



TOWN OF KENTVILLE POLICY STATEMENT G12 TAX COLLECTIONS

1.0 PURPOSE

A general guideline is required to outline an effective process for the collection of outstanding taxes. These taxes are essential for the Town of Kentville to run an effective operation and provide taxpayers with the services to which they are entitled.

2.0 DEFINITIONS

3.0 SCOPE

It is the policy of the Town of Kentville that all taxpayers should be treated equally. In this regard, tax collection procedures on outstanding tax accounts will proceed following the due date of the final tax billing. The circumstances surrounding each outstanding tax case will be given consideration and will be dealt with on an individual basis. Every reasonable attempt will be made to work out mutually satisfactory payment arrangements.

4.0 PROCEDURES

4.1 RESIDENTIAL / RESOURCE / COMMERCIAL / COMMERCIAL EQUIPMENT

Council has given direction that all taxpayers are to be treated the same. It is not fair to those who have paid their taxes to allow others not to pay. Tax dollars are needed to provide essential services - police and fire protection and snow-plowing. The Town does not want the taxpayer's real property, it wants the tax dollars. The message to the taxpayers will be consistent.

- (1) A computer-generated reminder notice will be sent 30 days after the due date of the interim and final tax billing. The notice will contain the following message: **Please remit total due immediately or contact Tax Collector to make payment arrangements.**
- (2) A second reminder notice will be sent 60 days after the due date of the interim and final tax billing. The second notice will contain the following message: **Please contact the Tax Collector to make payment arrangements or remit total due immediately to avoid tax sale warning.**

NOTE: Ongoing telephone contact will be made at the discretion of the Tax Collector. All contact, or attempted contact, with taxpayers will be recorded to provide support in the event the property goes to tax sale. Any arrangements made will be confirmed by letter to the taxpayer.

(3) A tax sale warning will be issued 45 days prior to the end of the fiscal year. The warning will contain the following message: **If payment not received by March 31, 19__, this property will be subject to Tax Sale.**

(4) Tax sale procedures as outlined in the Assessment Act (Sections 135-145) will be followed.

4.2 BUSINESS OCCUPANCY

Council has given direction that all taxpayers are to be treated the same. It is not fair to those who have paid their taxes to allow others not to pay. Tax dollars are needed to provide essential services - police and fire protection, snow-plowing, etc. The Town does not want the taxpayer's real property, it wants the tax dollars. The message to the taxpayers will be consistent.

(1) Personal contact will be made immediately following the due date of the interim tax bill or if closure of business is noted. Payment arrangements will be discussed at this time. Contact will continue on an on-going basis if necessary. All contact, or attempted contact, with taxpayers will be recorded to provide support in the event the property goes to tax sale. Any arrangements made will be confirmed by letter to the taxpayer.

(2) A Notice of Rating (as per Section 107(1) of the Act) will be sent by registered mail or delivered in person immediately following the due date of the interim and final tax bill (as per Form F of the Act).

(3) If payment has not been received by the date noted on the Notice of Rating, or if intent to vacate has been noted, a Warrant for Distress will be issued. The warrant will be directed to the sheriff, who will supervise the process through to completion, including the sale of the goods (as per Form G of the Act). Any costs incurred during this process will become the responsibility of the taxpayer.

Date Created: January 12, 1994
Revisions: September 9, 1998

4.3 TAX SALE

The procedures listed follow those outlined in the Assessment Act.

1. Prepare a schedule of properties in arrears of taxes as per Section 135 (1) & (2) of the Assessment Act.

2. During the preparation of the schedule, the assessor shall furnish any information on the property which is necessary to include in the schedule (Section 135 (5)).
3. The schedule will be signed by the treasurer (Section 135 (3)).
4. The Director of Assessment is sent a copy of the schedule (Section 136).
5. The Director carefully examines the schedule and notes, in red ink, any corrections, transfers of title and encumbrances.
6. The schedules are signed by the Director and returned to the treasurer.
7. The treasurer will make diligent inquiries as to the ownership of, and any encumbrances affecting, the property. At this point, the Town Solicitor is to conduct a title search and determine potential or actual liens.
8. Any expenses incurred, such as survey costs, lawyer fees, and so on, will be considered a lien on the property, when we know the cost is to be incurred. Costs associated with such services will be considered a lien the moment the request for service takes place. In some instances, when invoices are not yet available, the pending expense will have to be noted on tax certificates, etc.
9. The treasurer prepares tax sale notices to appropriate individuals (owners & encumbrances), with any extra costs added.
10. The treasurer serves notice (Section 141 (1)) of tax sale to owner by registered mail or by posting on the property (Section 141 (4)). The notice will contain the following information:
 - a. A general description of the property.
 - b. The amount of arrears. Interest shown on the notice will be accumulated to the end of the 60-day period allowed for payment. If the taxpayer pays earlier, the interest will be adjusted accordingly.
 - c. A statement that the property is liable to be sold under the authority of the Assessment Act, unless all arrears and expenses listed are paid within 60 days of the date of notice.
11. If the amount owing on the 60-day notice is not paid by the date specified, a warrant is then prepared (Section 143). The warrant sets out the amount that will be advertised in the paper. This would include any amounts from the 60-day notice that were not paid, further interest accumulation to the anticipated tax sale date, and any further expenses, such as the cost of the advertising. The warrant is then authorized by the mayor.

12. Upon receipt of the warrant, the treasurer will proceed to advertise the properties to be sold and the time, date and place that the public auction will take place. The advertisement will begin at least 30 days prior to the date of the sale and will be inserted once a week until the sale date. The street and number of the property will be identified, together with a statement that a full description may be seen at the town office. The ad will also state that the property will be sold for the arrears and expenses as advertised, unless payment is received in full prior to the sale.

4.4 OUTSTANDING TAXES: PAYMENT ARRANGEMENT CRITERIA

Taxes for the current year are due and payable September 30 of the current year. Technically, taxes are in arrears on April 1, of the next fiscal year. Payment arrangements should not be necessary if tax accounts are kept current, however, over the past few years, numerous accounts have fallen substantially in arrears.

In order to bring the accounts in arrears as current as possible, payment arrangements may be considered in situations where the property owner is unable to pay in full. For these cases, it is important to establish criteria to enable the tax collector to determine eligibility for the orderly payment of outstanding taxes.

In the case of **RESIDENTIAL**, consideration should be given to:

1. Whether the property owner is on social or other assistance.
2. Ability to pay (income, net worth, etc.).
3. Is property currently mortgaged, a mortgage company would have interest in the property.
4. Have prior arrangements been honoured?
5. Generally speaking, account should be current within one fiscal year.

In the case of **COMMERCIAL REAL**, consideration should be given to:

1. Ability to pay.
2. Is property currently mortgaged, a mortgage company would have interest in the business.
3. Have prior arrangements been honoured?
4. Generally speaking, account should be current within one fiscal year.

In the case of **BUSINESS OCCUPANCY**, because there is no lien on real property and, therefore, no security, payment arrangements will be extremely rare. Businesses often close without notice, so the following options will, in most cases, be considered:

1. Issue and serve a warrant.
2. Sue

Where business occupancy and commercial real are with the same owner, business occupancy will be paid first.

4.5 GENERAL COMMENTS

Any deviations from the above criteria must first be cleared through the Chief Administrative Officer.

Payment arrangements made on outstanding amounts over \$10,000 must be approved by the Chief Administrative Officer.

Payment arrangements made on outstanding amounts over \$50,000 must be approved by Council.

5.0 ASSOCIATED DOCUMENTS

Resolution Regarding Tax Procedures and Interest Charges

6.0 POLICY REVISION HISTORY

Date Created:	September 12, 1994
Revision:	September 9, 1998
	February 9, 2000
	January 2017. Reformatted.



CAO Mark Phillips

RESOLUTION

RE: TAX BILLING PROCEDURES AND INTEREST CHARGES

BE IT RESOLVED by the Council of the Town of Kentville that the following resolution entitled "Tax Billing Procedures and Interest Charges" be hereby adopted and recorded in the bylaw book pursuant to the Assessment Act:

1. An interim tax bill will be calculated and issued each year, and such bill will be due and payable on the last day of May in each taxation year. The interim bill will be approximately one-half of the total prior year's tax levy.
2. A final tax bill will be calculated using the assessment data supplied each taxation year by the Assessment Department of the Province multiplied by the tax rates set each taxation year by resolution of Council, less any payments made to the interim bill and such bill will be due and payable on the last day of September in each taxation year.
3. Interest shall be charged at the rate of 12.0 per cent per annum, calculated monthly, on overdue rates and taxes, effective June 1, 1994.

THIS IS TO CERTIFY that the foregoing resolution was passed at a duly called meeting of the Town Council of the Town of Kentville held on the 11th day of May, A.D., 1994.

GIVEN under the hand of the Town Clerk and under the corporate seal of the Town this 12th day of May, A.D., 1994.

TOWN CLERK

Revisions applied – see policy book