the month following the second instalment due dates and in January or February of the following year. Additionally, both Interim and Final Tax Bills will show past due balances in the summary section of the Tax Bill.
- 6.2. By Telephone: The Tax Collector may attempt telephone contact with taxpayers in default over \$5,000 in February of the year following to arrange for payment of arrears.
- 6.3. By Interview: The Tax Collector may attempt to meet with taxpayers in default over \$5,000 in February of the year following to arrange for payment of arrears.
- 6.4. Interested Parties: Tax Collector may search the title to the property to determine interested parties to property [i.e. mortgagees] and contact them to advise the tax arrears status of the property.
- 6.5. Bailiff Action: The Town may recover taxes with costs as a debt due to the municipality from the taxpayer originally assessed for them and from any subsequent owner of the assessed land or any part of it. The Town may issue a warrant to distraint for property taxes if the taxes remain unpaid for a period of fourteen days after the instalment due date. Bailiffs will be used where there is the potential that the recovery of tax arrears by the other methods would not cover the outstanding taxes or where other methods are prohibited due to overriding legislation. *The Municipal Act Section 349*
- 6.6. Legal Action: Legal Action may be taken to recover tax arrears, however this action will be limited to Small Claims Court and Tax Sale Procedures (see 6.10 of this policy) as there is no guarantee of legal cost recovery otherwise. *The Municipal Act Section 349*
- 6.7. Seize other assets and/or garnish wages: The Town may seize other assets and/or garnish wages, however this action will be limited as there is no guarantee of legal cost recovery. *The Municipal Act Section 351*
- 6.8. Set-offs: Where a municipal supplier is also a taxpayer in default, the Town may set off taxes owed the supplier against a payment owed by the Town to that supplier. Wherever possible, this will be done through discussion with the taxpayer/supplier
- 6.9. Collection Agency: The Town may use a registered collection agency under *The Collection Agencies Act* to recover taxes. The collection agency may recover its costs as long as the costs do not exceed the amount approved by the Town.

The cost for this service may be added to the property tax roll account however this is not the preferred choice of collection tools. If the costs are not reasonable in relation to the value of the land, and taxes owing, a collection agency will not be utilized. *The Municipal Act Section 304*

6.10. Collection through Tax Registration/Tax Sale Procedures *The Municipal Act Part XI*

- 6.10.1. Properties that are in arrears for three years are eligible for tax registration.
- 6.10.2. The billing message on the Notice of Property Tax Arrears in Section 6.1 above will contain the phrase "Properties in arrears of tax for 3 years or more are liable for Tax Sale".
- 6.10.3. A letter informing property owners of potential tax registration will be sent in advance of initiating the procedures. The letter will indicate a deadline, not less than twenty-one days after the date of the letter by which payment or arrangements suitable to the Manager of Revenue are made.
- 6.10.4. Once tax registration procedures commence, the property owner or interested party has one year from the date of registration in which to redeem the property by paying the 'Cancellation Price' which includes all taxes, penalty and penalty outstanding, including all associated legal and administration fees and costs.
- 6.10.5. If the 'Cancellation Price' is not paid, the property will be advertised for sale by tender or auction according to legislated procedures.
- 6.10.6. The Town's solicitor or a contracted tax registration firm may be used to process the required statutory notices/declarations. The administration fee associated with this process is in addition to the charges by the third party firm completing the required statutory notices/declarations and may be defined in the Town Fees and Charges By-law.

7. Tax Write-offs

7.1. Tax Write-offs: Taxes will be written-off upon a failed tax sale.

7.2. Taxes will be not be written-off as uncollectable until all methods to collect taxes in Section 6 of this policy have been attempted and are unsuccessful.

8. Tax Certificates and Tax Information

8.1. Tax Certificates (Schedule “F” to this policy) will be issued to taxpayers or their solicitors or mortgagees upon written request and the submission of the requisite fee according to the Town Fees and Charges By-law.

8.2. Tax Information will be given verbally by staff to taxpayers or their solicitors or mortgagees, however, errors and omissions in verbal information are excluded; tax status may only be confirmed via a tax certificate.

References and Related Policies

The Assessment Act

The Municipal Act

The Blue Mountains Fees and Charges By-law

Review Cycle

This policy will be reviewed on a regular basis. Amendments may be made at any time at the recommendation of the Manager of Revenue. The appropriate authority must approve any policy changes.

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Policy



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Tax Billing and Collection Policy

Policy Type: Corporate Policy (Approved by Council)

Date Approved: Month, 00, 2019

Department: Finance & IT Services

Staff Report: FAF.19.025

By-Law No.: 2019-XX

Policy Statement

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Application

This policy applies universally to Town Council, Staff and Taxpayers, or their agents, with respect to tax billing and collection.

Definitions

Assessment means the assessment for real property made under the *Assessment Act* according to the last returned assessment roll.

Change events mean assessment changes resulting from: Minutes of Settlement resulting from Requests for Reconsideration and Assessment Review Board Appeal Decisions; Section 357/358/359 Application Decisions; Vacancy and Charity Rebates; Assessor's Reports; Post Roll Amended Notices (PRANs); Advisory Notices of Adjustment (ANAs); Severance/Consolidation Apportionments and Condominium Plan Information Forms; and, other assessment change documents issued by the Municipal Property Assessment Corporation (MPAC).

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Policy

Tax or Realty Tax means taxes which are levied upon the whole of the assessment for real property; and, *Supplementary Tax* means tax calculated as a result of supplementary and/or omitted assessment rolls received during a year from the Municipal Property Assessment Corporation (MPAC).

Tax Arrears means any portion of property taxes which remain unpaid after the date on which they are due.

Taxpayer means a person whose name is shown on the tax roll as a property owner.

Procedures

1. Tax Billing

- 1.1. Tax levying By-laws passed by Council are required in advance of Interim and Annual tax billings. *The Municipal Act Section 307, 317*
- 1.2. Interim tax billings (Schedule “A” to this policy) will be produced in February based on 50% of the annualized taxes of the property for the previous calendar year. The tax billing may include local improvement charges, area charges, business improvement area charges and any special charges levied by the Town or Province. Outstanding charges authorized by legislation may be added to the interim billing at one hundred percent. The tax billing will clearly identify that it is from the Town of The Blue Mountains, include the owner names, mailing address and legal description of property, the due date, the percentage used to calculate the interim taxes up to a maximum of 50%, and calculated taxes levied and any arrears owing against the property. *The Municipal Act Section 317*
- 1.3. Annual tax billings (Schedule “B” to this policy) are produced subsequent to the passing of the annual Town budget no later than July 31st and are based on tax rates established by by-law from the budget requirements of the Town, the County of Grey, and the Ministry of Finance (in relation to the Education tax rate). The tax billing will be calculated to produce a tax billing equal to the phased-in assessment according to the returned assessment roll for the year and the appropriate tax rate, and will include all local improvement charges, area charges, business improvement area charges, Bill 140 capping/clawback amounts, any special charges levied by the Town or Province. Contents of the tax bill will be as legislated. *The Municipal Act Section 343, 344*
- 1.4. Supplementary tax billings (Schedule “C” to this policy) are produced as soon as practicable after receipt of supplementary and omitted assessment rolls from the Municipal Property Assessment Corporation. *The Municipal Act Section 341*
- 1.5. Assessment Change Event tax credit notices are produced as soon as practicable after receipt of documentation from the Municipal Property Assessment Corporation

(MPAC). Applicable credits will be applied to the tax roll and a covering letter mailed to the Taxpayer with the credit notice will indicate that net credit balances over \$200 will be refunded to property owners upon written request. Otherwise the credit will remain on the tax roll account to carry forward to future taxation. *The Municipal Act Section 341, 356*

1.6. Tax billings will be post marked and mailed not later than twenty one calendar days before the date of the first instalment due date. *The Municipal Act Section 343*

1.7. Tax billings may be sent to Taxpayers via electronic mail “ebilling” upon implementation of an ebilling system by the Town and authorization from the Taxpayer on the applicable form. *The Municipal Act Section 343(6.1)*

1.8. Arrears are included solely in the first instalment due date amount. Instalment due dates will be indicated on the payment stubs. Billing messages may be used on the face or reverse of the tax billing.

1.9. Amounts added to the tax roll under the authority of legislation are payable and collectable in the same manner as municipal taxes.

1.10. Tax bills will be sent to the Taxpayer’s residence or business or to the premises of the property unless the Taxpayer directs in writing that the bill should be sent to another address. Updates to Taxpayer information (name, mailing address, contact information) must be in writing. A form is available at the Town office or the Town website. Failure to receive a tax bill does not excuse a Taxpayer from the responsibility for payment of taxes nor relieve the owner of the liability for the penalty and interest accrued as per Section 5.1 of this policy. *The Municipal Act Section 343(6)*
A fee is applicable for tax bill reprints in accordance with the Town Fees and Charges By-law; there is no charge for a tax statement.

2. **Due Dates** *The Municipal Act Section 342*

2.1. Instalments and due dates for the payment of taxes will be as follows:

2.1.1 Interim Tax Bill: Two instalments, due respectively on two days within the last week of the months of March and May.

2.1.2 **Annual** Tax Bill: Two instalments, due respectively on two days within the last week of the months of August and October.

2.1.3 Supplementary Tax Bill(s): Two instalments, the first instalment due 21 days after mail-out and the second due not less than a month after the first due date, where feasible. In the event of a supplementary tax billing after November 8th in a year, there will be a single instalment due in December according to notice provisions.

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Policy

- 2.2. The specific due dates will be identified in both the Interim and Annual Tax Levy By-laws passed annually.
- 2.3. Where due dates are delayed as a result of factors beyond the Town's control, they will be set with regard to the notice provisions in Section 1.6 of this policy.

3. **Options for Payment of Taxes** *The Municipal Act Section 342, 346*

Tax payments payable to *Town of The Blue Mountains* in Canadian funds will be accepted by the Town as follows:

- 3.1. **In person** at the "FINANCE" reception desk of The Blue Mountains Town Hall, 32 Mill Street, Thornbury. Office hours are Monday to Friday, 8:30 am to 4:30 pm. Payment by cash, cheque or direct debit is available. A mail drop box for after hours payment by cheque or money order is located by the east doors of the Town Hall.
- 3.2. **By mail** by sending a cheque, money order or postdated cheque for each instalment to Town of The Blue Mountains, PO Box 310, Thornbury, ON N0H 2P0.
- 3.3. **By courier** by sending a cheque, money order or postdated cheque for each instalment to 32 Mill Street, Main Floor Finance, Thornbury, Ontario N0H 2P0
- 3.4. **Via Financial Institution (Bank)** in person at branch, or through telephone or internet online banking. Payments through this method typically take three days to reach the Town.
- 3.5. **Through mortgage companies** who provide a service to pay property taxes as part of Taxpayer's monthly mortgage instalment.
- 3.6. **Payment by pre-authorized bank withdrawal:** Taxpayers with no outstanding taxes may enrol in one of two Pre-Authorized Payment (PAP) plans by completing and submitting a PAP application (Schedule "D" to this policy) along with a cheque marked VOID.
 - 3.6.1. **Plan #1 – Monthly Pre-Authorized Payment Plan:** One tenth of the amount of the Taxpayer's previous year's annualized taxes will be automatically withdrawn on the first day of each month from January through August. A letter indicating the amount will be mailed in early December. In August, when the Annual tax amount for the year is levied, the monthly payment amount will be recalculated and a letter mailed to Taxpayers indicating the updated amount. This amount will be withdrawn on the first day of September and October. An application for the monthly plan must be received by November 30th for the following year, there is no mid-year enrolment.
 - 3.6.2. **Plan #2 – Due date Pre-Authorized Payment Plan:** On each due date the tax instalment will be automatically withdrawn from Taxpayer's bank accounts.

Taxpayers wishing to enrol in the due date plan must do so by the 15th of the month before a scheduled due date.

- 3.6.3. To cancel the pre-authorization on a tax account, Taxpayers must submit a written request seven days before the monthly payment or a scheduled due date as applicable.
- 3.6.4. Payment by established pre-authorization is not applicable to Supplementary Taxation
- 3.6.5. Pre-authorized payments dishonoured by the financial institution will be subject to returned cheque fees as established by Town Fees and Charges By-law. After two dishonoured payments, the pre-authorization will be taken off the roll account until the account is brought up-to-date.

4. **Payment Application** *The Municipal Act Section 347*

- 4.1. Tax payments will be applied first against late payment charges owing in respect of those taxes according to the length of time the charges have owed, with the charges imposed earlier being discharged before charges imposed later. Then the payment will be applied against the taxes owing according to the length of time they have been owed, with the taxes imposed earlier being discharged before taxes imposed later.
- 4.2. A part payment on account of taxes may be applied in a manner different than set out in 4.1 at the written request of the person making the payment upon approval by the **Tax Collector**.
- 4.3. Annually in November, a tax statement will be mailed to Taxpayers with a credit balance on their tax roll account resulting from payment errors, duplicate payments or overpayments. To obtain a refund, Taxpayers must submit a written request.

5. **Late Payment and Returned Cheque Charges** *The Municipal Act Section 345*

- 5.1. **Penalty and Interest Late Payment Charges:** A penalty at the rate of 1.25% shall be applied on the first day of the month following the month in which the taxes were due and interest shall be charged at the rate of 1.25% on the first day of each month thereafter on the balance of unpaid taxes in accordance with Town Interim and Annual tax By-laws. Failure to receive a tax bill does not excuse a Taxpayer for the responsibility for payment of taxes nor relieve the owner of the liability for the penalty and interest accrued.
- 5.2. **Returned Cheque Charge:** An amount will be charged to Taxpayers for payments returned by the financial institution due to non-sufficient funds according to the Town Fees and Charges By-law.

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5.3. Penalty and interest late payment charges will be adjusted and/or waived in the following circumstances:

5.3.1. Upon a failed tax sale

5.3.2. Upon a reduction due to a Change Event. The adjustment will be calculated on the amount of the reduction only and not the total amount of taxes in arrears.

5.3.3. If charges were as a result of Town staff error or omission.

5.3.4. At the discretion of the Tax Collector with respect to amounts under \$10 or for new owners of property Taxpayers and other such 'good faith' adjustments.

6. Collection of Tax Arrears

6.1. By Mail: Notice of Property Tax Arrears (Schedule "E" to this policy) will be mailed to Taxpayers in default of payment in the month following the second instalment due dates and in January or February of the following year. Additionally, both Interim and Annual Tax Bills will show past due balances in the summary section of the Tax Bill.

6.2. By Telephone: The Tax Collector may attempt telephone contact with Taxpayers in default over \$5,000 in February of the year following to arrange for payment of arrears.

6.3. By Interview: The Tax Collector may attempt to meet with Taxpayers in default over \$5,000 in February of the year following to arrange for payment of arrears.

6.4. Interested Parties: Tax Collector may search the title to the property to determine interested parties to property [i.e. mortgagees] and contact them to advise the tax arrears status of the property. A title search fee to cover the cost of the search will be added to the tax roll account in accordance with the Town Fees and Charges by-law.

6.5. Bailiff Action: The Town may recover taxes with costs as a debt due to the municipality from the Taxpayer originally assessed for them and from any subsequent owner of the assessed land or any part of it. The Town may issue a warrant to distrain for property taxes if the taxes remain unpaid for a period of fourteen days after the instalment due date. Bailiffs will be used where there is the potential that the recovery of tax arrears by the other methods would not cover the outstanding taxes or where other methods are prohibited due to overriding legislation. *The Municipal Act Section 349*

6.6. Legal Action: Legal Action may be taken to recover tax arrears, however this action will be limited to Small Claims Court and Tax Sale Procedures (see 6.10 of this policy) as there is no guarantee of legal cost recovery otherwise. *The Municipal Act Section 349*

6.7. Seize other assets and/or garnish wages: The Town may seize other assets and/or garnish wages, however this action will be limited as there is no guarantee of legal cost recovery. *The Municipal Act Section 351*

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6.8. Set-offs: Where a municipal supplier is also a Taxpayer in default, the Town may set off taxes owed the supplier against a payment owed by the Town to that supplier.

Wherever possible, this will be done through discussion with the Taxpayer/supplier.

6.9. Collection Agency: The Town may use a registered collection agency under *The Collection Agencies Act* to recover taxes. The collection agency may recover its costs as long as the costs do not exceed the amount approved by the Town. The cost for this service may be added to the property tax roll account however this is not the preferred choice of collection tools. If the costs are not reasonable in relation to the value of the land, and taxes owing, a collection agency will not be utilized. *The Municipal Act Section 304*

6.10. Collection through Tax Registration/Tax Sale Procedures *The Municipal Act Part XI*

6.10.1. Properties that are in arrears for two years are eligible for tax registration.

6.10.2. The billing message on the Notice of Property Tax Arrears in Section 6.1 above will contain the phrase “Properties in arrears of tax for 2 years or more are liable for Tax Sale”.

6.10.3. A letter informing property owners of potential tax registration will be sent in advance of initiating the procedures. The letter will indicate a deadline, not less than twenty-one days after the date of the letter by which payment or arrangements suitable to the **Tax Collector** are made.

6.10.4. Once tax registration procedures commence, the property owner or interested party has one year from the date of registration in which to redeem the property by paying the ‘Cancellation Price’ which includes all taxes, penalty and penalty outstanding, including all associated legal and administration fees and costs.

6.10.5. If the ‘Cancellation Price’ is not paid, the property will be advertised for sale by tender or auction according to legislated procedures.

6.10.6. The Town’s solicitor or a contracted tax registration firm may be used to process the required statutory notices/declarations. The administration fee associated with this process is in addition to the charges by the third party firm completing the required statutory notices/declarations and may be defined in the Town Fees and Charges By-law.

7. Tax Write-offs

Tax Write-offs: Taxes will be written-off upon a failed tax sale.

7.1. Taxes will be not be written-off as uncollectable until all methods to collect taxes in Section 6 of this policy have been attempted and are unsuccessful.

POL.COR.00.00

Policy

8. Tax Certificates and Tax Information

- 8.1. Tax Certificates (Schedule “F” to this policy) will be issued to Taxpayers or their solicitors or mortgagees upon written request and the submission of the requisite fee according to the Town Fees and Charges By-law.
- 8.2. Tax Information will be given verbally by staff to Taxpayers or their solicitors or mortgagees, however, errors and omissions in verbal information are excluded; tax status may only be confirmed via a tax certificate.

Exclusions

N/A

References and Related Policies

The Assessment Act

The Municipal Act

The Blue Mountains Fees and Charges By-law

Consequences of Non-Compliance

As noted throughout policy.

Review Cycle

This policy will be reviewed on a regular basis. Amendments may be made at any time at the recommendation of the Treasurer. The appropriate authority must approve any policy changes.



Town of The Blue Mountains
 Box 310, 32 Mill Street, Main Floor Finance
 Thornbury, Ontario N0H 2P0
 Tel: 1-888-BLU MTNS (1-888-258-6867)
 Local: (519) 599-3131 • Fax: (519) 599-2474
 tax@thebluemountains.ca • www.thebluemountains.ca

A

Interim Tax Bill 2019

Tax Roll No.	4242- 000-000-00000-0000
Mortgage Company	
Mortgage No.	
Mailing Date	2019-03-01

NAME AND ADDRESS	MUNICIPAL ADDRESS AND LEGAL DESCRIPTION
TAX PAYER NAME	MUNICIPAL ADDRESS
MAILING ADDRESS	LEGAL DESCRIPTION

This 2019 Interim Tax Bill is based on 50% of 2018 total taxes.
 The Annual Tax Notice in August will reflect Phased-In Assessment for 2019.

For more information on your property assessment please contact MPAC:
 MUNICIPAL PROPERTY ASSESSMENT CORPORATION 1-866-296-6722 www.mpac.ca

Please advise Town promptly of name/address changes or corrections required

	Town	\$261.28	County	\$250.07	Education	\$122.30
INSTALMENTS		TOTAL INTERIM TAX LEVY				\$XXX.XX
Due Date	Amount	PAST DUE / -CREDIT				\$XXX.XX
2019-03-28	\$XXX.XX	TOTAL AMOUNT DUE				\$XXX.XX
2019-05-28	\$XXX.XX					

Notes:

1. Please see reverse for information on payment of taxes.
2. Pre-Authorized Payment [PAP] amounts will be automatically withdrawn.
3. Payment made the last week of February may not be reflected in "Past Due".
4. "Past Due/ -Credit" amount is included in March instalment.
5. Penalty/Interest at the rate of 1.25% of unpaid taxes added on the 1st day of the month following default and on the 1st day of each calendar month thereafter.
6. A charge of \$35.00 will be added for each NSF payment.

E. & O.E.

RECEIVED FROM:		PAY TO:	
Roll No: 4242- 000-000-00000-0000		Town of The Blue Mountains	
NAME		32 Mill St. P.O. Box 310	
MAILING ADDRESS		Thornbury Ontario N0H 2P0	
		(519) 599-3131	
		DUE DATE:	INSTALMENT AMOUNT
		2019-05-28	\$XXX.XX

T\$1000001001000000\$I\$I 16.00

RECEIVED FROM:		PAY TO:	
Roll No: 4242- 000-000-00000-0000		Town of The Blue Mountains	
NAME		32 Mill St. P.O. Box 310	
MAILING ADDRESS		Thornbury Ontario N0H 2P0	
		(519) 599-3131	
		DUE DATE:	INSTALMENT AMOUNT
		2019-03-28	\$XXX.XX

T\$1000001001000000\$I\$I 17.65



Tax Bill

B

Roll No. 4242 000-000-00000-0000	1
Mortgage:	Mortgage No.
Name and Address	Municipal Address/Legal Description
NAME	MUNICIPAL ADDRESS
MAILING ADDRESS	LEGAL DESCRIPTION

Assessment Class and Value	Description and School Support	Town (Lower Tier)		County (Upper Tier)		Province - Education		
		Tax Rate	Amount	Tax Rate	Amount	Tax Rate	Amount	
FTEP	X,XXX	Farmland - English Public	X.XXXXXXXX	\$XXX.XX	X.XXXXXXXX	\$XXX.XX	X.XXXXXXX	\$XXX.XX
RTEP	X,XXX	Residential - English Public	X.XXXXXXXX	\$XXX.XX	X.XXXXXXXX	\$XXX.XX	X.XXXXXXX	\$XXX.XX

Sub Totals >>>		Town Levy	\$XXX.XX	County Levy	\$XXX.XX	Ed Levy	\$XXX.XX
Special Charges		Instalments		Summary			
		August 28, 2019	\$XXX.XX	Tax Levy Sub-Total (Town+ County+/Education)		\$XXX.XX	
		October 28, 2019	\$XXX.XX	Special Charges		\$XXX.XX	
				2018 Tax Cap Adjustment		\$XXX.XX	
				Annual 2019 Levies		\$XXX.XX	
				Less Interim Billing		\$XXX.XX	
				Past Due / - Credit		\$XXX.XX	
Total	\$0.00			Total Amount Due		\$XXX.XX	

Schedule 2

Annual 2017 Levies	Total Year over Year Change	Annual 2019 Levies
\$XXX.XX	\$XXX.XX	\$XXX.XX
Annual 2018 Levies		\$XXX.XX
2017 Annualized Taxes		\$XXX.XX
2018 Town Levy Change		\$XXX.XX
2018 County Levy Change		\$XXX.XX
2018 Education Levy Change		
2018 Tax Change Due to Reassessment		\$XXX.XX
Annual 2018 Levies		\$XXX.XX

Schedule 3

	Commercial	Industrial	Multi-Res.
2018 CVA Taxes	\$0.00	\$0.00	\$0.00
2017 Annualized Taxes	\$0.00	\$0.00	\$0.00
2018 Tax Cap Amount	\$0.00	\$0.00	\$0.00
2018 Education Levy Change	\$0.00	\$0.00	\$0.00
2018Municipal Levy Change	\$0.00	\$0.00	\$0.00
Annual 2018 Taxes	\$0.00	\$0.00	\$0.00

Town of The Blue Mountains
 32 Mill St. P.O. Box 310
 Thornbury, Ontario N0H 2P0
Please make cheque payable to: Town of The Blue Mountains
Pay promptly to avoid penalty. Return Bill intact if receipt
required, otherwise, return stub only. 1.25% of unpaid taxes
will be added as penalty on the first day of the month after due
date and on the first day of each month thereafter until paid.
SEE REVERSE OF BILL FOR FURTHER INFO

PLEASE DETACH AND SUBMIT WITH PAYMENT THANK YOU

Received from:	
Roll #	4242 000-000-00000-0000
Name	NAME
Address	MAILING ADDRESS
Due Date	Total Due
October 28, 2019	\$XXX.XX

T\$1000001001000000\$I\$I 28.00

Town of The Blue Mountains
 32 Mill St. P.O. Box 310
 Thornbury, Ontario N0H 2P0
Please make cheque payable to: Town of The Blue Mountains
Pay promptly to avoid penalty. Return Bill intact if receipt
required, otherwise, return stub only. 1.25% of unpaid taxes
will be added as penalty on the first day of the month after due
date and on the first day of each month thereafter until paid.
SEE REVERSE OF BILL FOR FURTHER INFO

PLEASE DETACH AND SUBMIT WITH PAYMENT THANK YOU

Received from:	
Roll #	4242 000-000-00000-0000
Name	NAME
Address	MAILING ADDRESS
Due Date	Total Due
August 28, 2019	\$XXX.XX

T\$1000001001000000\$I\$I 29.44



Town of The Blue Mountains
 Box 310, 32 Mill Street, Main Floor Finance
 Thornbury, Ontario N0H 2P0
 Tel: 1-888-BLU MTNS (1-888-258-6867)
 Local: (519) 599-3131 • Fax: (519) 599-2474
 tax@thebluemountains.ca • www.thebluemountains.ca

SUPPLEMENTARY 2018

Billing Date November 6, 2018

C

TAX NOTICE

NAME AND ADDRESS		MUNICIPAL ADDRESS & LEGAL DESCRIPTIONS					
NAME		MUNICIPAL ADDRESS					
MAILING ADDRESS		LEGAL DESCRIPTION					
Tax Roll No. 4242 000-000-00000-0000		Account No. XXXXX		Document No. 000000			
Mortgage Company		Mortgage No.					
ASSESSMENT Class	Value	MUNICIPAL Rate	Tax Amount	COUNTY Rate	Tax Amount	EDUCATION Rate	Tax Amount
RTEP	\$X,XXX .XX	X.XXXXXXXXXX	\$XXX.XX	X.XXXXXXXXXX	\$XXX.XX	X.XXXXXXXXXX	\$XXX.XX
Sub Totals		Municipal	\$XXX.XX	County	\$XXX.XX	Education	\$XXX.XX
Installments			Summary				
November 30, 2019 0, 0			\$XXX.XX		TOTAL TAX LEVY		\$XXX.XX
Comments		Supplementary Assessment					
Effective Date: September 1, 2019		Pro-rated Days: 122/ 365					
Total Assessment Change:		\$X,XXX.XX					
A zero dollar assessment change indicates a Tax Classification Change.							

RECEIVED FROM:	PAY TO:	
Roll No. 4242 000-000-00000-0000	Town of The Blue Mountains	
Name(s) NAME	32 Mill St. P.O. Box 310	
Address	Thornbury, Ontario N0H 2P0	
ADDRESS	DUE DATE	2ND INSTALLMENT
	December 15, 2019	\$XXX.XX

RECEIVED FROM:	PAY TO:	
Roll No. 4242 000-000-00000-0000	Town of The Blue Mountains	
Name(s) NAME	32 Mill St. P.O. Box 310	
Address	Thornbury, Ontario N0H 2P0	
ADDRESS	DUE DATE	1ST INSTALLMENT
	November 30, 2018	\$XXX.XX

Town of The Blue Mountains

Options for Paying Your Taxes

1. **In Person:** At the FINANCE Reception Desk, Main Floor, 32 Mill Street, Thornbury. Office Hours are Monday to Friday, 8:30 am to 4:30 pm. Direct Debit accepted (Credit Cards *not* accepted). There is a box marked 'After Hours Mail Drop Box' outside the east doors [Mill Street entrance] where you can drop cheque/money order payments.
2. **By Mail:** Send your cheque/money order payable to *The Blue Mountains* to: PO Box 310, Thornbury, ON N0H 2P0. Please include payment stub, or indicate the tax roll account number on the payment.
3. **By Courier:** Send your payment to 32 Mill Street, Main Floor Finance, Thornbury, ON N0H 2P0.
4. **At Bank:** Ensure Teller selects *Blue Mountains (Town of) Tax* and not your Utility account. There is a 'Transfer Fee' of \$20 charged for incorrect payment per instance, after the first instance.
5. **Telephone:** Check with your financial institution for information on setting up this method of payment.
6. **Internet:** To set up, search 'Payees' for *Blue Mountains (Town of) Tax*. When entering account number, use the first 15 digits of the roll number ie 424200000123456 (leave off the last four zeros). **EXCEPTION RBC customers: 4242 is hardcoded and last four zeros have to be included.** Please note that if you have your taxes and utilities set up for payment via internet, always ensure to select your 'Tax' account when making tax payments and not your 'Utilities' account. There is a 'Transfer Fee' of \$20 charged for incorrect payment per instance after the first instance.
7. **Through a Mortgage Company:** Mortgage companies may provide a service to pay property taxes as part of your monthly mortgage instalment. The Town sends information on the tax amounts due directly to your mortgage company. You will receive the Final Tax Bill in August of each year for your information. Please retain this bill for income tax purposes.
8. **Pre-Authorized Payment Plan "PAP":**

Plan #1 – Ten Monthly Withdrawals – 1/10th of the amount of your previous year's taxes will be automatically withdrawn on the first day of each month from January through August. A letter indicating this amount will be mailed in early December.

NEW FOR 2016 In August, when the final tax amount for the year is levied, the monthly payment amount will be recalculated and a letter mailed to you. This new payment amount will be withdrawn on the first day of September and October. There will no longer be a November 1st reconciliation payment or refund.

An application for the monthly plan must be received by November 30th for the following year, there is no mid-year enrolment.

Plan #2 – Four Withdrawals on the Due Dates - On each of four due dates, the end of March, May, August and October, the tax instalment will be automatically withdrawn from your bank account. ***An application for the due date plan must be received by the 15th of the month that the tax instalment is due.***

Notes:

- *Taxes must be paid in full before enrolling in either plan.*
- *You do not have to reapply every year.*
- *For your information, you will continue to receive Interim and Final Tax Notices. These notices will be marked as being paid via 'PAP'. For monthly PAP taxpayers, the balance shown as 'Past Due' on the tax bill is the amount on the account as of the day the bill was prepared, no payment is required.*
- *If/when you sell your property, please notify the Town in writing to remove the pre-authorization from the tax roll account.*

<see next page for Pre-Authorized Payment Plan Application>



Pre-Authorized Payment Plan Application

Please complete this application and return it with a cheque marked VOID OR an account information sheet from your bank, to **“Town of The Blue Mountains”** via one of the following methods:

- In Person:** Reception Desk, 32 Mill Street, Thornbury, ON
- By Mail:** PO Box 310 32 Mill Street, Thornbury, ON N0H 2P0
- By Courier:** 32 Mill Street, Main Floor, Finance, Thornbury, ON N0H 2P0
- By Fax:** 519-599-2474
- By e-mail:** tax@thebluemountains.ca

First Time Application **Information Update**

Name(s): _____

Roll Number of Property: 42-42-000-0 ____ - ____ - ____ - ____ - 0000

Property Address: _____

Mailing Address (if different from above): _____

Telephone # home _____ **Telephone # work** _____

Fax # _____ **E-mail** _____

Pick Your Plan (please check one):

- Plan #1 – Ten (10) monthly instalments January to October**
(plan available by Nov 30th of each year for the next year.)
- Plan #2 - Four (4) regular tax instalment due dates**
(plan available up until the 15th of the month the instalment is due.)

I / We authorize Town of The Blue Mountains to debit my / our account as indicated for all estimated property taxes payable to Town of The Blue Mountains. The treatment of each payment shall be the same as if I / We had personally issued a cheque authorizing payment from my / our account. This authorization may be cancelled upon written notice by me / us.

Signature of account holder: _____

Signature of joint account holder: _____



TOWN OF THE BLUE MOUNTAINS

32 MILL ST - MAIN FLOOR FINANCE
P.O. BOX 310 THORNBURY ON N0H 2P0
Tel: (519) 599-3131 ext 225 Fax: (519) 599-2474
tax@thebluemountains.ca www.thebluemountains.ca

E

NAME Date of Issue: February 5, 2019
Roll #: 4242 0000000000000000
ADDRESS Civic Address: CIVIC ADDRESS
Legal Address: LEGAL ADDRESS

Notice of Property Tax Arrears

The following is a statement of your tax account as at **2019-02-05** including penalty and interest to the end of the month.

Year	2016 & Prior	2017	2018	2019	Totals
Tax	\$XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX
Penalty/Interest	\$XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX
Total Due	\$XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX	\$X,XXX.XX

Notes:

Penalty/Interest of 1 1/4% per month of unpaid taxes added 1st of month.
Payment applied first to penalty/interest from oldest through most current and then to taxes from oldest through most current.
Payment made in week prior to this notice may not be reflected in totals.
Taxes payable at the Town Office, at banks, or via telephone/internet banking.

Properties in arrears of tax for 2 years or more are liable for Tax Sale.

Kris Couture Tax Collector 1-888-258-6867 x 225
kcouture@thebluemountains.ca

Please detach and return this portion with your payment.

REMITTANCE STUB

NAME

ADDRESS

The Blue Mountains
PO Box 310
32 Mill Street Main Floor Finance
Thornbury, Ontario
N0H 2P0

Roll #: 4242 0000000000000000

Tax Arrears Due: \$XX,XXX.XX

Amount Paid:



TOWN OF THE BLUE MOUNTAINS

32 MILL ST - MAIN FLOOR FINANCE
 P.O. BOX 310 THORNBURY ON N0H 2P0
 Tel: (519) 599-3131 ext 225 Fax: (519) 599-2474
 tax@thebluemountains.ca www.thebluemountains.ca

F

TAX CERTIFICATE

Prepared For:	Property Roll Number
LAWYER NAME EMAIL/FAX/ADDRESS	4242 000-000-00000-0000
Assessed Owners	Legal Description
NAME	LEGAL DESCRIPTION
ADDRESS	Municipal Address
Certificate No: XXXX Fee: \$XX.XX Your File No: XXXX	MUNICIPAL ADDRESS

Statement of Current Taxes for 2019				
Taxes Levied to Date	Special Charges	Penalty	Amount Paid	Current Taxes Owing
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Statement of Past Due Taxes				
Year	Taxes	Penalty	Past Due Taxes Owing	
2018	\$0.00	\$0.00	\$0.00	
2017	\$0.00	\$0.00	\$0.00	
2016	\$0.00	\$0.00	\$0.00	
2015	\$0.00	\$0.00	\$0.00	
Sub-Total of Past Due Taxes:				\$0.00
Total Taxes Owing and Billed at Date of Certification:				\$0.00

Penalty at a rate of 1.25% of unpaid taxes will be added on the 1st day of the month following default and on the 1st day of each calendar month thereafter.

Details of Special Charges - Current Year				Details of Current Year Taxes	
By-Law No.	Description	Amount	Expiry Year	Interim	Annual
				Total Previous Year Taxes Levied	
				\$XX,XXX.XX	

Comments:

I hereby certify that, subject to the following qualifications, this statement shows:

- All arrears of taxes returned to this office and due against the property described herein.
- The current amount of taxes levied to date on the real property described herein and the amount of current year's and prior year's taxes owing as at the date of certification.
- That no part of the lands described herein have been sold for taxes and no certificate of tax arrears has been registered against said lands unless specifically identified.

Certified as at: 2019-02-05

Qualifications

- This certificate is subject to additional taxes which may become payable under Sections 33 and 34 of the Assessment Act, R.S.O. 1990.
- This certificate is subject to tax adjustment provisions of Section 39 of the Assessment Act R.S.O. 1999 and Sections 354, 356 and 357 of the Municipal Act, 2001.
- The total taxes shown may include additions to the Tax Collector's roll as authorized by provincial legislation.
- The information on this certificate is based on cheques tendered but not necessarily honoured by the institution upon which they were drawn.

Treasurer

Ruth Prince, Director of Finance and IT Services/Treasurer