
DEPARTMENT: CORPORATE SERVICES

TITLE: **TAX COLLECTION POLICY**

Minutes reference date: 24 February 2003

1st Revision date: 19 December 2005

2nd Revision date: 6 April 2009

PURPOSE:

To set out policy and guidelines for the collection of all outstanding taxes due to the Town of Amherst in accordance with the provisions of the *Municipal Government Act, S.N.S., 1998, c.18, Part VI, "Tax Collection"*.

1. BILLINGS, NOTICES AND REMINDERS

1. Under the adoption of a resolution by Council each year, interim tax bills may be issued. They are to be calculated in accordance with the Town's Instalment Billing Policy, #03800-03.
2. Following the setting of the tax rate, final tax bills shall be issued, due no earlier than 30 days from the date of issue.
3. At Council's discretion and following the setting of the tax rate, tax bills may be issued once during the year.
4. Statements of account shall be issued periodically throughout the year for all amounts due, and shall contain either of the following headings:
 - (a) Reminder – Overdue Account
 - (b) Tax Sale Warning
5. Discretion is exercised by the person fulfilling the duties of Tax Collector, who may suppress the dispatch of notice on certain accounts because of special circumstances or smallness of balance. As a general rule, however, all procedures will be followed right up to an actual Tax Sale if the arrears are \$100 or more. (With this first notice of intended sale, there is some benefit in mailing notices to property owners owing less than \$100 in an endeavour to induce payment to clear accounts.)

2. INTEREST ON OVERDUE ACCOUNTS

Simple interest at the rate of one percent per month shall be added to each account for which taxes have not been paid in full by the due date.

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3. INTEREST ON OVERPAYMENTS/APPEALS

Where an overpayment of taxes has been made, or where an assessment appeal is pending, the Town shall pay interest on the excess taxes paid at the rate of 0% per annum from the date of overpayment.

(For greater clarity, Section 114(1) of the *Municipal Government Act* states: “**Taxes on property may be collected or recovered even if the assessment of the property is under appeal.**”)

4. FEE FOR EXECUTION OF WARRANT

The person executing a warrant is entitled to be reimbursed in the amount of 30% of the total collected.

5. COLLECTION LIMIT

If the amount of taxes, including interest, is below one hundred dollars (\$100.00), then, in accordance with Section 134(4)(b) of the *Municipal Government Act*, the property shall not be put up for tax sale.

6. PRELIMINARY NOTICE

The time period for payment of overdue taxes to be set forth in the preliminary notice described in Section 138 of the *Municipal Government Act* shall be extended from 14 days to 21 days.

7. TAX CERTIFICATES

The fee for a Tax Certificate shall be the sum of Fifty Dollars (\$50.00) for each certificate. There shall be only one certificate for each property.

8. FEE FOR ISSUING OF TAX DEEDS

Deeds for property purchased at tax sales shall be prepared and registered by the Town Solicitor and it shall be the responsibility of the purchaser to refund the Town for the full cost of having the deed prepared and registered, in accordance with Section 155 of the *Municipal Government Act*.

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9. PAYMENT ARRANGEMENTS

The Town of Amherst hereby delegates to the Treasurer the power to enter into tax arrears payment agreement with the taxpayer, pursuant to Section 134(4)(3) of the *Municipal Government Act*. Such payments shall be made in accordance with the Tax Collection Procedures adopted by Council.

10. SURVEYS FOR PROPERTIES TO BE SOLD AT TAX SALE

Included in the documentation of the tax sale file shall be the PID number and map showing the location of the property and its boundaries, and any buildings that appear on the property. This policy shall permit the Treasurer, if he or she deems it necessary, to engage a survey firm to perform work on a property which may include a survey of the property which has been sold or will be sold at tax sale. In exercising this discretion, the Treasurer shall take into account the work to be performed by a survey firm in relation to the overall benefit to the Town and all of the circumstances of the particular case.

11. OTHER

All other tax collection activities shall be performed in accordance with the *Guide to Part VI of the Municipal Government Act – Tax collection*, prepared by Service Nova Scotia and Municipal Relations, as amended from time to time.

12. REPEAL

All existing tax collection and tax sale policies and procedures and amendments thereto are hereby repealed and this policy substituted therefore.