

BYLAW NO. 4-2022

A BYLAW OF THE VILLAGE OF HOLDEN IN THE PROVINCE OF ALBERTA TO ESTABLISH AND GUIDE THE PAYMENT OF TAX RECOVERY PAYMENT FOR TAXES IN ARREARS

PURSUANT to Part 10, Sections 340, 344, 345, 346 AND 418 of the Municipal Government Act, RSA 2000, Chapter M-26, Council may pass bylaws to establish and guide the payment of tax recovery payments for taxes in arrears.

WHEREAS, Council considers it advisable to authorize the establishment of Tax Arrears Payment Plan for the payment of tax arrears over a period not exceeding 3 years in accordance with section 340, and subsection 418(4) of the Municipal Government Act;

NOW THEREFORE the Council of the Village of Holden in the Province of Alberta, in Council duly assembled hereby enacts as follows:

SECTION 1 — TITLE

1. This Bylaw shall be cited as the "Tax Arrears Payment Plan Bylaw".

SECTION 2 — TAX ARREARS PAYMENT PLAN

The Village Administrator is authorized to establish plans for payment by installments of outstanding taxes including taxes in arrears, in accordance with ss. 340 and 418(4) of the Act. The plan shall include an estimate of taxes and penalties that maybe imposed during the tenure of the Tax Arrears Payment Plan. The plan shall be known as "Tax Arrears Payment Plan."

SECTION 3 — DEFINITIONS

In this Bylaw

- (a) "Act" means the Municipal Government Act.
- (b) "Agreement" means the Tax Arrears Payment Plan"
- (c) "Anticipated taxes" means an estimate of taxes that will be imposed during the tenure of the Tax Arrears Payment Plan.
- (d) "Village" means the municipal corporation of the Village of Holden.
- (e) "Village Administrator" means the Village Administrator or Chief Administrative Officer, a designated officer appointed pursuant to the provisions of the Act.
- (f) "Current taxes" means taxes referred to in section 344 of the Act.
- (g) 'Tax Arrears' means taxes which remain unpaid after December 31 of the year in which they were imposed, including penalties on such taxes pursuant to section 345 of the Act.
- (h) "Tax Arrears Payment Plan" mans an agreement established pursuant to section 2 of this bylaw between the Village and a taxpayer, in accordance with the provisions of this bylaw.
- (i) "Taxes" means all taxes imposed by the Village pursuant to the Act or any other statute of the Province of Alberta, including property taxes, local improvement taxes, special maintenance taxes, business revitalization zone taxes, the amounts which in the event of non-payment are deemed at law to be taxes or recoverable as or in the same manner as taxes and penalties on such taxes or amounts.
- (j) "Taxpayer" means a person liable to pay taxes pursuant to sections 331 and 373 of the Act.
- (k) "Tax Penalties" means the penalties imposed pursuant to sections 344 and 345 of the Act.
- (l) "Year" means calendar year.

SECTION 4 — APPLICATION

4.1 a Taxpayer with outstanding taxes including taxes in arrears due and owing to the Village may, at any time, apply to the Village Administrator or their designate to pay taxes in arrears and current taxes by installments pursuant to section 340 and subsection 418(4) of the Act.

4.2 An application pursuant of subsection 4.1 shall be approved by the Village Administrator or their designate provided that the following conditions have been satisfied.:

- (a) The Taxpayer shall complete an application form prescribed by the Village Administrator;

- (b) The Taxpayer shall complete such application form or forms provided by the Village Administrator as may be required to enable the Village to collect:
- i) Installment payments pursuant to the Tax Arrears Payment Plan by way of pre-authorized debit of funds from an account, in good standing, at the Taxpayer's bank, treasury branch, trust company or credit union; or
 - ii) by such other means as approved by the Village Administrator.
- (c) The Taxpayer shall undertake to pay all taxes pursuant to the Tax Arrears Payment Plan on a monthly installment basis pursuant to section 4.2(b) over a term not exceeding three (3) years.

4.3 The effective date of the Tax Arrears Payment Plan shall be the date the Taxpayer's application is signed pursuant to subsections 4.1 and 4.2 and is approved by the Village Administrator.

4.4 Subjection to sections 7, 8, and 9, of this bylaw, the Taxpayer shall pay all taxes pursuant to the tax Arrears Payment Plan without further application under this bylaw for the duration of the term of the Tax Arrears Payment Plan from the effective date of the signed agreement.

SECTION 5 — INSTALLMENTS

5.1 All taxes paid pursuant to a Tax Arrears Payment Plan shall be paid by monthly installments calculated pursuant to this section and payable on the dates established under this agreement.

5.2 The term of the Agreement shall be determined by the Village Administrator, having regard to:

- (a) the amount of any outstanding taxes including penalties and taxes in arrears;
- (b) the amount of anticipated taxes for the term of the Tax Arrears Payment Plan;
- (c) the length of the agreement required for timely completion of the tax arrears to transition the Taxpayer into the Tax Installment Prepayment Plan;
- (d) the Taxpayers ability to pay;
- (e) such other matters as the Village Administrator considers as reasonably advisable; and
- (f) shall not exceed a maximum of three (3) years from the effective date of the agreement.

5.3 The amount of the installments to be paid pursuant to subsection 5.1 shall be calculated by determining the outstanding taxes, outstanding penalties, including arrears taxes and the anticipated taxes that are to be paid under the plan divided by the number of installments included in the term of the agreement. As per section 343(1) of the Act all installments shall first be applied to taxes in arrears.

5.4 The Taxpayer, after the commencement of the agreement, may apply to have the term of the agreement reduced. Upon the term being reduced, the installments shall be adjusted by the Village Administrator.

SECTION 6 — PENALTIES

6.1 Subject to sections y, 8 and 9 of this bylaw, penalties pursuant to sections 344 and 345 of the Act shall not be applied to current taxes or taxes in arrears during the term of this agreement as long as the agreement remains in good standing.

SECTION 7 — WITHDRAWAL FROM A TAX ARREARS PAYMENT PLAN

7.1 a Taxpayer paying taxes pursuant to a Tax Arrears Payment Plan may withdraw from the plan at any time upon at least two (2) weeks written notice to the Village Administrator. A Taxpayer on pre-authorized debit of funds must cancel their pre-authorized debit agreement by submitting a Tax Arrears Payment Plan cancellation form by the 20th of the month prior to the next pre-authorized debit.

- 7.2 In the event that a Taxpayer withdraws from a Tax Arrears Payment Plan:
- (a) all taxes in arrears and, if the date of withdrawal is after June 30 of any given year, all current taxes shall become due and payable on the effective date of withdrawal from the agreement.
 - (b) The Taxpayer shall not be entitled to exempt penalties pursuant to this bylaw from the effective date of withdrawal.

SECTION 8 — DEFAULT

8.1 If an installment required to be paid pursuant to this agreement remains unpaid by the 21st day after the payment was due pursuant to this bylaw, the Taxpayer shall be deemed to be in default of the Tax Arrears Payment Plan. In the event of such default, the participation of the Taxpayer in the Tax Arrears Payment Plan may be cancelled at the discretion of the Village Administrator, however, should the Taxpayer default more than twice during the term of the Tax Arrears Payment Plan the agreement shall be automatically cancelled.

- 8.2 If participation of a Taxpayer in a Tax Arrears Payment Plan is cancelled:
- (a) all taxes in arrears and, if the date of cancellation is after the Tuesday following Labour Day, of any given year, all current taxes shall become due and payable on the effective date of cancellation;
 - (b) the Taxpayer shall not be entitled to any penalty exemption pursuant to this bylaw; and
 - (c) the Taxpayer shall be liable to pay penalties pursuant to sections 344 and 345 of the Act, on all taxes, whether current taxes or taxes in arrears.

SECTION 9 — SALE OF LAND/PROPERTY

9.1 When a Taxpayer sells property to which a Tax Arrears Payment Plan applies, the Taxpayer on pre-authorized debits (PAD) must cancel their pre-authorized debit Agreement by submitting a Tax Arrear Payment Plan Cancellation form by the 20th of the month prior to the next pre-authorized debit.

9.2 The Taxpayer must notify the Village Administrator of the pending sale and notify the potential purchaser of the outstanding property taxes.

SECTION 10 — ADJUSTING INSTALLMENTS

The Village Administrator may revise the amount of the monthly installments payable under the agreement:

- (a) to reflect changes to the assessed value of the property or business;
- (b) to reflect differences between the anticipated and actual current taxes during the term of the agreement;
- (c) to account for lump sum payment of taxes made by the Taxpayer;
- (d) to reflect the imposition, termination, or lump sum payment of local improvement taxes, special maintenance levies and/or any other related charge;
- (e) to reflect the increase in payments and penalties required because of a failure to pay any installment;
- (f) to provide for payment pursuant to the Tax Arrears Payment Plan of amounts which in the event of non-payment are deemed at law to be taxes or recoverable as or in the same manner as taxes; or
- (g) to provide for or reflect such other matters as the Village Administrator reasonably considers advisable.

SECTION 11 — VILLAGE ADMINISTRATOR

The Village Administrator is designated as the Village Tax Collector to carry out the duties for the administration of this bylaw.

SECTION 12 — MUNICIPAL GOVERNMENT ACT

Without limitation and subject to subsection 418(4) of the Act, this bylaw does not affect any provision of or stay any tax recovery proceedings pursuant to the Act.

SECTION 13 — EFFECTIVE DATE

This bylaw shall come into force on the date of final passing thereof.

READ A FIRST TIME this day of November, 2022

READ A SECOND TIME this day of November, 2022

READ A THIRD TIME and passed this day of November, 2022

MAYOR_____

CHIEF ADMINISTRATIVE OFFICER_____