



Region of Queens Municipality

Operational Policy 4 – Payment of Taxes

BE IT ENACTED by the Council of Region of Queens Municipality, under the authority of the *Municipal Government Act*, S.N.S. 1998, Chapter 18, as follows:

POLICY PURPOSE

- 4.01** The purpose of this policy is to establish a process for the collection and payment of taxes, including the interest rate for overdue taxes and when a tax sale process shall begin.

AUTHORITY

- 4.02** Section 38 of the *Municipal Government Act* notes that the treasurer shall promptly advise the Council of:
- (a)** all monies due to the municipality that the treasurer considers cannot reasonably be collected after pursuing all reasonable avenues of collection; and
 - (b)** the reasons for the belief that such moneys cannot be collected, and the council may write off the amounts determined to be uncollectible.

Section 111(1) of the *Municipal Government Act* provides that Council may determine:

- (c)** the due date for taxes;
- (d)** that taxes are payable in one sum or by installments.

Section 113 of the *Municipal Government Act* states that:

- (e) The Council may impose interest, at a rate determined from time to time by policy, for non-payment of taxes when due.
- (f) Interest shall be added to the unpaid taxes and shall be collected as if the interest originally formed part of the unpaid taxes.
- (g) Interest shall be calculated according to the length of default in payment.
- (h) The Council may provide that interest be compounded, not more frequently than monthly.

DEFINITIONS

- 4.03 **'special purpose tax'** means a tax that the Council, by resolution, declares to be a special purpose tax.
- 4.04 **'taxes'** includes municipal rates, area rates, special purpose tax, capital charges, one-time charges, local improvement charges, and any rates, charges, or debts prescribed, by the enactment authorizing them, to be a lien of the property.
- 4.05 **'tax sale'** includes a sale by public auction or a sale by tender, for the purpose of collecting taxes.
- 4.06 **'write off taxes'** is the process by which the municipality allocates any amounts that are deemed uncollectible from taxes outstanding into its valuation allowance fund, where such taxes have been assessed and setup as an accounts receivable.

DUE DATES FOR TAXES

- 4.07 Municipal property taxes shall be payable once per year and shall be due on June 30th for the then current fiscal year of April 1st to March 31st henceforth.

Should June 30th fall on a weekend or Holiday, then the due date shall be the next business day after June 30th.

INTEREST ON OVERDUE TAXES

- 4.08** Interest on any overdue taxes shall be 1 % monthly, with interest compounded monthly on the first day of each month they remain unpaid.

In cases where a property tax payment has been applied to the incorrect account by the payer, but the total tax amount has been received by the Municipality, the Chief Administrative Officer (CAO) or Treasurer may, at their discretion, waive accrued interest if the error has been corrected by the property owner alerting the Municipality within 30 days of being notified, or attempted notification, regarding the account being overdue.

APPLICATION OF PAYMENTS ON ACCOUNT

- 4.09** When a property owner fails to pay their property taxes in full when due, the following method of applying payment in accordance with Section 131 of the Municipal Government Act shall apply:

(1)

- (a)** firstly, to the payment of the taxes rated upon the person in respect of business occupancy assessment;
 - (b)** secondly, to the payment of any other taxes that are not a lien of any property; and
 - (c)** thirdly, to the payment of accumulated interest and then the taxes longest in arrears with respect to any real property designated by the person.
- (2)** Where no real property is designated, the treasurer shall, subject to the priorities listed in subsection (1), apply the amount received to the payment of the taxes longest in arrears.
- (3)** The acceptance of part payment does not prevent the collection of any interest imposed in respect of non-payment of taxes or an installment of taxes.
- (4)** Where taxes are paid on behalf of a purchaser of real property, the taxes shall be applied to taxes due with respect to the property designated by the person paying the taxes, including any business

occupancy tax owed by the vendor with respect to the vendor's occupancy of that property.

ACTIVATION OF TAX SALE PROCESS

4.10 Any tax account which is assessed as being taxable according to the *Assessment Act of Nova Scotia* and is more than two years in arrears of taxes, shall be subject to immediate tax sale proceedings, regardless of the amount of taxes outstanding. For greater certainty, properties that have a current payment arrangement plan in place and are not in default, shall not be deemed more than two years in arrears if the payments are current and no payments are missed. Once tax sale proceedings have begun, no property shall be removed from the tax sale process unless the amount due and payable on that particular day have been paid in full.

WRITE OFF TAXES

4.11 Where the Treasurer has exhausted all reasonable means of collection of outstanding taxes, and the Treasurer and Municipal Auditor are of the opinion that further tax collection processes and procedures do not have a reasonable probability of collection versus the costs involved in collecting the same, the Treasurer shall provide a report to Audit and Internal Control Committee, on or before April of each year, and request that they recommend to Council that the amounts deemed uncollectible be written off at the previous March 31st year end.

ACCOUNTABILITY

4.12 Responsibility for the oversight and implementation of this policy shall lie with the Municipality's Manager of Finance, who is appointed as the Municipality's Treasurer, and shall carry out their function according to the terms and conditions of this policy. It shall be the responsibility of the Manager of Finance to bring forth clear recommendations to the Audit and Internal Control Committee for review related to any required changes in this policy or its ensuing implementation practices.

EFFECTIVE DATE

4.13 This policy shall take effect from the date of approval by Council.

REPEALS

4.14 Policy 4 - Unpaid Taxes adopted by Council for Region of Queens Municipality on the 8th day of October 2013, is hereby repealed.

Administrative Policy 6 -Minimum Taxes Outstanding Before Proceeding to Tax Sale adopted by Council for Region of Queens Municipality on the 15th day of February 1999, is hereby repealed.

Administrative Policy 12 -Preliminary Notice for Tax Sales adopted by Council for Region of Queens Municipality on the 19th day of October 1999, is hereby repealed.

Administrative Policy 15 -Payment of Taxes by Installments adopted by the Council of Region of Queens Municipality on the 20th day of March 2000, is hereby repealed.

Administrative Order -Interest on Overdue Taxes adopted by the Coordinating Committee of Region of Queens Municipality on the 19th day of March 1996, is hereby repealed.

VERSION LOG

Version Number	Amendment Description	Amendment/Policy Owner	Approved By	Approval Date
1.0	Creation of Policy	N/A	Council	2020-01-14
2.0	Housekeeping and Formatting	Municipal Clerk	N/A	

OFFICIAL CERTIFICATION

I, Angela Green, Municipal Clerk for Region of Queens Municipality, hereby certify that this policy was duly approved.



Angela Green
Municipal Clerk