

# THE CORPORATION OF THE MUNICIPALITY OF GREENSTONE

## BY-LAW 19-51

### Being a By-Law for Tax Collection

**WHEREAS** Part X of the *Municipal Act, 2001*, SO 2001, c 25 provides the power and authority for tax enforcement by municipalities;

**AND WHEREAS** section 5(3) of the *Municipal Act, 2001*, SO 2001, c 25 provides that a municipal power shall be exercised by by-law unless it is specifically authorized to do otherwise;

**NOW THEREFORE** the Council of the Corporation of the Municipality of Greenstone enacts as follows:

#### 1. DEFINITIONS

1.1. In this by-law,

- a) “Act” means the *Municipal Act, 2001*, SO 2001, c 25;
- b) “Cancellation Price” means an amount equal to all the tax arrears owing at any time in respect of land together with all current Real Property Taxes owing, interest and penalties thereon and all reasonable costs incurred by the municipality after the treasurer becomes entitled to register a tax arrears certificate;
- c) “Municipality” means the Corporation of the Municipality of Greenstone;
- d) “Real Property Taxes” means the amount of Taxes levied on real property under the *Act* and the *Education Act* and any amounts owed under the *Drainage Act*, the *Tile Drainage Act* and the *Shoreline Property Assistance Act* with respect to the real property and includes any amounts deemed as taxes by or under any legislation and any amount amounts given priority lien status under the *Act* or any legislation.
- e) “Taxes” means all taxes imposed by the Municipality under the *Act* or any legislation and any amount given priority lien status under the *Act* or any other legislation that may be added to the tax roll against the property in respect of which the amount was imposed or against any other property in respect of which the amount was authorized by the *Act* or any other legislation;
- f) “Taxpayer” means a person whose name is shown on the tax roll.
- g) “Treasurer” means a person appointed by the Municipality responsible for handling all of the financial affairs of the Municipality on behalf of and in the manner directed by the council of the Municipality including any persons appointed by the Municipality as deputy treasurers or any persons to whom the Municipality has delegated the powers and duties of the Treasurer.

#### 2. ADMINISTRATION

- 2.1. The treasurer is authorized to administer this by-law and to engage the services of a third-party firm or agent to whom authority may be delegated to carry out the Municipality’s tax collection efforts in accordance with this by-law.

### **3. DELIVERY OF TAX BILLS – Based on Section 343 of Part X of the Act**

- 3.1. The treasurer shall send a tax bill to every taxpayer at least 21 days before any taxes shown on the tax bill are due.
- 3.2. A tax bill shall contain,
- a) the name of the taxpayer;
  - b) the assessment roll number of the property;
  - c) a description of the property sufficient to identify it;
  - d) the assessed value of the property;
  - e) the total amount of taxes payable;
  - f) the amounts of the new taxes required to be shown separately on the tax roll unless the bill is for an interim tax;
  - g) the amount of any taxes previously billed for the year, including any accrued late payment charges;
  - h) the date or dates on which the taxes are due and any alternative schedule of due dates;
  - i) the place or places where the taxes may be paid;
  - j) the late payment charges which will be imposed on overdue taxes;
  - k) the discount which will be given for taxes paid in advance; and
  - l) if portions of the property are in two or more property classes, the matters set out in clauses (d), (e), (f) and (g) for each portion.
- 3.3. The treasurer shall send a tax bill to the taxpayer's residence or place of business or to the premises in respect of which the taxes are payable unless the taxpayer directs the treasurer in writing to send the bill to another address, in which case it shall be sent to that address and that address shall be added to the tax roll.
- 3.4. The treasurer may send a tax bill to the taxpayer electronically in the manner specified by the municipality, if the taxpayer has chosen to receive the tax bill in that manner.
- 3.5. Where a taxpayer directs the treasurer in writing to send the taxpayer's tax bill by registered mail, the treasurer shall comply with the direction and shall add the cost of the registration to the tax roll and the amount shall be deemed to be part of the taxes for which the tax bill was sent.
- 3.6. A direction given under 3.4 or 3.5 continues until revoked by the taxpayer in writing.
- 3.7. Immediately after sending a tax bill, the treasurer shall create a record of the date on which it was sent and this record is, in the absence of evidence to the contrary, proof that the tax bill was sent on that date.
- 3.8. No defect, error or omission in the form or substance of a tax bill invalidates any proceedings for the recovery of the taxes.

### **4. LATE PAYMENT CHARGES – Based on Section 345 of Part X of the Act**

- 4.1. Penalty and interest is charged on tax arrears as authorized by section 345 of the Act.
- 4.2. A percentage charge of 1.25% of the amount of taxes due and unpaid may be imposed as a penalty for the non-payment of taxes on the first day of default.



- 4.3. Interest charges of 1.25% each month of the amount of taxes due and unpaid will be imposed for the non-payment of taxes beginning on the first day of default.
- 4.4. Charges imposed under sections 4.2 and 4.3 of this by-law are deemed to be part of the taxes on which the charges have been imposed.
- 4.5. No interest will be imposed on the charges that are deemed to be taxes; in other words, there will be no interest on previous interest (no compounding).
- 4.6. Cancellation or refund of late payment charges will be issued on overcharges of taxes arising as a result of an error of the Municipality, local board or other body for which the tax was being raised; and a change under the *Assessment Act*, RSO 1990, c A.31,
  - i. in an assessment on a property,
  - ii. in the property class in which a property is placed, or
  - iii. if parts of a property are placed in different property classes, in the allocation of the assessment on the property between the parts.

## **5. PAYMENTS Based on Section 346 of the Act**

- 5.1. Payment of taxes will be accepted from any person on any property regardless of whether that person is the taxpayer responsible for the outstanding taxes.
- 5.2. All taxes shall be paid to the treasurer and, upon request of the person paying the taxes, the treasurer shall issue a receipt for the amount paid.
- 5.3. Taxes shall be paid to the treasurer in cash or by cheque, debit or online banking. Visa, Master Card, Amex or Paypal may be accepted at the treasurer's discretion. Pre-authorized payment will be acceptable upon implementation. Payment of taxes by any person into a financial institution to the credit of the treasurer of the Municipality is also acceptable and, in that case, the person making the payment shall be entitled to be issued a receipt by the financial institution for the amount paid.
- 5.4. For the purposes of section 5.3 of this by-law, examples of circumstances in which the treasurer may exercise his or her discretion to accept Visa, Master Card, Amex or Paypal include, but are not necessarily limited to, the person paying the taxes being physically situated outside the Municipality at the time of payment.

## **6. ALLOCATION OF PAYMENTS Based on Section 347 of the Act**

- 6.1. Subject to sections 6.2 and 6.3 of this by-law, where any payment is received on account of taxes, the following apply:
  - (a) the payment shall first be applied to late payment charges owing in respect of those taxes according to the length of time the charges have been owing with the charges imposed earlier being discharged before the charges imposed later
  - (b) the payment shall then be applied against the taxes owing according to the length of time they have been owing, with the taxes imposed earlier being discharged before the taxes imposed later.
- 6.2. If requested by the person making the payment and approved by the treasurer a part payment on account of taxes may be applied in a manner different than that set out in section 6.1 of this by-law.
- 6.3. No part payment shall be accepted on account of taxes in respect of which a tax arrears certificate is registered except where an extension agreement has been entered into.

## **7. DETERMINATION OF TAX STATUS Based on Section 348 of the Act**

- 7.1. No later than the last day of February in each year, the treasurer shall determine the position of every tax account as of December 31 of the preceding year.
- 7.2. On making the determination of arrears status, the treasurer shall send to every taxpayer who owes taxes from a preceding year a notice of those taxes and of the related penalty, interest and collection costs.
- 7.3. The treasurer may send periodic statements thereafter.

## **8. COLLECTION AND RECOVERY OF TAXES Based on Section 349 of the Act**

- 8.1. Taxes shall be recovered with interest and collection 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.
- 8.2. Taxes are a special lien on the land in priority to every claim, privilege, lien or encumbrance of every person except the Crown, and the lien and its priority are not lost or impaired by any neglect omission or error of the Municipality or its agents or through taking no action to register a tax arrears certificate.
- 8.3. The Municipality may treat each year's taxes as a separate amount owing to the Municipality and may bring separate actions for the purposes of recovering each amount.

## **9. OBLIGATIONS OF TENANTS Based on Section 350 of Act**

- 9.1. Where taxes are owed in respect of any land occupied by a tenant, the treasurer may give the tenant notice in writing requiring the tenant to pay rent in respect of the land to the treasurer as it becomes due up to the amount of the taxes due and unpaid, plus costs, and the tenant shall comply with the notice.
- 9.2. The treasurer shall have the same authority as the landlord of the premises to collect the rent by seizure or otherwise to the amount of the taxes due and unpaid plus costs but collecting the rent shall not impose upon the treasurer or the Municipality the responsibilities of a landlord.
- 9.3. Any amounts paid by a tenant that, as between the tenant and the landlord, the latter ought to have paid, may be deducted by the tenant from rent.
- 9.4. This section applies, with necessary modifications, to sub-tenants and sub-landlords.

## **10. TAX COLLECTION EFFORTS**

- 10.1. The Municipality may engage a third party to act as the Municipality's agent to take any and all steps necessary to collect arrears taxes.

## **11. SEIZURE Based on Section 351 of the Act**

- 11.1. As authorized by section 351 of the Act, the treasurer or the treasurer's agent may undertake seizure of personal property or interest if taxes on land remain unpaid after the due date to recover the taxes and the costs of the seizure.

## **12. SALE OF LAND FOR TAX ARREARS Based Part XI of the Act**

- 12.1. Where any part of the Real Property Tax is in arrears for more than two (2) years following the original notice letter in section 7.2 the treasurer may prepare and register a tax arrears certificate against the title to that land.



- 12.2. Sales of land under this section shall be conducted in accordance with the Act and Ontario Regulation 183/03.
- 12.3. All properties sold under this section shall be sold “as is” without warranty.
- 12.4. This section does not apply with respect to a tax imposed under Part XII.1 of the Act (Power to Impose Transient Accommodation Tax).

### **13. EXTERNAL COLLECTION AGENCIES Based on Section 304 of the Act**

13.1 The use of registered collection agencies in good standing under the Collection and Debt Services Act is another option available to the treasurer as a means of recovering a debt, including taxes, payable to the municipality. The collection agency may also recover its reasonable costs of collecting the debt but those costs shall not exceed an amount approved by the municipality.

### **14. REPEAL/ REVOKE**

14.1 That any policy of the Municipality of Greenstone approved, adopted, or amended by Municipal Council on a day prior to the day this by-law that is in force and effect, pertaining to the Tax Collection is hereby revoked.

### **15. EFFECTIVE DATE**

15.1 That this By-Law shall come into force and take effect immediately upon the passing thereof.

**PASSED AND ENACTED** this 12<sup>th</sup> day of November 2019.



  
Renald Y. Beaulieu, Mayor

  
Gabrielle Lecuyer, Clerk