

M.D. of Opportunity No 17
TAXATION/ASSESSMENT POLICY

TITLE:	TAX RECOVERY PROCEDURES
EFFECTIVE DATE:	JUNE 8, 2022
POLICY NUMBER:	F.7

Purpose of Policy:

This policy is intended to give delinquent landowners ONE LAST CHANCE to pay their property taxes prior to the sale;

Whereas, this is for those landowners whose property has been placed on the Tax Arrears List of the previous year. The next step for the Municipal District is to put their land (and buildings) up for public auction as per Section 418 of the Municipal Government Act. This is a last resort if they are unwilling to pay taxes on the property, and

Whereas, the property taxes remain delinquent for the property, as per Section 419 of the Municipal Government Act, a Council must set for each parcel of land to be offered for sale at a public auction, a reserve bid that is as close as reasonably possible to the market value of the parcel, and

Whereas, the property is sold at the public auction, to provide the payment terms on the tax recovery sale of the property-, and the process if the property is not sold.

A. Tax Arrears Agreement Statements

1. Pursuant to Clause 418(4) of the Municipal Government Act, "the Municipality may enter into an agreement with the owner of a parcel of land shown on its tax arrears list providing for the payment of the tax arrears over a period not exceeding three years, and in that event the parcel need not be offered for sale until the owner of the parcel breaches the agreement."
2. Should a landowner choose to enter into an agreement, pursuant to this policy, all outstanding taxes plus the current year's taxes will be amalgamated into this agreement. The account will be penalized as all accounts with outstanding balances. Should this balance be less than \$1,000.00, the applicant shall pay the tax arrears accounts in 12 equal monthly installments. A balance between \$1,000.00 and \$2,000.00 shall be repaid in 24 equal monthly installments and a balance over \$2,000.00 shall be repaid in 36 equal monthly installments. The total outstanding taxes for two or three year agreements will be calculated as follows:
3. **The outstanding arrears will be divided by 12, 24 or 36 payments (one year, two-year or three year agreement), adding the current taxes which are also divided by 12 payments for the total payable each month. Each agreement that falls into the 2 or 3 year category will be renewed on an annual basis up to the maximum allowable timeframe of three years.**
4. The method of payment shall be by certified cheque, money order, interac or by cash. Personal cheques will not be accepted as payment of tax arrear agreements.
5. The Municipal District of Opportunity may send out monthly statements to the applicants for the repayment of this agreement. At the Manager's discretion, an agreement made over one or two years may be extended to a maximum of three years.
6. There will be no tax arrears agreements on vacant properties.

7. Default of any of the terms of this agreement by the landowner shall result in immediate termination of this agreement and the Municipal District may proceed with the public auction of the property pursuant to Section 421 of the Municipal Government Act.

B. Setting the Reserve Bids Statements

1. Administration shall ensure that all properties subject to tax sale have a reserve bid. The reserve bid shall be established as follows:
 - a) Properties with improvements shall be appraised by an accredited appraiser
 - b) Properties that are vacant may be appraised by an accredited appraiser or the reserve bid will be determined by Administration in consultation with the assessor.
2. Appraisal fees will not be charged to the property owner if an effort is made by the property owner to pay their property taxes, either by paying in full prior to the auction sale or by entering into a tax arrears agreement without breach of agreement prior to the sale.

C. Tax Recovery Sale Payment Terms Statements

1. Terms: Cash or Certified Cheque payable to M.D. of Opportunity #17
2. Deposit: \$1000 (non-refundable) at time of the sale
3. Balance: To be paid to the Municipal District of Opportunity within 15 days of the date of the auction. G.S.T. will be collected on all properties subject to G.S.T.
4. If the property is not sold at the public auction, the Municipality shall become the owner and take possession of the parcel per M.G.A. Section 420, except under circumstances where administration determines there is an environmental concern.
 - (1) From the date on which a parcel of land is offered for sale at a public auction, the municipality is entitled to possession of the parcel.
 - (2) For the purposes of obtaining possession of a parcel of land, a designated officer may enter the parcel and take possession of it for and in the name of the municipality and , if in so doing resistance is encountered, the municipality may apply to the Court of Queen's Bench for an order for the possession of the parcel.

Therefore, the previous owner will be required to vacate the premises within 30 days.

APPROVED: June 8, 2022
AMENDED: October 13, 2021

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MUNICIPAL DISTRICT OF OPPORTUNITY NO. 17

TAX ARREARS AGREEMENT

Section 418(4) - Municipal Government Act
Statutes of Alberta, 2000, Chapter M-26

BETWEEN: Municipality **Municipal District of Opportunity No. 17**
 P.O. Box 60
 Wabasca, AB
 T0G 2K0
 (hereinafter referred to as the "Municipality")

AND: Landowner(s) **Name**
 Address
 Place, AB
 Postal Code
 (hereinafter referred to as the "Landowner")

Whereas the above named person(s), owner(s) of the land and improvements described as **Legal** has approached the Municipality with a proposal for the orderly payment of their tax arrears over the next # year(s) beginning **date** and ending **date** conditional upon the Municipality delaying the Public Auction subject to Section 418(1) of the M.G.A. on the said property; and

Whereas the Municipality and the landowner named above agree as follows:

1. That a monthly payment of \$ **00.00** as calculated annually (if more than one year) within the attached Schedule A and forming a part of this agreement, shall be made to the Municipality on the first weekday of each month, commencing on **Date**; and
2. That any additional amounts added to the property tax account for the duration of this agreement will also be the responsibility of the landowner(s); and
3. **That in return for compliance with Clause 1 of this agreement, the Municipality shall postpone the tax forfeiture public auction on this property in accordance with Section 418(4) of the Municipal Government Act; and**
4. That upon default of Clause 1 of this agreement, the Municipality may proceed with the public tax forfeiture auction as authorized in Section 418 of the Municipal Government Act on the said property or other actions as may be required.

Signed this _____ day of _____, 20_____.

Chief Financial Officer
M.D. of Opportunity No. 17

Landowner

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