

THE RURAL MUNICIPALITY OF PINEY

“Procedure for Tax Arrears Notice”

Subject: Tax Arrears Notice Procedure

Effective Date: February 26, 2014

Replaces Procedure: New

Resolution No.: 52 Resolution Date: February 25, 2014

A. PURPOSE:

The Tax Arrears Notice is a letter that is sent out to rate payers within the RM of Piney stating that they are owing taxes on a certain property that date over two years back. This letter is merely a reminder to rate payers that if they do not pay for the latest year owing, there will be Tax Sale costs placed on their property if not paid by the stated deadline.

The process of tax sale is so rate payers pay their taxes at a date no later than two years back. The RM of Piney chooses to be partaking in tax sales as a means of collecting taxes for properties that are in arrears. It is not mandatory for the RM to issue this letter to said rate payers, but choose to do so as a common courtesy reminder so individuals can clear up their account before large charges are placed on their property from Tax Sale costs.

B. PROCEDURE:

If you have not paid your last two years of taxes that are past their due dates, your property is eligible for the tax sale process. Once a property is placed on the tax sale list, costs will be continued to be incurred to the tax sale date and added to the amount required to redeem. If the costs and taxes due are not paid by the deadlines set out by the tax sale agency, the property then at that time may be sold at

the auction for less than the amount of the tax arrears and if this is the case, the balance of the arrears and costs owing is deemed to be cancelled.

Rate payers that are two year late in tax payments will be issued a letter in the January following the last year of taxes owing. Letters are issued to individuals who have two years owing on their taxes as a form of courtesy to remind them that if these taxes are not paid by the date mentioned in the letter, their property will be placed on the Tax Sale list. An amount will be provided on the notice for the amount owing on taxes for the latest year. Once the amount stated is paid, said property will no longer be eligible to be placed on the Tax Sale list, but will still be left owing with the following years taxes.

Once your property is on the Tax Sale List, tax sale costs will be implemented to your account during said time. The amounts vary and are not profit to the RM, but are distributed to the Tax Sale agency handling the process. During this time, if you do not pay your latest year owing, your property will be placed as a tax sale. Deadlines for this process also vary and are determined by the tax sale agency.

There is the option of a rate payer who is two year late in tax payments to enter into a Tax Sale Agreement. Tax Sale Agreements allow the individual to pay off their taxes owing in twelve months, but during this time must pay for both past due years, as well as the current years taxes as well. The RM will not entertain entering into an agreement with a rate payer who has defaulted on a Tax Sale Agreement in the past.