



**TOWN OF CARDSTON
IN THE PROVINCE OF ALBERTA**

BYLAW 1662

TAX PAYMENTS BYLAW

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TOWN OF CARDSTON IN THE PROVINCE OF ALBERTA

BYLAW 1662

TAX PAYMENTS BYLAW

A BYLAW OF THE TOWN OF CARDSTON IN THE PROVINCE OF ALBERTA TO PROVIDE FOR A PRE-AUTHORIZED TAX INSTALLMENT PAYMENT PLAN (TIPP), TAX PENALTIES, AND A TAX DEFERRAL DUE TO AN EXCESSIVE ASSESSMENT INCREASE.

WHEREAS, pursuant to section 339 of the *Municipal Government Act*, Revised Statutes of Alberta, 2000, Chapter M-26, Town Council may by bylaw provide for incentives on payments of property taxes made before a date or dates to be fixed in the bylaw for property taxes;

AND WHEREAS pursuant to section 340 of the *Municipal Government Act*, Revised Statutes of Alberta, 2000, Chapter M-26, Town Council may by bylaw permit taxes to be paid by installments;

AND WHEREAS pursuant to section 346 of the *Municipal Government Act*, Revised Statutes of Alberta, 2000, Chapter M-26, penalties imposed by Town Council are part of the tax;

AND WHEREAS sections 344-346 of the *Municipal Government Act*, Revised Statutes of Alberta, 2000, Chapter M-26, provides for the imposition of penalties in the year in which a tax is imposed if the tax remains unpaid after the date shown on the tax notice;

AND WHEREAS pursuant to section 347 of the *Municipal Government Act*, Revised Statutes of Alberta, 2000, Chapter M-26, only Town Council can cancel a tax when it considers it equitable to do so;

AND WHEREAS the Town Council desires to establish a pre-authorized tax payment plan in the Town of Cardston, to establish penalties and additional penalties for unpaid taxes, and to allow for a deferral of taxes due to an excessive assessment increase,

NOW THEREFORE, the Council of the Town of Cardston, duly assembled, enacts as follows:

PART I - TITLE, PURPOSE, DEFINITIONS AND INTERPRETATION

TITLE 1) This bylaw shall be known as the “Tax Payments Bylaw”.

PURPOSE 2) The Purpose of this Bylaw is to establish:



- (a)** An option for Taxpayers to pre-pay their Taxes by monthly installments under TIPP;
- (b)** The rate of incentive to be applied on the payment of Taxes on the TIPP;
- (c)** An opportunity to waive current Penalties by enrolling in TIPP;
- (d)** Penalties and additional penalties for unpaid taxes;
- (e)** An option for a deferral of taxes due to an excessive assessment increase.

DEFINITIONS

3) In this bylaw:

- (a)** “Act” means the *Municipal Government Act*, R.S.A. 2000 c. M-26 as amended or replaced from time to time;
- (b)** “Additional Charges” are charges that are added to the Tax Roll in accordance with provincial legislation;
- (c)** “Agreement” means an Agreement under this Bylaw to pay taxes through TIPP by automatic bank withdrawal;
- (d)** “Assessed Person” means the person recorded on the assessment and tax rolls in accordance with parts 9 and 10 of the *Act*.
- (e)** “Council” means the Municipal Council of the Town of Cardston
- (f)** “Current Taxes” means Taxes imposed in the current year;
- (g)** “Penalties” means Penalties on unpaid Taxes as specified in Section 19 of this bylaw
- (h)** “Taxes” means all taxes imposed by the Town pursuant to the Municipal Government Act or any other statute of the Province of Alberta, including property taxes, local improvement taxes, the amounts which in the event of non-payment are deemed at law to be taxes or recoverable as or in the same matter as taxes and any penalties on such taxes or amounts;
- (i)** “Taxpayer” means a person liable to pay Taxes as defined in Sections 331 and 373 of the *Act* and includes an entity that has been authorized by a Taxpayer to pay Taxes to the Town on their behalf, on a monthly basis or otherwise, and includes a mortgage holder;
- (j)** “Town” means the Town of Cardston
- (k)** “Town Tax Collector” means the Town CAO or designated



Clerk

(1) "Year" means calendar year

RULES FOR INTERPRETATION

4) The table of contents, marginal notes and headings in this bylaw are for reference purposes only.

PART II – GENERAL

OPTION OF PREPAYMENT OF TAXES BY AUTOMATIC MONTHLY INSTALLMENTS

5) A Taxpayer, shown on the Tax Roll, is hereby granted the right to enter into an Agreement in a form acceptable to the Town Tax Collector to prepay their Taxes for current and future taxation Years, on such land and improvements, in 10 monthly installments. The prepayment will be based on 95% of the Taxes levied on the said land and improvements in the current Year of application, commencing on the 3rd day of August of the Year prior to the Year in which the taxes will become due, and continuing on the 3rd day of the month thereafter to and including the 3rd day of May in the Year in which the Taxes are due. When the 3rd of the month falls on a weekend, the Tax payment will be processed on the next business day.

(a) The amount of each monthly installment herein provided shall be 1/10th of 95% of the taxes levied, rounded up to the nearest dollar, on the said land and improvements in the Year in which the first monthly installment is made.
(Current Year taxes \ 10 X 95% rounded up to nearest dollar. $\$3500 \div 10 \times 95\% = \332.50 , payment is $\$333.00$.)

(b) A separate form must be completed for each property on TIPP.

(c) If a Taxpayer is on TIPP and moves to another property in Town, a new form will have to be filled out if they wish to remain on TIPP.

6) All payments made hereunder shall be made by way of pre-authorized payments.

(a) A person desiring to make prepayments pursuant to this Bylaw shall execute and deliver to the Town a pre-authorized payment application in the form authorized by the Town Tax Collector.

(b) Applications for the TIPP received on or before July 31st will be enrolled in accordance with section 5 of this Bylaw.



- 7)** The Town Tax Collector may accept applications for the TIPP at any time after July 31st. The monthly installment amount may be adjusted by the Town Tax Collector having regard to:
- (a)** The number of months remaining before the May 3rd final installment;
 - (b)** Other matters the Town Tax Collector considers reasonably advisable to ensure completion of the TIPP by the last business day in June in the Year the Taxes are due.
- 8)** No person may enter into TIPP with the Town when there are outstanding municipal taxes upon the land or improvements.
- 9)** Any balance of Taxes remaining unpaid upon any land and improvements, after computing all prepayments of Taxes and applying the discount allowed pursuant to section 16 of this bylaw, shall be payable to the Town not later than the last business day of June of the Year in which such Taxes are due and payable.

Payments will be automatically debited from the Taxpayer's bank account on the last business day of June to cover any remaining tax balance.

- 10)** Any balance of Taxes remaining as a credit upon any land and improvements, after computing all prepayments of Taxes and applying the incentive allowed pursuant to section 16 of this bylaw, shall be carried forward and applied to reduce the monthly TIPP prepayments commencing on the third day of August of the current Year for the future Year in which the Taxes will become due unless:
- (a)** The Taxpayer cancels TIPP; or
 - (b)** The Town Tax Collector receives a request in writing from the Taxpayer for a refund of the credit; or
 - (c)** The Taxpayer owns multiple properties in Town and the Taxpayer gives approval for the credit from one account to be applied to an outstanding balance on another account.
- 11)** Once a Bylaw of the Town has been approved establishing tax rates for the current Year and after June 30th, the new TIPP cycle shall be adjusted to collect for the following Year in which Taxes are due.
- 12)** The Assessed Person shall be sent information in July about the adjusted TIPP payment. It is the Assessed Person's responsibility to forward the adjusted TIPP calculation to their authorized agent if they have one, which may also be the



Taxpayer. If the adjusted TIPP payment is calculated to be minimally different from the previous year, the Town Tax Collector will set the new TIPP payment the same as the previous Year and nothing will be sent to the Taxpayer.

- 13)** A Taxpayer's TIPP payment may be adjusted on a periodic basis to reflect other Taxes, Additional Charges or payments that are applied to the Tax roll.
- 14)** A Taxpayer's TIPP Agreement shall be cancelled immediately if:
 - (a)** Any two installments are not honoured by the Taxpayer's bank;
 - i.** The Town Tax Collector may allow the Agreement to continue if the Taxpayer shows extenuating circumstances for why the installments are not honored,
 - Or,
 - (b)** The Taxpayer formally requests the cancellation of the Agreement; or
 - (c)** A law firm requests that TIPP be cancelled due to a pending sale of the property, or
 - (d)** The bank account has been compromised or closed. It is the Taxpayer's responsibility to inform the Town if an account is changed or closed.
- 15)** An Agreement cancelled in accordance with section 14 shall be subject to any bank returned item fees as specified in the current Finance & Tax Procedure Policy
- 16)** The Town shall allow an incentive discount on the amount of the prepayment of Taxes at a rate to be determined yearly by motion of Council prior to August of the current Year, subject to the following conditions:
 - (a)** The incentive will be calculated from the date of each prepayment to the last business day of June in the Year when the Taxes are due; and
 - (b)** The incentive will be applied at the end of the month and will only be applied to the TIPP credit balance remaining on the Tax roll of the Taxpayer account until the following year tax notices are levied.
- 17)** Notwithstanding anything herein contained where an Agreement is cancelled under section 14, or the land and improvements thereon are sold at any time during the period of prepayment and the TIPP installments have not been transferred

**INCENTIVE
DISCOUNT FOR
PREPAYMENT OF
TAXES BY
INSTALLMENTS**

to the purchaser, no further incentive discount shall be given or allowed by the Town on any Taxes levied and all installment prepayments shall be credited to the property Tax account.

- 18)** Nothing herein shall prevent any person from prepaying all or any portion of the estimated Taxes for an Assessed Person in one or more payments.

PENALTY CANCELLATION

- 19)** Should a Taxpayer whose property or business is subject to late payment Penalties as at July 1 on Current Taxes, make application no later than July 31st in the current Tax Year, Council authorizes the Town Tax Collector to cancel the July 1st penalty when the following conditions are met:

- (a)** All taxes (including Penalties) are paid in full by July 31st in the current tax year.
- (b)** A TIPP agreement is entered into and all payments are made according to section 5 for one full TIPP cycle (August to June 30th).

If the previous conditions are met, the Town Tax Collector will apply a credit equal to the July 1st Penalty to the property and will reduce the final payment in June by the credit or leave a credit on the property.

- 20)** If the Taxpayer cancels the Agreement or fails to make consistent monthly prepayments for one full TIPP cycle, (August through June 30th) the cancelled penalty will remain on the property and applicable NSF charges will be applied to returned payments.
- 21)** Notwithstanding sections 19 and 20, Council may waive any penalty if it is considered equitable to do so, with or without conditions.

TAX PENALTIES

- 22)** Tax notices are mailed out in May of each Year and Taxes are due June 30th of each Year. The following Penalty rates will apply for late payments in the current Year:
- (a)** A Penalty of 8% to be applied to unpaid Current Taxes as of July 1st (processed on the next business day)
 - (b)** A Penalty of 4% to be applied to unpaid Current Taxes as of October 1st (processed on the next business day if the 1st is a weekend or holiday).
 - i.** All tax notices mailed after July 1st and prior to



September 1st due to assessment changes or mid-year billing shall be subject to the October 1st penalty of 4% on unpaid Current Taxes.

- (c) If Taxes remain unpaid after December 31st, the following Penalty rate will apply and will be applied as of January 1st (processed on the next business day):
 - i. A Penalty of 12% to be applied to all outstanding Taxes (including Current Taxes and arrears).

**TAX DEFERRAL
DUE TO
EXCESSIVE
ASSESSMENT
INCREASE**

- 23) The Town's Assessor will provide updated assessments for each property in Town by February 28th of each year. If the assessment of any property is increased by 30% or greater due to:
 - (a) Changes in the standards of assessment as per rate or code changes, or
 - (b) Changes in assessment as a result of initiatives from the Province,

The Town will stage the Tax impact over two years to relieve the property owner of such an increase.

- 24) Section 23a does not apply to assessment increases due to development.

EFFECTIVE DATE

- 25) This Bylaw shall come in force upon the date of its third and final reading.

REPEAL

- 26) Bylaws 1475 and 1688 and amendments thereto shall be rescinded.



Received First Reading this 12 day of September, 2023

Received Second Reading this 10 day of October, 2023

Received Third & Final Reading this 10 day of October, 2023

Signed by the Mayor and the Chief Administrative Officer this 12 day of October, 2023

TOWN OF CARDSTON

MAYOR – *Maggie Kronen*

CHIEF ADMINISTRATIVE OFFICER – *Jeff Shaw*

