

ATTACHMENT A

		POLICY AND PROCEDURE MANUAL
Category: Financial Administration	Number: FIN.37(C)	PROPERTY TAX PRE-AUTHORIZED DEBIT PLAN
Type: <input checked="" type="checkbox"/> Policy <input type="checkbox"/> Procedure	Authority: <input checked="" type="checkbox"/> Council <input type="checkbox"/> Administrative	Approved By: <input checked="" type="checkbox"/> Council <input type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Department Head
Office of Primary Responsibility: Finance		
Date Adopted:	Council Resolution No:	Date to be Reviewed: 2029/04/30
Manner Issued: The Peak		

PURPOSE:

This policy is to establish the rules in regards to the City’s property tax pre-authorized debit plan. This plan is offered as it is desirable to encourage the prepayment of annual property taxes and to implement an installment system for the convenience of taxpayers.

POLICY:

1) Definitions

“**Chief Administrative Officer**” means the individual appointed by Council to the position of Chief Administrative Officer (or his/her designate) as the head of Administration.

“**City**” means the City of Mission.

“**Council**” means the duly elected officials of the City, those being the Mayor and Councillors.

“**Council Policy**” means Policy statements that provide strategic direction on programs and services delivered by the City which impact or affect citizens or customers, and/or Policy statements that require Council’s approval because of legislative or regulatory requirements.

“**Plan**” means the Property Tax Pre-Authorized Debit Plan.

“**Policy**” means general statements or guidelines that are high-level in nature, as opposed to being operationally oriented, which direct a plan, course of action or decision, according to a standard or performance outcome.

2) Monthly Instalments

1. The taxpayers of the City of Mission have the option to enter into a property tax pre-authorized debit plan to provide for the payment of annual property taxes, local improvement taxes, frontage taxes, parcel taxes, water user rates, sewer user rates, and solid waste collection user rates and any other charges that may be added to the property tax notice (taxes and utilities), by paying equal monthly instalments from August 15 of the year preceding to May 15 of the year in which current taxes are due.

2. The plan automatically renews on August 15 of each year.
3. The taxpayers participating in this program shall provide the City of Mission with written authority to debit their bank account each month with approximately one tenth (1/10) of the estimated taxes payable for the following year or by an amount mutually agreed upon, provided that the total of the monthly prepayments does not exceed the estimated taxes payable in the next taxation year. The taxpayer will provide a blank cheque marked "Void" to illustrate the bank and account number from which the payments will be withdrawn.
4. If the taxpayer has an outstanding balance after the property tax due date, this amount, plus any penalties, can be included in the calculations for the new monthly tax payment amount.
5. Monthly payments are based on an estimate only and are not a warranty or guarantee of the amount of annual taxes and/or other charges, which may be levied.
6. If eligible, the homeowner must still apply for the homeowner grant each year.
7. Payments will be applied firstly to any outstanding tax balance (see section 4 above).
8. Simple interest shall be calculated on the daily prepayment balance at a rate of four percentage points (4%) below the prime lending rate of the principal banker to the Province of BC (Section 239 of the *Community Charter*) from August 15 each year to the property tax due date (as set out in the *Community Charter*) of the following year. The interest rates will be updated on January 1st, April 1st, July 1st, and October 1st in each year for calculating purposes.
9. The difference between the taxes levied for the current year and the total of the instalments paid under the plan shall be due on the property tax due date as outlined in the *Community Charter*. Any balance remaining unpaid after the property tax due date in any year will be subject to the penalty provisions provided for under the *Community Charter* and related regulations.
10. The monthly prepayment amount may vary from year to year. A statement mailed by the City in July of each year to each participant will confirm the monthly payment for each prepayment cycle.
11. Participation in the plan may be terminated upon written notice from the taxpayer; however, the City requires notice by the 5th of the month in which the taxpayer would like to terminate the plan. Prepayments made prior to cancellation are not refundable.
12. The Collector may cancel the privilege of continuing in the plan if two instalments within any tax prepayment year fail to be honoured. Instalment payments that fail to be honoured will not be deemed prepayments. There will be a service charge on each instalment payment that is not honoured by the taxpayer's financial institution, as per the City of Mission's Policy FIN.23 NSF & Dishonoured Payments.
13. The prepayment plan has no refund provisions. However, if a payment is inadvertently made after a property sale, a refund, without interest, will be given after providing the Collector with a Statement of Adjustments and proof of transfer of title.

3) Random Prepayments

In addition to the monthly instalment plan authorized herein, the Collector is also authorized to accept and/or to hold monies to be applied to the annual property taxes, local improvement taxes, frontage taxes, parcel taxes, water user rates, sewer user rates, refuse and recyclable refuse collection user rates and any other charges that may be added to the property tax notice upon the following terms and conditions:

1. Any payments received will be applied to the oldest outstanding taxes first, as set out in the *Community Charter*.
2. The random prepayment amount(s) shall not exceed the estimated taxes payable for the next taxation period.
3. No prepayment amount received after the last working day of April in the current tax year will be eligible for interest.
4. Simple interest shall be calculated on the daily prepayment balance at a rate of four percentage points (4%) below the prime lending rate of the principal banker to the province of BC (Section 239 of the *Community Charter*). The interest rates will be updated on January 1st, April 1st, July 1st, and October 1st in each year for calculating purposes.

RELATED POLICIES, PROCEDURES, AGREEMENTS AND/OR BYLAWS:

FIN.23 NSF & Dishonoured Payments.

*** END OF POLICY ***

RECORD OF AMENDMENTS/REVIEW

<u>Policy #</u>	<u>Date Adopted</u>	<u>Date Reviewed</u>	<u>Amended (Y/N)</u>	<u>Date Reissued</u>	<u>Authority (Resolution #)</u>