



Bylaw No. 2962-2019

TAX PAYMENT BYLAW, 2019

[Consolidated and printed by authority of the Corporate Officer under section 139 of the *Community Charter*. Includes amendment bylaws 2976-2019 and 3042-2020 . Last amended May 4, 2020]

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The Council of the City of Abbotsford, in open meeting assembled, ENACTS AS FOLLOWS:

Part 1 — Interpretation

Interpretation

- 1 The *Interpretation Bylaw* applies to this bylaw.

Definitions

- 2 In this bylaw

"advance payment" means

- (a) a lump sum payment made before May 15, or
- (b) a monthly prepayment

received as a credit for property taxes that are not yet due;

"advance payment interest" means interest paid on an advance payment in accordance with section 9 [*interest payable on an advance payment*];

"collector" means the officer assigned the responsibility of financial administration for the City;

[Note: Section 8 of the *Officer Designation and Delegation of Authority Bylaw* assigns the responsibility of financial administration for the City to the General Manager, Finance and Corporate Services.]

"delinquent taxes" has the same meaning as in section 246 [*delinquent taxes*] of the *Community Charter*;

"due date" means the due date for property taxes established in section 3;

"home owner grant", in relation to property taxes imposed on a property, means a grant for which a person makes an application in accordance with section 8 [*application for grant*] of the *Home Owner Grant Act*, R.S.B.C. 1996, c. 194;

"monthly prepayment" means a pre-authorized withdrawal from a bank account to be credited against property taxes;

"property tax", in relation to land or improvements within the City, includes

- (a) a property value tax,
- (b) a parcel tax,
- (c) a local service tax, and
- (d) amounts that may be collected in the same manner as property taxes in accordance with Division 14 [*Recovery of Special Fees*] of Part 7 [*Municipal Revenue*] of the *Community Charter*;

"taxes in arrear" have the same meaning as in section 245 [*taxes in arrear*] of the *Community Charter*.

Part 2 — Payment of Taxes

Property tax due date

3 Property taxes for each year are due on July 2 of the year.

[Note: In accordance with section 25.5 [if day specified is holiday or office closed] of the *Interpretation Act*, if July 2 is a holiday or a Saturday or Sunday, the due date is the next day that is not a holiday or the Monday immediately following the weekend.]

Payment methods

4 A person may pay for property taxes

- (a) through a tax prepayment plan in accordance with Part 3,
- (b) through a Canadian financial institution
 - (i) as an online banking bill payment, or
 - (ii) as a telephone banking bill payment,
- (c) through a mortgage provider,
- (d) through the City's website as an online credit card bill payment, subject to a processing fee established in the *Fees and Charges Bylaw*,
- (e) by cheque payable to the City of Abbotsford on or before the due date
 - (i) delivered by mail to City Hall, or
 - (ii) placed within a drop box available for this purpose at City Hall, or
- (f) through other means as may be described from time to time on the City's website.

Penalty on unpaid current year taxes

5 (1) If all or part of the property taxes for a year are not paid by the due date, the collector must add to the unpaid property taxes a penalty equal to 5% of the portion that remains unpaid.

[Note: The 5% penalty is added immediately following the due date. For example, if a property tax bill of \$2,500 has a balance of \$1,000 left owing after \$1,500 in payments as of 11:59 p.m. on the due date, a 5% penalty on the \$1,000 balance (i.e., \$50) will be added as of 12:01 a.m. on the day after the due date, for a total outstanding balance of \$1,050.]

(2) If the property taxes for a year are not paid in full by September 15 of the year, a penalty in the amount of 5% of the unpaid property taxes is added on the following day.

[Note: The 5% penalty for property taxes not fully paid by September 15 is in addition to the 5% penalty applied to property taxes for the year that are unpaid as of July 2.]

(3) If a person makes an application for a home owner grant by September 15 and the home owner grant is approved, the penalties under this section do not apply to the unpaid amount of the home owner grant.

[Note: In accordance with section 25.5 [if day specified is holiday or office closed] of the *Interpretation Act*, if September 15 is a holiday or a Saturday or Sunday, the due date is the next day that is not a holiday or the Monday immediately following the weekend.]

Penalty on unpaid 2020 property taxes for class 4, 5, 6, 7, and 8 properties

5.1 (1) Despite section 5 [penalty on unpaid current year taxes], if all or part of a property falls under any of the following property classes, this section applies to the property taxes for the year 2020 for that property:

- (a) class 4 - major industry;
- (b) class 5 - light industry;
- (c) class 6 - business and other;
- (d) class 7 - managed forest land;
- (e) class 8 - recreational property/non-profit organization.

[Note: If all of a property is classified as class 1 - residential, class 2 - utilities, class 3 - supportive housing, or class 9 - farm, section 5 [penalty on unpaid current year taxes] applies to that property.]

(2) If all or part of the property taxes for the year 2020 in respect of a property to which this section applies are not paid by September 30, 2020, the collector must add to the unpaid property taxes a penalty equal to 10% of the portion that remains unpaid.

[Note: The 10% penalty is added immediately following September 30. For example, if a property tax bill of \$2,500 has a balance of \$1,000 left owing after \$1,500 in payments as of 11:59 p.m. on September 30, a 10% penalty on the \$1,000 balance (i.e., \$100) will be added as of 12:01 a.m. on October 1, 2020 for a total outstanding balance of \$1,100.]

(3) If a person makes an application for a home owner grant by September 30, 2020 for a property to which this section applies, and the home owner grant is approved, the penalties under this section do not apply to the unpaid amount of the home owner grant.

[B/L 3042-2020]

Interest on taxes in arrear and delinquent taxes

6 Interest on taxes in arrear and delinquent taxes bear interest in accordance with sections 245 [taxes in arrear] and 246 [delinquent taxes] of the *Community Charter*.

[Note: Taxes in arrear and delinquent taxes bear interest at a rate currently prescribed by the provincial Cabinet in section 3 [Interest rate re Taxation (Rural Area) Act] of the Interest Rate under Various Statutes Regulation, B.C. Reg. 386/92 to be 3% above the prime lending rate of the principal banker to the Province.]

Application of tax payments

7 The collector must credit payments for property taxes in accordance with section 244(1) [application of tax payments] of the *Community Charter*.

Limit on advance payments

- 8** The collector may only accept an advance payment if the resulting property tax account balance does not exceed the property taxes reasonably estimated to be due as of the next due date.

Interest payable on an advance payment

- 9** The collector must apply advance payment interest as a credit for property taxes by the due date following the advance payment.

Calculation of advance payment interest

- 10** (1) (a) accrues from the later of
- (i) the day the advance payment is received, and
 - (ii) August 15,
- until the earlier of
- (iii) May 15, and
 - (iv) the day on which the property tax account no longer has a credit balance;
- [B/L 2976-2019]
- (2) The rate of advance payment interest is the greater of
- (a) 3% below the prime lending rate of the principal banker to the Province, and
 - (b) 0.25%,
- to a maximum rate of 1.5%.

Owner may elect which scheme to use

- 11** An owner may make an election, or change an election, to pay under the tax collection scheme set out in this Part or the general tax collection scheme established under section 234 [*general tax collection scheme*] of the *Community Charter* by giving written notice of the election to the City before May 15 of the year to which the election applies.

[Note: Section 236 [*owner may elect which scheme to use*] of the *Community Charter* allows an owner to choose between a general tax collection scheme and an alternative municipal tax collection scheme. Section 235(2) of the *Community Charter* requires that an annual period be established by bylaw during which owners may make elections. Under the general tax collection scheme, the penalty for unpaid taxes is 10% of the portion that remains unpaid after July 2. Under the City's alternative municipal tax collection scheme, the penalty for unpaid taxes is 5% on each of the portions that remain unpaid after July 2 and September 15 respectively. By default, if an owner does not make an election, the City's alternative municipal tax collection scheme applies.]

Part 3 — Tax Prepayment Plan

Tax prepayment plan established

- 12** Any person may enrol a property in a tax prepayment plan in accordance with this Part.

Eligibility for tax prepayment plan

- 13** All property taxes due in respect of a property must be paid in full before a person may enrol or re-enrol the property in a tax prepayment plan.

Monthly prepayment authorization

- 14** (1) To enrol a property in a tax prepayment plan, a person must provide written authorization to the City to withdraw equal monthly prepayments from no earlier than August 15 to May 15 of the following year.
- (2) The aggregate amount of the monthly prepayments authorized under subsection (1) must not be greater than the reasonably estimated amount of property taxes to be imposed on the property enrolled in the prepayment plan.
- (3) Each monthly prepayment authorized under subsection (1) must be at least \$10.00.

[Note: A person enrolling in a tax prepayment plan before August 15 may authorize up to 10 equal monthly prepayments from August 15 to May 15 of the following year. A person may also enrol in a tax prepayment plan after August 15. For example, a person may enrol part way through the year by authorizing 6 equal monthly prepayments between December 15 to May 15 of the following year.]

Changes to tax prepayment plan enrolment

- 15** A person who enrolls in a tax prepayment plan, or an owner of a property enrolled in a tax prepayment plan, may change or cancel the authorization to withdraw monthly prepayments under section 14 (1) [*monthly prepayment authorization*] by providing written notice to the collector at least 7 business days before the date of the monthly prepayment to which the change or cancellation applies.

Annual tax prepayment plan renewal

- 16** Subject to section 13 [*eligibility for tax prepayment plan*], each property enrolled in a tax prepayment plan as of May 15 of a year will be re-enrolled for monthly prepayments on August 15 of the year.

Unpaid balances

- 17** Penalties imposed under this bylaw apply to a property enrolled in a tax prepayment plan.

[B/L 3042-2020]

[Any property tax balance remaining unpaid after applying the total payments made under the tax prepayment plan to the property taxes levied for a given tax

year will be due by the due date. This balance will be shown on the tax notice. The balance will not automatically be withdrawn under the tax prepayment plan. Any balance remaining unpaid after the dates set out in section 5 [penalty on unpaid current year taxes] or section 5.1 [penalty on unpaid 2020 property taxes for class 4, 5, 6, 7 and 8 properties] will be subject to penalties set out in the respective section.]

Dishonoured monthly prepayments

- 18** (1) For each dishonoured monthly prepayment, the person who enrolled a property in the tax prepayment plan must pay an administrative fee as set out in the *Fees and Charges Bylaw*.
- (2) If two monthly prepayments for a property are dishonoured from August 15 to May 15 of the following year, the tax prepayment plan for the property will be terminated.

Part 4 – Consequential Amendments

Repeal

- 19** The following bylaws are repealed:
- (a) Bylaw No. 1442-2005, *Tax Prepayment Bylaw, 2005*;
 - (b) Bylaw No. 2304-2014, *Tax Penalty Bylaw, 2014*.

READ A FIRST TIME on July 8, 2019

READ A SECOND TIME on July 8, 2019

READ A THIRD TIME on July 8, 2019

ADOPTED on July 22, 2019