The Corporation of the Township of Pickle Lake
By-Law 2023-16
Being a By-Law to adopt a Tax Billing and Collection Policy

WHEREAS, The Municipal Act, 2001 is the governing legislation that sets out Tax Billing and collection processes and procedures:

NOW THEREFORE, The Council of the Corporation of the Township of Pickle Lake enacts as follows:

1. THAT the Tax Billing and Collection Policy for the Township of Pickle Lake form titled Schedule "A" shall be attached to and forrn part of this By-Law, and;

2. FURTHER THAT this policy will provide guidance to both Council and Staff and will provide a basis for decisions relating to Tax Billing and Collection Procedures for all ratepayers in the Township of Pickle Lake, and;

3. FURTHER THAT this policy is designed to be implemented in accordance with the governing legislation, and;

4. FURTHER THAT should there be incongruencies between the Policy and the Legislation, the provisions of the Legislation will prevail, and;

5. FURTHER THAT By-Law #2017-21 be rescinded, and;

6. FURTHER THAT this By-Law shall come into force and take effect as of its passing.

NOW THEREFORE, By-Law #2023-16 be read a FIRST, SECOND and THIRD time and finally passed this 27th day of June 2023.

READ A FIRST AND SECOND TIME THIS 27th DAY OF JUNE 2023.

ED THIS 27th DAY OF JUNE 2023.

Jim Dalzell, Mayor

Lynda Colby

READ A THIRD AND PASSED THIS 27th AY OF JUNE 2023.

Lynda Colby, Clerk

Schedule 'A' to By-Law 2023-/&

Tax Billing and Collection Policy
The Corporation of the Township of Pickle Lake

PURPOSE:.

To establish a policy that provides guidance to staff for the effective and efficient collection of property taxes and to ensure that all taxpayers are treated fairly and equitably with respect to collection of their property taxes.

POLICY STATEMENT:

The guidelines contained in this policy serve to supplement the provincial legislation that governs this area, especially for situations where a choice is provided to allow for the Clerk or designate to use their discretion and for issues where the legislation is quiet. Legislation which should be reviewed within the context of tffs policy is the Municipal Act, 2001, with particular attention to parts VIll, IX, X and XL Council for The Corporation of the Township of Pickle Lake therefore wishes to ensure that collection procedures are appropriate within the requirements of the legislation relative to tax collection.

SCOPE:

The scope of this document is intended to cover only the aspects of "collection" of property taxes, and any accounts added as taxes for collection. This document will not incorporate 'billing" policies as these are covered annually with the Interim Billing and Final Filling Collection Py-Laws as well as under the Municipal Act, 2001.

ACCOUNTABILITY:
The Clerk or designate are responsible for ensuring that outstanding Property Tax collection processes are performed in accordance with this policy and all applicable legislation. In addition, the Clerk or designate are responsible for:

- Ensuring this policy remains consistent with current legislation;
- Ensuring that applicable staff are aware of and trained on this policy;
- Communicating any policy revisions to applicable staff; and,
- Assessing overdue Property Tax accounts to ensure tax collection processes are performed in accordance with this policy.

DEFNITIONS:

Municipal Tax Sale: means the sale of land for Tax Arrears according to the proceedings prescribed under the Municipal Tax Sales Act and Ontario Regulation 181/03.

Penalties and Interest: means;amppntsap lied by the municipality to unpaid Property Tax. Accounts in accordance with Section 345 of the Municipal Act, 2001.

Schedule 'A' to By-Law 2023-

Tax Billing and Collection Policy
The Corporation of the Township of Pickle Lake

Property Taxes: means the total amount of taxes for municipal, county and school board purposes levied on a property and includes other mounts added to the tax roll as may be permitted by applicable Provincial Legislation.

Tax Arrears: means any portion of Property Taxes that remain unpaid after the date on which they were due.

INTEREST AND PENALTY CHARGES:

In accordance with Section 343 of the Municipal Act, 2001, interest at a rate of 1.25% per month is added to previous years' arrears and Penalty at a rate of 1.25% may be added to overdue taxes for each month or portion thereto, but interest may not accrue until the first day of default.

Penalty and Interest charges are adjusted only in accordance with the following situations:

- Tax Adjustments made under section 357/358 of the Municipal Act, 2001;
- Assessment Review Board Decisions;
- Payments that have been received before month end but have not been processed through the tax system prior to penalty and interest being added; e Approved by the Clerk or designate as a gross or manifest clerical error.

PAYMENTS:

Payment of taxes must be received in the Municipality Administration Offce or be post marked on or before the due date. Payments not received on time are subject to Penalties and Interest. The following are the modes of payments available for the property owner's use and convenience:

- Telephone — using the roll number as the account number, administration is able to process credit card payments over the phone and mail or email copies of the receipt to the property owner • Post-dated cheques
- In person — at the counter by cash, cheque, debit/credit card or money order • Payments by a mortgage holder
- By mail - to PO Box 340, Pickle Lake, ON POV 3AO
- Receipts will be provided for all payments upon request by the registered owner for all methods of payment. To registered owners whose payments are made on their behalf by a mortgage company, the receipt will be sent to the registered owners once payment has been received.

- In accordance with the Municipal Act, 2001 Section 347 payments shall be applied as follows: o First to the oldest to the current of all taxes o Oldest to current of all interest and penalty charges o Then to other charges that have been added to the roll (if any).

RETURNED PAYMENTS:

Payments that are returned by the bank marked "insufficient funds or non-sufficient filtlds" will be subject to the NSF fee plus any other applicable bank fees.

TAX ARREARS COLLECTION:

Realty taxes are a secured special lien on land in priority to any other claim (except a claim by the Crown). Taxes may be recovered (with costs) as debt to the Municipality from the registered owner and/or any subsequent owner of the property.

The Municipality will primarily use the following methods to collect Tax Arrears:

- Monthly Tax Arrears Statements
- Verbal Communication
- Sending a personalized reminder letter to those approaching one and a half years in arrears
- Sending a personalized reminder letter to those approaching two years or more in arrears
- Arranging a satisfactory term of payment that significantly reduces the previous and current taxes
- Legal Action
- Municipal Tax Sale Proceedings

To remind property owners that their tax account is not in good standing, the Clerk or designate shall send a reminder notice to each property owner whose account is past due. Tffs shall take place at the beginning of each month following the addition of monthly penalty and interest charges.

At least once per year, the municipality shall review the Property Aged Trial Balance for owners whose taxes are approaching one (1) and two (2) years in arrears. A personalized reminder letter will be sent to the affected property owner providing them with their options and giving them the opportunity to

bring their account into good standing. Ifthe letter is a final notice a deadline will be given and no further notices will be sent after that.

Payment arrangements with the property owner may be entered into with the Clerk or designate prior to the file being forwarded to a third party to. conmence proceedings under the Municipal Tax Sales Act. However, payment arrangements must include all tax arrears, current taxes, as well as penalties and interest and be suffcient to ensure payment in full is realized withing a reasonable period oftime. Penalties and interest will continue to accrue during all such payment arrangements until full payment on the account has been realized.

- If acceptable payment arrangements are negotiated, the account will be monitored for compliance. If there are two consecutive missed payments, or two payments are returned within six (6) months, the payment

•arrangements will be deemed caneqlled and the taxpayer will be advised that payment is equired in full uby.eertifiedcheque$öt money order or the a account will be sent to a party to commence the Tax Sale PrMunicipal Tax Sales Act. oceedings.

Staff Level for Authorization	Residential	Non-Residential
Clerk or desi ate	1 8 months	12 months

TAX SALE REGISTRATION/TAX SALE:

Properties that are in arrears for two (2) years are eligible for tax registration under the Municipal Tax Sales Act. The property owner or interested party has one year from the date of registration in which to redeem the property including all taxes, outstanding interest and penalty, including any associated costs, A contracted tax registration firm may be used to process the required statutory notices/declarations. Ihe Township administration fee associated with this process is in addition to charges by the third party firm completing the required notices/declarations as are defined in the Fee By-Law.

In October of each year (or thereabouts), letters in notice of outstanding arrears shall be sent to each property which will be in the Second (2nd) year as of the first day of January the following year. The letters will advise of the Tax Sale proceedings should the taxes remain unpaid. Registered letters will be sent out in January to any who have not responded to the arrears letters.

Priority of tax accounts for collection is as followed:

- Tax accounts with more than two previous years outstanding
- Tax accounts with two previous years outstanding
- Tax accounts with one year previous outstanding
- Tax accounts with current year only outstanding

A collection letter shall be sent to the property owner prior to the use of any means of collection according to the Municipal Tax Sales Act.

MUNICIPAL TAX SALE PROCEEDINGS:

If acceptable payment arrangements are not negotiated prior to the deadline date provided in the Final Notice, then all properties in excess of2 years in arrears shall be subject to the Municipal Tax Sale Process.

The Township of Pickle Lake will engage a third TO CARRY OUT THE Tax Sae Process as outlined in the Municipal Tax Sales Act.

If a Tax Sale has been registered against a property under the Municipal Tax Saes Act, no partial payments can be accepted by the Municipality. A payment in full of all outstanding property taxes of two (2) years is required to bring the property out of tax sale. Payment of the Cancellation Price will include all and any fees incurred by the Municipality during the collection process.

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Failure to provide payment in full within 280 days of the registration of the Tax Arrears Certificate will result in the property being advertised for public sale.

MISCELLANEOUS:

From time to time property tax accounts may experience credit balances for various reasons, such as reduction in assessment, tas class change, duplicate payment or payment error. Credit balances may be refunded as long as the owner makes a request in writing and as long as all instalments billed have been cleared.

If an owner of a property fails to notify the Municipality of a change of address, resulting in the return of their mail, no further action will be taken by the Mnicipality to locate the whereabouts of the owner.