

**BYLAW NO. 3547/2015**

WHEREAS, pursuant to section 340 of the *Municipal Government Act*, R.S.A. 2000, c M-26 (MGA), as amended, permits Council to provide for the payment of taxes by instalments;

AND WHEREAS Council wishes to allow taxpayers to pay taxes imposed under the MGA by way of instalments;

NOW THEREFORE THE COUNCIL OF THE CITY OF RED DEER HEREBY ENACTS AS FOLLOWS:

**PART I – TITLE, PURPOSE AND DEFINITIONS****Title**

1. This bylaw may be called the “Tax Instalment Plan Bylaw”.

**Purpose**

2. The purpose of this bylaw is to establish the terms under which Taxes may be paid in instalments.

**Definitions**

3. In this bylaw:
  - (a) “**EFT Process**” means the pre-authorized electronic funds transfer process which will allow money to be electronically transferred from the Taxpayer’s Bank Account to the City’s bank account;
  - (b) “**Payment**” means the instalment to be transferred from a Taxpayer’s Bank Account to the City’s bank account through the EFT Process;
  - (c) “**Payment Date**” means each day upon which money will be transferred from the Taxpayer’s Bank Account to the City’s bank account through the use of the EFT Process;
  - (d) “**Taxes**” includes all property taxes, local improvement taxes or charges lawfully imposed pursuant to the MGA or any other statute of the Province of Alberta but does not include business revitalization zone taxes;
  - (e) “**Tax Instalment Plan**” means an agreement between the City and the taxpayer authorizing the payment of Taxes in instalments through an EFT Process and includes any terms and conditions;
  - (f) “**Taxpayer’s Bank Account**” means a bank account designated by the taxpayer; and
  - (g) Unless the context otherwise requires, or is otherwise defined herein, the words and phrases contained in this bylaw shall have the same meaning as in the MGA.

## **PART II – TAX INSTALMENT PLAN**

4. A taxpayer may pay Taxes in instalments provided that the taxpayer is enrolled in a Tax Instalment Plan.
5. Taxes payable under a Tax Instalment Plan shall be deemed to be due and owing in accordance with this bylaw and the terms and conditions of the Tax Instalment Plan.

### **Application**

6. A taxpayer who wishes to enroll in a Tax Instalment Plan must submit an application to the City Manager for approval.
7. An application shall include:
  - (a) a completed application form signed by the taxpayer; and
  - (b) a void cheque or other documentation that would allow the City to use the EFT Process.

### **Enrolment**

8. The City Manager may enroll a taxpayer in a Tax Instalment Plan if, on the date of application, all Taxes due, tax arrears and penalties owed to the City by the taxpayer have been paid.
9. An application for enrollment in a Tax Instalment Plan for the current year's Taxes must be received by the City Manager on or before June 15.
10. When a supplementary tax notice is issued after June 15, an application for enrollment in a Tax Instalment Plan for the current year's Taxes must be received by the City Manager on or before November 15.
11. The City Manager may accept an application received after June 15 for enrollment in a Tax Instalment Plan for the next year.

### **Amount of Payments**

12. The City Manager shall calculate the amount of the Payments for the Tax Instalment Plan at the time that the taxpayer is enrolled in the Tax Instalment Plan. The Payments shall be in instalments calculated so that the cumulative Payments will pay, in full, the outstanding balance of the Taxes by the end of the calendar year.
13. At the time that the taxpayer is notified of their enrolment in the Tax Instalment Plan, the taxpayer shall also be notified of the Payment Date and the amount of the instalments.

**Recalculation of Payments**

14. The City Manager may recalculate the amount of the Payments at any time and shall advise the taxpayer, in writing, of any changes in the amount of the Payments to be made.
15. Changes in the amount of the Payments shall be effective as of the Payment Date specified in the notice of change in Payments sent to the taxpayer.

**PART III - PENALTIES AND CHARGES**

16. No penalties shall be imposed with respect to the outstanding balance of the Taxes for the current year as long as the Tax Instalment Plan remains in good standing.
17. A Tax Instalment Plan is no longer in good standing if:
- (a) the EFT process fails;
  - (b) the taxpayer fails to pay a service charge imposed by this bylaw; or
  - (c) the taxpayer fails to comply with the terms and conditions of the Tax Instalment Plan.

**Penalties**

18. When a Tax Instalment Plan is no longer in good standing penalties may be applied to the outstanding balance of the Taxes for the current year in accordance with the Tax Penalty Bylaw and the balance outstanding on the tax roll shall be immediately due and payable.

**Service Charge**

19. The taxpayer shall pay a dishonoured payment charge to the City, in an amount set out by bylaw, every time the EFT Process fails. The service charge shall be due and payable immediately upon the taxpayer being notified by the City Manager that the EFT Process has failed for the Payment.

**EFT Fail**

20. For the purposes of this bylaw the Payment will be deemed to have failed when the taxpayer's bank notifies the City that a fund transfer will not be processed.

**PART IV - TERMINATION OF TAX INSTALMENT PLAN****Cancellation by City**

21. The City Manager shall cancel a taxpayer's enrolment in a Tax Instalment Plan if the Tax Instalment Plan is no longer in good standing.

**Cancellation by Taxpayer**

22. A taxpayer may cancel a Tax Instalment Plan at any time, provided that written notification of the cancellation has been provided to the City Manager no less than fifteen days in advance of the next Payment Date.

**Effect of Cancellation**

23. When a Tax Instalment Plan is cancelled, penalties may be applied to the outstanding balance of the Taxes for the current year in accordance with the Tax Penalty Bylaw and the balance outstanding on the tax roll shall immediately be due and payable.

**PART V – GENERAL**

**Powers of the City Manager**

24. Without restricting any other power, duty or function granted by this bylaw or otherwise, the City Manager may:

- (a) establish the form and method of notification for the purposes of this bylaw;
- (b) establish the application form for a Tax Instalment Plan;
- (c) establish the terms and conditions of a Tax Instalment Plan, including but not limited to any terms and conditions that are necessary to reflect the requirements of the Canadian Payments Association for the EFT Process; and
- (d) delegate any of his or her powers, duties or functions under this bylaw.

**Transition**

25. A taxpayer paying Taxes pursuant to Bylaw No. 3208/98 on the date that this bylaw comes into force shall continue to pay Taxes in accordance with the provisions of this bylaw.

26. This bylaw comes into force on January 1, 2016.

27. Bylaw No. 3208/98 is repealed on January 1, 2016.

READ A FIRST TIME IN OPEN COUNCIL this 6<sup>th</sup> day of July 2015

READ A SECOND TIME IN OPEN COUNCIL this 20<sup>th</sup> day of July 2015

READ A THIRD TIME IN OPEN COUNCIL this 20<sup>th</sup> day of July 2015

AND SIGNED BY THE MAYOR AND CITY CLERK this 20<sup>th</sup> day of July 2015

“Tara Veer”

“Frieda McDougall”

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Mayor

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City Clerk