

## Residential Tax Collection Policy & Procedures

The Town recognizes the importance of timely tax collection that incorporates acceptable business practices and is applied in a fair and consistent manner. Pursuant to the general powers conferred to the Town under the Municipalities Act, 1999, the following regulations were approved and adopted at a regular meeting of Council on February 7<sup>th</sup>, 2022.

### 1. Title

These regulations shall be known and cited as the Town of Logy Bay-Middle Cove-Outer Cove 'Tax Collection Policy and Procedure'

### 2. Interpretations

"Act"	Municipalities Act, 1999
"Debtor"	A property owner or business owner that is being charged taxes by the Town of Logy Bay-Middle Cove-Outer Cove.
"Town"	Town of Logy Bay-Middle Cove-Outer Cove as defined by order of Council
"Council"	Town Council of the Town of Logy Bay-Middle Cove-Outer Cove
"Taxes"	Property taxes and business taxes.

### 3. Tax Imposition and Interest

- Tax invoices are sent no later than January 31<sup>st</sup> of every fiscal year.
- Taxes imposed by Council are due to be paid on or before March 31<sup>st</sup> in every fiscal year.
- Taxes not paid in full by April 1<sup>st</sup> are subject to a 1% compounded interest rate applied at the first day of every month starting April 1<sup>st</sup>.
- Those that have made payment arrangements shall not be charged interest for the current tax year pending the full balance is scheduled to be paid by October 31<sup>st</sup>. If the debtor defaults on the payment plan, full interest may be applied retroactive to April 1<sup>st</sup>.

### 4. Payment of Taxes

Tax payments can be made by any of the following means:

- In-person at the Town Hall via cash, debit, or cheque
- Online banking by adding the Town as a 'payee', or e-transfer at [payments@lbmccoc.ca](mailto:payments@lbmccoc.ca)
- By mail through cash or cheque
- Town Council drop box through cash or cheque (this is not recommended)

- Post Dated Cheques
  - In the event that a cheque is returned for NSF, the debtor will be charged a \$50.00 fee payable immediately. Should an NSF happen a second time in the same calendar year, there will be another \$50.00 fee charged and post-dated cheques will no longer be an accepted form of payment for that debtor.

*The Town is not equipped to accept credit cards*

#### 5. Tax Reductions

Eligible residents may apply to the Town for a 50% tax reduction by completing the form included in Appendix A "Taxes – Property Tax Reduction". Eligible residents must include proof of ownership of the property and the most recent tax years notice of assessment from CRA with their application. The notice of assessment must indicate a total combined gross household income of \$30,000.00 or less. In order to process this application, all three pieces of correspondence must be provided prior to June 30. Interest will be applied to any requests received after June 30.

#### 6. Tax Collection Procedure

- Tax invoices shall be sent in January of every fiscal year.
- Full statement of accounts will only be issued at the debtor's request.
- Reminders shall be communicated through the Town's communication tools of the March 31<sup>st</sup> payment deadline.
- The first reminder of outstanding taxes shall be issued via mail in August on a generalized tax payment reminder template stating interest has now been applied and requesting immediate payment.
- The second reminder of outstanding taxes shall be issued via mail in October on a personalized tax payment reminder template stating the property principal tax amount and the amount of accrued interest totaling a balance that is now due requesting immediate payment.
- Upon payment of taxes, receipts are not automatically generated and provided. However, should a debtor request, a receipt can be provided.

#### 7. Collection Action for Outstanding Accounts Over One Year

- Accounts that are outstanding in January for the previous year's taxes may be sent to a private collection agency for recovery at the Town's discretion. The debtor will receive notification that the account has been sent to a third party for collection. In the event that there is a tenant in the real property, a rental seizure will be put in place as per Section 148 of the Act.

- Accounts that are outstanding in January for more than just the previous year's taxes, and have a total owing of \$5,000.00 or less, will be sent to small claims court for recovery as per Section 133 of the Act. The debtor will receive notification that legal action has commenced.
- Accounts that are outstanding in January for previous years taxes of \$5,001.00 or more, will be sent to the Supreme Court for recovery as per Section 133 of the Act. The debtor will receive notification that legal action has commenced.
- Accounts that are outstanding in January for previous years taxes of \$10,000.00 or more, will be considered for tax sale as per Section 139-144 of the Act. The debtor will receive notification that legal action has commenced.
- The debtor will be charged with a civil debt to the Council for all reasonable costs resulting from the process of tax collection as per Section 133 of the Act.
- Should the debtor make payments directly to the Town after the account has been sent to a collection agency, or for legal action, the Town will notify all parties involved immediately of payments received.

#### 8. Tax Adjustment Authority

- The Town Clerk/Manager is authorized to adjust property tax bills upon receipt of the Property Tax Deduction Application with all required documentation pending it meets the requirements as set out in 'Section 5. Tax Deductions'.
- The Town Clerk/Manager is authorized to adjust bills and apply credits if it is determined to the satisfaction of the Town Clerk/Manager that an error has occurred in the issuance of the bill or application of interest on the account.
- The Town Clerk/Manager is authorized to exercise discretion to provide interest relief up to \$500.00 once payment arrangements are made and payment is received.
- All other waivers, adjustments or exemptions must be approved by a motion of Council after a recommendation from the Administration & Finance Committee.





email: [office@lbmccoc.ca](mailto:office@lbmccoc.ca)  
website: [www.lbmccoc.ca](http://www.lbmccoc.ca)

9. Adoption

Under Section 413 of the Act, the Town Council of Logy Bay-Middle Cove-Outer Cove adopts the Town of Logy Bay-Middle Cove-Outer Cove Tax Collection Policy and Procedure as approved. This policy should be reviewed at least once every three years or as necessary when/if new information arises.

Janine Walsh.  
Janine Walsh  
Town Clerk/Manager

Denis Hickey  
Denis Hickey  
Mayor

February 7, 2022.  
Date

February 7<sup>th</sup> / 2022  
Date



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PARCEL ID: \_\_\_\_\_ (internal use only)

## REDUCTION OF PROPERTY TAX APPLICATION: 2022

Property owners can avail of a 50% reduction for 2022 property taxes if your **total combined gross income of the property owner(s) for 2021 is \$30,000 or less**. This application, along with the property owner(s) 2021 Income Tax Notice of Assessment from Canada Revenue Agency, **must be received no later than June 30, 2022**, in order for your application to be reviewed. Each property tax reduction form is for one property only, so multiple properties from the same owner(s) must submit a form for each property but only one notice of assessment from the Canada Revenue Agency.

Property Tax Year: 2022

Date Form Completed: \_\_\_\_\_

Property Owner(s) Full Names: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone #: \_\_\_\_\_ Location of Property: \_\_\_\_\_

Email Address: \_\_\_\_\_

Marital Status: \_\_\_\_\_

Are there rented apartments in the dwelling:  Yes  No

Property owners total gross combined household income from all sources for tax year \_\_\_\_\_.

### AFFIDAVIT OF SUBSCRIBING TAXPAYER

I/we, \_\_\_\_\_ of

\_\_\_\_\_ in the Province of NL make oath and say:

(1) That my/our total combined household income for the year \_\_\_\_\_ from all sources amounts to \$ \_\_\_\_\_

(2) That I/we have attached our Notice of Assessment(s).

Sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ year

\_\_\_\_\_  
Signature of Applicant(s)

\_\_\_\_\_  
Town of Logy Bay-Middle Cove-Outer Cove

\_\_\_\_\_  
Signature of Applicant(s)