

## **Tax Enforcement Policy and Tax Arrears Payment Plan Policy**

### **Tax Arrears Enforcement Policy:**

The Council for the Town of Lumsden establishes a tax arrears policy for forwarding files to a tax collection agency, for the collection of tax arrears in accordance with the following:

- Once property taxes are in arrears for two or more years the property owner will be notified by letter to pay the arrears in full or set up a payment plan with the municipality that would pay off the arrears within 3 years. The property owner is given 30 days from the receipt of the letter to make payment or payment arrangements;
- Should the property owner fail to pay the arrears in full or set up the required payment plan within the 30 day time period, administration will forward the outstanding files to the tax collection agency, for their review;
- The tax agency may provide the municipality with the required bylaw(s) for the collection of the tax arrears, should the agency accept the file(s).

If the tax agency declines collection on any files, the municipality will proceed with acquisition of title as provided for in the Tax Enforcement Act.

### **Tax Arrears Payment Plan Policy:**

The Council for the Town of Lumsden establishes a tax arrears payment plan policy for ratepayers in tax arrears, to establish a consistent tax arrears payment policy, as follows:

- That a payment in the amount of 25% of the arrears are to be paid the day the payment plan is agreed upon;
- The payments be of consistent timing, being weekly/bi-weekly/monthly/quarterly, etc.;
- That the total amount of the arrears, in addition to estimated future tax levies, be paid off within a 3 year period
- If the payment plan is not adhered to as agreed upon, the municipality reserves the right to cancel the payment plan and will forward the file to the tax collection agency in accordance with the tax arrears enforcement policy.

The above payment plan provision can be waived if the ratepayer provides post-dated cheques or electronic banking information for automatic withdrawal, with the first payment being received on the date of the payment arrangement. The payment arrangement would see the arrears paid off over a 12 month period or Council may authorize a future payment to be made within a 12 month period that would see the arrears be paid in full.

*Adopted by Council March 28, 2017*