
TOWN OF BRIDGEWATER

TAX COLLECTION POLICY

Policy No.	33
Approved:	June 22, 1992
Resolution #:	92-226
Revised:	Dec. 9, 1996 (Res. #96-376); Mar. 12, 2007 (Res. #07-078); Mar. 10, 2014 (Res. #14-050); Feb. 24, 2020 (Res. #20-043) Jan. 24, 2022 (Res. #22-025)

PURPOSE:

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

1. BILLINGS, NOTICES AND REMINDERS

- a. Interim tax bills will be issued each year in accordance with the Town's Interim Tax Billing Policy, #92.
- b. Following the setting of the tax rate, final tax bills shall be issued, due no earlier than 30 days from the date of issue.
- c. Statements of account shall be issued periodically throughout the year for all amounts due.
- d. 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 \$500 or more. (With this first notice of intended sale, there is some benefit in mailing notices to property owners owing less than \$500 in an endeavour to induce payment to clear accounts.

2. INTEREST ON OVERDUE ACCOUNTS

Simple interest at the rate approved by Council annually shall be added to each account for which taxes have not been paid in full by the due date.

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. COLLECTION LIMIT

If the amount of taxes, including interest, is below five hundred dollars (\$500.00), then, in accordance with Section 134(4)(b) of the *Municipal Government Act*, the property shall not be put up for tax sale.

5. TAX CERTIFICATES

The fee for a Tax Certificate shall be included in the Town’s Fees Policy, #89.

6. 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.

7. PAYMENT ARRANGEMENTS

The Town of Bridgewater hereby delegates to the Treasurer the power to enter into tax arrears payment agreement with the taxpayer, pursuant to Section 134(4)(e) of the *Municipal Government Act*. Such payment arrangements shall include the full balance outstanding. Any monthly payments not received by the dates specified in the agreement shall be deemed to be default on the agreement. The property owner shall have 30 business days to remedy said default before the Treasurer declares default and tax arrears payment arrangement becomes void.

8. SURVEYS FOR PROPERTIES TO BE SOLD AT TAX SALE

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.

9. TAX ACCOUNT ADJUSTMENTS AND WRITE OFFS

The Treasurer may approve administrative policies governing the write-off or adjustment of taxpayers accounts. In general, staff have the authority to write off accounts in the following circumstances:

- a. Where notice is received from PVSC that an error has been made in the files roll which cannot be collected by any provision of the Assessment Legislation (ie Duplicate Assessment, Deleted Accounts).
- b. Where there has been an error made by Municipal staff or in other circumstances deemed appropriate, the Treasurer may approve the write of interest on an account.

- c. Where the internal and external cost to pursue collection of an account would be reasonably be expected to exceed the amount to be successfully collected.
- d. Where a taxpayer has been discharged from their liabilities under bankruptcy.
- e. Where the taxpayer cannot be located, despite reasonable efforts to do so.

10. TAX SALE

- a. In accordance with MGA Section 134, a property shall be put up for tax sale if the taxes are in arrears for the preceding three fiscal years.
- b. The date of notices and the date set for the tax sale are to be set by the Treasurer in accordance with the MGA (140 & 142).

11. OTHER

All other tax collection activities shall be performed in accordance with the ***Part VI of the Municipal Government Act – Tax collection.***