



Property Tax Collection Policy Applies to: All Township Staff, Committee members, Council and the public

Policy Purpose:

To ensure that municipal tax revenues are collected in a timely and effective manner.

To ensure that all taxpayers are treated fairly and equitably and to provide staff guidance for decision-making, consistent with the Township's strategic plan.

To ensure consistent, effective and appropriate tax billing and collecting.

Scope:

This policy is to provide guidance to staff and taxpayers to provide a basis for decision making relating to Tax Billing and Tax Collection procedures for all taxpayers in the Township of Stone Mills. The Tax Collector has the authority to determine the method of collecting arrears.

Real Property Tax:

Real Property Tax is levied on the assessment for real property within the Municipality in accordance with section 307(1) of the Municipal Act, RSO, 2001.

Tax Billing:

Each year two tax bills are mailed to the owner of the Property as listed on our files. The first bill, known as the Interim Tax Bill, with two installments due on February 25th and April 25th is based on 50% of the previous year's tax levy. The Second Tax Bill is known as the Final bill, with two installments due on July 25th and September 25th and is based on the current year tax levy less the amount levied under the Interim Bill. When the tax installment due dates fall on a Saturday or Sunday, the installment becomes due on the closest business day to the 25th.

Mailings:

The Municipal Act, Section 343(1) requires tax billings to be post marked and mailed not later than twenty-one calendar days prior to the date of the first installment due date. The Municipality will endeavor to post mark and mail the tax billing no less than 6 weeks prior to the first installment due date wherever possible.

Payments:

Payments may be made as per the following methods:

- In person at the Township Office, by cash, cheque (payable to the Township of Stone Mills) or debit card;
- At any chartered bank on or before the due date;
- Mortgage Company Payments;
- By telephone/PC banking through major financial institutions;
- Post-dated cheques;
- Pre-authorized plans offered by the Township;
- By mail to: 4504 County Road 4, Centreville ON, K0K2Z0.

NOTE: Credit card payments or third-party cheques are not accepted. Property owners are advised to allow 3 – 5 business days for the payment to reach the Township, if not paying in person to prevent penalty charges.

Preauthorized Payment Plans:

The Municipality has four options for preauthorized payment plans. To be eligible for preauthorized payments, property taxes must be paid in full and up to date. Each assessment roll number must be set up separately. The payment plan will continue until cancelled in writing by the owner at least 10 working days in advance of the payment by either the property owner or the Township. This payment plan will be cancelled if more than one returned item in a year is received. NSF charges will apply.

The Township will not cancel and reactivate a PAP for a one-month time frame unless there is a change in banking required and this request comes in writing. There will be no penalty charged on tax accounts on PAP plans on options 1,2 or 3 unless an NSF occurs and the property is removed from the plan.

Option 1: 12 monthly payments on the 30th of each month

Option 2: 12 monthly payments on the 15th of each month

Option 3: Installment due date payments

Option 4: arrears payments - this option is only available on tax accounts that are three years in arrears. Penalty will continue to be charged on a monthly basis and a flat amount will be withdrawn on either the 15th or 30th of each month from January – December. Once the balance is paid up to the current taxes the property owner will be required to change the option to either 1,2 or 3. This plan must be approved by the treasurer and must be in writing.

NSF Payments:

Issuers of returned cheques or pre authorized payments will be charged a non-sufficient funds fee in the amount of \$25.00. A letter will be mailed to the taxpayer indicating the balance owing including the \$25.00 surcharge.

Refunds of Overpayments or Adjustments

In case of what appears to be a duplicate payment, refunds will be issued upon written notice received from the party that made the payment. It will be the policy of the taxation and treasury department to issue refunds for overpayments or of credit balances resulting from tax adjustments, only if there are no remaining tax installments. When tax installments are remaining the credit adjustment will be applied to those installments.

Tax Certificates:

Tax certificates will be issued to lawyer's/mortgage holders with respect to sale of property for a fee of \$100.00. Owners will be issued a tax certificate if a letter is received to this effect, at no charge. All other requests will be denied in accordance with the Freedom of Information and Protection of Privacy Legislation.

Reminder Notices:

Arrears/Past Due Notices will be mailed to each individual taxpayer whose taxes are in arrears in January, March, May, June, August, October, November and December. No reminder notices will be delivered to those accounts in which the minimum balance is less than \$3.00.

Interest/Penalty:

The purpose of penalty is to encourage taxpayers to pay on time. Taxes become past due on the first day of the month following the due dates.

All tax arrears are subject to penalty and interest in accordance with the Municipal Act 2001, Section 345 as per the Township by-laws. The maximum rate prescribed of 1.25% will be charged on all property taxes that remain outstanding on the first calendar day of each month. Payments are applied to all penalty and interest first, then to the oldest taxes.

Tax Sale:

Properties that are in arrears for three years are eligible for tax sale registration under the Municipal Act. The property owner or interested party has one year from the date of registration in which to redeem the property for all taxes, outstanding interest and penalty, including any associated costs. A contracted tax registration firm will be hired to send out all required statutory notices and declarations on behalf of the Municipal

Treasurer/Tax Collector. After a year from the date of registration where the property has not been redeemed, the property will then be eligible for tax sale or tender.

Notices:

Any notice sent by ordinary mail is considered delivered to and received by the addressee. Failure to notify the Tax Office, in writing, of an address change is not an error on the Township's part. Section 343 of the Municipal Act identifies that tax bills shall be sent to the taxpayer's residence or place of business or to the premises where the taxes are payable for, unless the taxpayer directs the municipality otherwise. The direction for the delivery of tax bills continues until it is revoked in writing by the taxpayer.

Fees and Charges:

Fees and charges shall be applied for the following in accordance with the fees and tariffs by law:

- Replication of Tax Bills
- Tax Statements
- Additions to the tax roll of any costs related to collection
- Tax Certificates
- Returned Items

Minimum Balance Write-off

In some circumstances a balance remains on a taxpayer's account after a payment is received, which is often a result of penalty or interest added to the account after a payment amount was agreed upon and mailed in. When the remaining amount is small enough that the additional cost of collection would not be deemed worthwhile, it may be expedient to write the amount off. The treasurer is authorized to approve such write-offs for outstanding amounts less than \$15.00.