

Report to Council

Report Title:	Taxation Extension Agreement		
Prepared By:	Trish Serratore, Chief Financial Officer		
Department:	Finance		
Date:	October 29, 2019		
Report Number:	FIN2019-37	File Number:	C11FIN
Attachments:	Payment Plan Agreement Payment Plan Options		

Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number FIN2019-37 – Taxation Extension Agreement, prepared by Trish Serratore, Chief Financial Officer and in doing so approves that the Chief Financial Officer/Treasurer enter into extension agreement with the applicable and eligible property for taxation purposes.

Report:

Background:

Staff initiated the professional services of Realtax in 2018 to initiation of the tax sale process for the mentioned property.

In December 2018, the Tax Arrears Certificate registered and first notices were sent out to the property owner, spouse of the assessed Owner, and mortgage holder.

On September 27, 2019, final notices were sent out to the property owner, spouse of the assessed Owner, and mortgage holder.

On October 21, 2019, the property owner came in to make a payment on the account. Since the tax certificate was registered on the property, no partial payments can be accepted as per Section 347(3) of the *Municipal Act, 2001, S.O. 2001, c. 25*:

“Effect of certificate

(3) No part payment shall be accepted on account of taxes in respect of which a tax arrears certificate is registered under this Act except under an extension agreement entered into under section 378 2001, c.25, s.347(3).”

Analysis:

Under tax sale regulations, Section 378(1) of the *Municipal Act, 2001*, once a property is registered for tax sale, the property owners have one year from the date of registration to pay the **total cancellation price** (which represents all amounts owing from a taxation perspective on the property, including all penalties and interest and the cost incurred on the tax sale process). **Partial payments are not allowed.** Extension agreements extend the period of time in which the cancellation price is to be paid after registration of a tax arrears certificate.

A tax sale on this property can be avoided if the property owner enters into an extension agreement with the municipality and adheres to the terms of the agreement. The property owner is aware that failure to meet the payment dates and amounts specified in the agreement will reinstate the tax sale process.

In accordance with the Municipal Act Staff are seeking approval from Council to enter into an "extension agreements" with the property owner as outlined on the attached agreement and By-law.

Sustainability Checklist:

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

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| • Do the recommendations help move the Municipality closer to its Vision? | N/A |
| • Do the recommendations contribute to achieving Cultural Vibrancy? | N/A |
| • Do the recommendations contribute to achieving Economic Prosperity? | N/A |
| • Do the recommendations contribute to Environmental Integrity? | N/A |
| • Do the recommendations contribute to the Social Equity? | N/A |

Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

Entering into the extension agreement with the property owner illustrates the Municipalities commitment to providing financial assistance and being able to collect the outstanding levied taxes.

Respectfully Submitted by:



Trish Serratore, Chief Financial Officer

Reviewed By:



Sonya Watson, Chief Administrative Officer