



**Tax Collection Policy  
T-8210-23**

Effective Date:  
October 25, 2023

**Part 1 Purpose**

The purpose of this Policy is to establish procedures for the effective and efficient billing and collection of tax accounts receivable.

**Part 2 Definitions**

- 2.1 **“Act”** means the *Nova Scotia Municipal Government Act*.
- 2.2 **“Municipality”** means the Municipality of the District of Yarmouth.
- 2.3 **“CAO”** means the Chief Administrative Officer for the Municipality of the District of Yarmouth.
- 2.4 **“Roll & Assessment Roll”** means an official list of properties subject to property tax within the Municipality as determined under the *Assessment Act* and filed with the Municipality by Property Valuation Services Corporation.
- 2.5 **“Staff”** means employees of the Municipality of the District of Yarmouth.

**Part 3 Billing**

- 3.1 The Municipality will issue an annual tax bill with a due date of June 30.

**Part 4 Interest**

- 4.1 If the total amount payable is not paid on or before the due date shown on the tax bill, interest will be charged at the rate of 1.5% per month, or as otherwise prescribed through Interest Policy #I-068-00.
- 4.2 Interest is not paid on credit balances in tax accounts except if the credit has resulted from payment of taxes on an account that has been appealed (assessment) and the resulting tax amount is less than the original tax billing (determined after the final bill).



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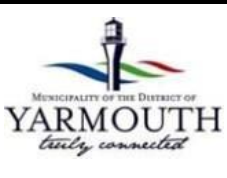
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**Part 5 Tax Collection – General Practices**

- 5.1 Provisions of the *Municipal Government Act (MGA)* Section 6 deal with Tax Collection and provide the legislative framework within which the Staff are expected to carry out tax collection. This policy is intended to provide more specific guidance in certain circumstances but is not intended to allow staff actions contrary to the *Act* or to limit the authority given to Staff under the *Act*.
- 5.2 Staff will make all reasonable efforts to collect taxes due to the Municipality. This includes reasonable effort to locate taxpayers whose whereabouts are not readily known.
- 5.3 The *MGA* provides that every person liable to pay taxes shall be served with a tax bill, to be mailed to the address shown on the filed roll or to a more current address if known to staff.
- 5.4 The Municipality considers it to be the responsibility of the property owner to ensure their address is up to date on the assessment roll and the tax system. Having filled the legal requirement to bill as noted above, the Municipality considers it to be the taxpayer's responsibility to contact the Municipality to determine amounts owing for taxes if they have not received their bill.
- 5.5 The Municipality accepts no responsibility to notify new property owners of arrears against properties they buy except for the usual tax billing process. It is the responsibility of the purchaser and their solicitor to ensure that taxes owing are paid. The Municipality will make every effort possible, within the staff resources available, to change ownership information on properties as it becomes available from the Property Valuation Services Corporation (PVSC) but will not accept responsibility for interest that may accrue on tax arrears that remain unpaid as a result of a change of ownership.

**Part 6 Properties in Tax Sale Position**

- 6.1 At June 30 of each year all accounts will be reviewed. Accounts that have current year tax outstanding and part or all of prior year tax outstanding shall be considered to be in tax sale position. The CAO is authorized to adopt administrative guidelines that identify minimum amounts below which the second years' taxes will not trigger the tax sale procedures.



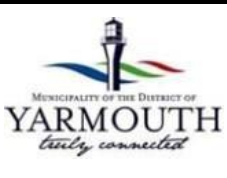
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- 6.2 Tax Sale properties shall be sent a preliminary notice giving at least fifteen (15) calendar days to pay the account in full. The preliminary notice shall indicate that a title search and/or survey of the property may be commenced at the end of the fifteen (15) days without further warning - the cost of which will constitute a lien on the property in question.
- 6.3 Once a preliminary notice is issued staff are still permitted to enter into payment arrangements with the taxpayer.
- 6.4 Once a property has been issued a Notice of Intention it should not normally be removed from the tax sale process except as a result of full payment or approved payment arrangements. Staff may determine when circumstances dictate otherwise and remove a property from the list. The circumstances causing a removal of a property from the tax sale list for other than reasons of payment, shall be documented and approved by the CAO.”
- 6.5 If payment arrangements as negotiated above are dishonored staff will immediately, without notice, begin or continue the formal process of tax sale unless other arrangements satisfactory to Staff can be negotiated prior to the end of the last business day before Tax Sale Day.

**Part 7 Tax Sale**

- 7.1 Prior to the Sale
  - 7.1.1 The Municipality of Yarmouth will not guarantee title to the property for sale. Prospective purchasers are responsible for their own searches and surveys.
- 7.2 Day of the Sale
  - 7.2.1 A tax sale is a public auction.
  - 7.2.2 Bidder will be given a number which must be shown when bidding.
  - 7.2.3 Terms of the sale are cash, debit, certified cheque, money order or a lawyers’ trust cheque. The taxes, interest and expenses must be paid immediately following each sale of property with the balance of the bid paid by same within three business days of the date of sale.



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7.3 After the Sale

7.3.1 The original owner has six (6) months from the date of sale to redeem the property, paying all taxes expenses and interest (unless determined to be non-redeemable under Section 152 of the *MGA*).

7.3.2 If redeemed, the purchaser will receive their purchase price plus 10% annual interest calculated at a per diem rate, from the Municipality.

7.3.3 In the event that property is not redeemed the purchaser will be awarded a tax sale deed from the municipality. The purchaser will be responsible for the cost of the preparation and recording of the deed with the Registry of Deeds.

**Part 8 Tender of Properties**

8.1 The CAO may offer tax sale by tender of any property not sold at Public Auction immediately following the auction. A list of such properties shall be filed with Council.

**Part 9 Real Properties in Arrears, but not in Tax Sale Position**

9.1 For properties in arrears, but not in tax sale position reminders will be issued to individual assessed owners. The number and timing of reminders will be determined by staff. There will, at a minimum, be one reminder sent to accounts with arrears over \$20.00.

**Part 10 Collection Procedures Involving Issuance of Warrants**

10.1 An application by the Treasurer under Section 120 of the *MGA* shall be approved by the CAO prior to submission. Where an application is not being made to the provincial court, the application must be approved by a resolution of Council.

**Part 11 Tax Account Adjustments/Write-offs**

11.1 The CAO may approve administrative policies governing the write-off or adjustment of tax payers accounts. Such policy shall provide the process to write



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off accounts in the following circumstances:

- 11.1.1 Where notice is received from PVSC that an error has been made in the filed roll which cannot be corrected by any provision of the *Assessment Act* (e.g., duplicate assessments, delete accounts);
- 11.1.2 where there has been an error made by municipal staff or in other circumstance deemed appropriate, the CAO may approve the write-off of interest on an account;
- 11.1.3 where the internal and external cost to pursue collection of an account would reasonably be expected to exceed the amounts to be successfully collected;
- 11.1.4 where a tax payer has been discharged from their liabilities under bankruptcy;
- 11.1.5 where the tax payer cannot be located, despite reasonable efforts to do so; and
- 11.1.6 write offs and adjustments under Part 11 will be compiled and reported to Council on an annual basis.

**Part 12 Collection Costs**

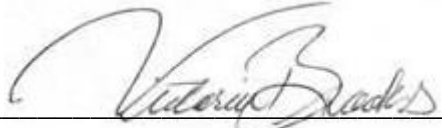
- 12.1 The CAO is authorized to approve certain fees and procedures associated with tax collection on a cost recovery basis such as, but not limited to, fees for cheques/pre-authorized debit not able to be processed by a bank.

MUNICIPALITY OF THE DISTRICT OF YARMOUTH



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Chief Administrative Officer's Annotation for Official Policy Book	
Date of Notice to Council members of Intent to Consider (7 days Min)	October 16, 2023
Date of Passage of current Policy	October 25, 2023
I certify that this Tax Collection Policy T-8210-23 was adopted by Council as indicated above.	
 _____ Chief Administrative Officer	<u>November 17, 2023</u> Date

**Date last reviewed by Council: October 25, 2023**

**Date last amended:**

**Amendment Log**

Date	Amendment Description