

CITY OF NANAIMO

BYLAW NO. 7390

A BYLAW TO AUTHORIZE A PROPERTY TAX PREPAYMENT PLAN

WHEREAS pursuant to Section 194(2)(d) of the *Community Charter*, Council may, by bylaw, establish terms and conditions for the payment of a fee, including discounts, interest and penalties;

AND WHEREAS pursuant to Section 235 of the *Community Charter*, Council may establish an alternative municipal tax collection scheme;

AND WHEREAS the Council of the City of Nanaimo deems it desirable as part of an alternative municipal tax collection scheme established in accordance with this Bylaw and for the convenience of taxpayers, to implement a preauthorized property tax installment payment plan for the taxpayers of the City of Nanaimo;

THEREFORE the Council of the City of Nanaimo in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. Title

This Bylaw may be cited as the "PROPERTY TAX PREPAYMENT PLAN BYLAW 2024, NO. 7390".

2. Definitions

In this Bylaw:

"CITY"	means the City of Nanaimo.
"COLLECTOR"	means the person duly appointed as such from time to time by Council and includes any person appointed or designated by the Collector to act on their behalf.
"COUNCIL"	means the duly elected Council of the City of Nanaimo.
"MUNICIPAL SCHEME"	means the alternative municipal property tax collection scheme established under Section 3 of this Bylaw.
"PRESCRIBED RATE OF INTEREST"	means the rate of interest prescribed by the Lieutenant Governor in Council for the purposes of Section 239(2) of the <i>Community Charter</i> .
"TAXPAYER"	means any person or corporation who is or may be liable to the City of Nanaimo for payment of property taxes.

3. Alternative Municipal Tax Collection Scheme

- 3.1 Any *taxpayer* may apply to the *Collector* to pay property taxes before the due date in equal monthly installments on the terms and conditions set out in this Bylaw.
- 3.2 For the purposes of this Bylaw, the *Collector* may estimate the amount of property taxes that will become due on the due date. This estimate may be done before the annual issuance of the Tax Notice or any time during the year depending on when the *taxpayer* enrolls in the plan.
- 3.3 If the *taxpayer* chooses to pay property taxes by installment in accordance with this Bylaw, a form shall be executed which authorizes deductions from the taxpayer's account at a financial institution to the credit of the *City*, and the form left on file with the *Collector*.
- 3.4 The *Collector* is authorized to hold monies to be applied in payment of taxes at a future date on the real property designated by the *taxpayer* upon the following terms and conditions:
 - 3.4.1 the *taxpayer* must complete and submit to the *Collector* an application in the form set out by the *Collector* for each property being enrolled in the plan;
 - 3.4.2 prepayments are withdrawn on the 15th of each month from July to June for the upcoming year's property taxes;
 - 3.4.3 the minimum amount which shall be accepted on any property is twenty-five dollars (\$25.00);
 - 3.4.4 the taxpayer must designate the property tax account for which payments by installment are to be made;
 - 3.4.5 any payments accepted shall be applied against the property taxes for the year in which the payments are applicable in accordance with Section 244 of the *Community Charter*;
 - 3.4.6 provided that there are no taxes in arrears or delinquent, the interest rate payable under this tax installment plan shall be at the prescribed rate;
 - 3.4.7 interest will be credited on the last day of each month, with the exception of May and June.

4. Payment Of Taxes in Arrears And Delinquent Taxes By Installment

- 4.1 A *taxpayer* may apply to the *Collector* to pay property taxes that are in arrears or that are delinquent in equal monthly installments on the terms and conditions set out in this Bylaw.

- 4.2 A *taxpayer* who applies under Section 4 of this Bylaw must execute a form which authorizes deductions from the taxpayer's account at a financial institution to the credit of the City, and the form must be left on file with the *Collector*.
- 4.3 The following terms and conditions apply to the City's acceptance of payment by installment under Section 4 of this Bylaw:
 - 4.3.1 the *taxpayer* must complete and submit to the *Collector* an application in the form set out by the *Collector* for each property being enrolled in the plan;
 - 4.3.2 the minimum monthly payment which shall be accepted with respect to any one parcel of land will be equal to the total estimated amount of outstanding delinquent, arrears, and current year taxes outstanding plus applicable interest equally divided by the number of months remaining before the next property tax due date and last monthly withdrawal;
 - 4.3.3 when applying under Section 4 of the bylaw the *taxpayer* must designate the property tax account for which payments by installment are to be made;
 - 4.3.4 all installment payments shall be credited by the *Collector* in accordance with the requirements of Section 244 of the *Community Charter*.

5. General Provision

- 5.1 The *Collector* is authorized on the *City's* behalf to enter into an agreement with a *taxpayer* in the terms required under Section 3 and 4 of this Bylaw, as applicable.
- 5.2 The *Collector* shall indicate on the annual property tax notice:
 - 5.2.1 the total of all payments received in advance under this Bylaw plus any interest earned;
 - 5.2.2 the new monthly installment amount, if applicable; and
 - 5.2.3 the amount required to pay the balance of the taxes due on the due date.
- 5.3 If eligible, the Home Owner Grant must be claimed after receipt of the tax notice, but before the tax due date. Participation in the Property Tax Prepayment Plan is not a substitute for claiming the Home Owner Grant.
- 5.4 Any unpaid balance on the property tax notice after claiming the Home Owner Grant (if applicable) must be paid via payment that is separate from the installment plan.
- 5.5 Any balance remaining unpaid after the due date in any year will be subject to penalty provisions of the *Community Charter*.

- 5.6 The amount of the installment may vary in subsequent years.
 - 5.7 The *Collector* may cancel a *taxpayer's* participation in an installment plan after two (2) installments fail to be honoured in a twelve (12) month period.
 - 5.8 Any dishonoured or returned payment will be charged back to the Property Tax account, together with the applicable penalties applied, interest forfeited and will be subject to a service fee in accordance with the *Fees and Charges Bylaw*.
 - 5.9 No interest shall be paid with respect to any amounts paid after April 30th for the current year's taxes.
 - 5.10 Property tax installments are not refundable. If the subject property is sold, the *Collector* will determine if a refund is permitted under extraordinary circumstances. Refunds are subject to an administration fee pursuant to the currently enacted *Fees and Charges Bylaw*.
 - 5.7.1 In the event a refund is processed, interest will be calculated and payable to the end of the previous month of when the refund is processed.
 - 5.11 A participating *taxpayer* may give notice in writing ten (10) business days prior to the installment date, to discontinue participation in the monthly installment plan or to make any other changes such as installment amount or banking information.
 - 5.12 Participation in the installment plan shall continue until terminated by either party in writing.
 - 5.13 In the event that an unpaid User Rates account or charge against the property is added to the tax account as arrears, any tax installment payments in the account will be applied against these arrears.
 - 5.14 It is the taxpayer's responsibility to ensure that correct information is provided to the City for the purposes of processing payments.
 - 5.15 Nothing in this Bylaw supersedes the provision of the *Local Government Act* or the *Community Charter*.
6. Severability

If any section, subsection, or paragraph of this Bylaw is found invalid by a decision of a Court of competent jurisdiction, the invalid section, subsection, or paragraph shall be severed without effect on the remainder of the Bylaw.

7. Repeal

“Tax Prepayment Plan Bylaw 1995 No. 4904” is hereby repealed.

PASSED FIRST READING: _____

PASSED SECOND READING: _____

PASSED THIRD READING: _____

ADOPTED: _____

MAYOR

CORPORATE OFFICER