

# TOWN OF CONCEPTION BAY SOUTH

Tax Recovery Plan  
For the Year Ended December 31, 2018

Date Created: \_\_\_\_\_

Date Amended: June 12, 2018

# TOWN OF CONCEPTION BAY SOUTH

## Tax Recovery Plan For the Year Ended December 31, 2018

### A. Status of 2017 Objective

The Town was able to recover 25% of the 2016 outstanding current year owed tax receivable balance by December 31, 2017.

Summary of reasons for **meeting / not meeting** the (Prior Year) objective include:

### B. 2018 Objective(s)

The Town's objective is to recover 25% of the current year owed outstanding tax receivable by December 31<sup>st</sup> each year. In addition, the Town is also actively pursuing all older accounts in efforts to reach settlements on accounts with balances outstanding for longer than 2 years.

In order to ensure the availability of sufficient municipal services, it is important that residents and businesses make their payments or make suitable payment arrangements to Council by February 28/2018, or otherwise be placed on the Town's arrears listing and held subject to the Town's arrears recovery actions as presented in this report.

Under the Government of Newfoundland and Labrador's Community Sustainability Partnership (CSP), the Town must implement and maintain a Tax Recovery Plan and Tax Receivable Summary by establishing objectives, timelines and procedures to recover unpaid taxes from the current and previous years.

The Town is subject to these accountability measures in order to receive future Municipal Operating Grant (MOG) funding and a share of Provincial Gas Tax Revenue Sharing funding.

The Town must also present municipal audited annual financial statements in compliance with Public Sector Accounting Board (PSAB) standards and an approved annual budget to receive municipal operating grants.

Moreover, the Town will take all reasonable actions towards the recovery of taxes in arrears while ensuring the tax recovery process being followed is fair and reasonable to the tax payer and the Town, and within the authority provided under the *Municipalities Act, 1999*.

### Tax Year Planning Schedule

- Tax Notices are mailed out                      first week of January
- Taxes are due on    February 28
- Taxes are considered unpaid after                      February 28
- Taxes are considered in arrears after                      February 28
- Tax Recovery Plan begins                                      January 1

### C. Payment Options

*(Please use all that apply)*

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- In person at the Town Hall** (Office hours are Monday to Friday, 8:00 am to 4:30 pm)
- Cash, Cheque, Money Order** (Make payable to Town of Conception Bay South)
- Interac, Visa, Master Card (credit card payments through Plastiq)**
- Mail** (Address: PO Box 14040, Stn Manuels, Conception Bay South, NL A1W 3J1)
- On-line Banking**
- Pre-Authorized Payment**
- Tax Installment Plan** (12 month payment plan)
- Other:** \_\_\_\_\_

### D. Exemptions:

Exemption Criteria:

Exemption Summary:

### E. Tax Recovery - Action Plan

- Annual Tax Bills are mailed in early January
- Statements showing interest and current balance are mailed in after February 28 deadline and every month thereafter.
- Interest is charged on accounts 30 days past the billing date unless payment arrangements have been made under the 12 Equal Payment Plan.
- Payments from the Town for goods and services, and deposit refunds are intercepted and applied to outstanding tax accounts.
- For all accounts who still have current year and prior taxes outstanding past December 31 of the current year, escalated collection efforts are initiated.
- Permits are withheld from individuals who are in arrears until outstanding balance is paid.
- Reminder letters are sent to taxpayers who are in arrears warning of possible further action if payment arrangements are not made.
- Telephone contact is made with taxpayers to make payment arrangements.
- Notices of possible discontinuance of services, power of sale of vacant land or non-occupied property or use of third party collection agency with deadlines for response or contact from taxpayer to make suitable payment arrangements are issued.
- Hand-delivered notification of disconnection of services.
- Disconnection of services as per Section 132 of the *Municipalities Act, 1999*.
- Accounts are submitted to collection agency for recovery.
- Property liens are undertaken as per Section 132 of the *Municipalities Act, 1999*.
- Legal action as per Section 133 of the *Municipalities Act, 1999*.
- Sale of vacant land or non-occupied property as per Section 139 of the *Municipalities Act, 1999*.

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### F. Arrears Monitoring Procedure

The Director of Finance will monitor the tax accounts in arrears using Microsoft Dynamics.

The following measures will take place to monitor tax receivable accounts:

- Documenting issuances of invoices
- Maintaining receipt of payments
- Maintaining record of accounts payable
- Documenting all recovery actions taken on each account
- Maintaining a report on each tax recovery account
- Identifying accounts requiring a more active recovery approach
- Identify accounts that are in threat of becoming legally uncollectable
- Provide status information for reporting to Council

### G. Reporting Tax Arrears Activity

#### Council:

The Director of Finance will provide

- Verbal** reports on the status of the tax arrears to Council at
- Quarterly** public council meetings.

The reporting updates will include:

- Current tax receivable balance
- Status of recovery activity
- Recovery issues that require input or action from Council

#### Department of Municipal Affairs:

The Town will provide a copy of the approved Tax Recovery Plan (TRP) and Tax Receivable Summary (TRS) to the Department of Municipal Affairs by **June 30th** of each year.

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### Resolution of Council

Regular Council Meeting

Date: June 12, 2018

Motion #: 18-220

The Town of Conception Bay South resolved to accept the Tax Recovery Plan, including associated amendments, for the year 2018:

# In Favour: 9; # Opposed: 0; # Abstained: 0

**Motion carried.**



Mayor



Town Clerk