

Tax Installment Payment Plan By-Law

Bylaw #: 9 Date: 2/2/2010

RURAL MUNICIPALITY OF CORNWALLIS

PROVINCE OF MANITOBA

BEING A BY-LAW of the Rural Municipality of Cornwallis to provide for the payment of realty taxes by an installment payment plan.

WHEREAS it is the desire of the Council to establish a pre-authorized tax payment plan in the municipality;

AND WHEREAS it is deemed to be in the best interests of the corporation to pass a by-law authorizing the payment of taxes by installments, and for specifying the terms and conditions of such payments;

NOW THEREFORE the Council of the Rural Municipality of Cornwallis, in open session assembled enacts as follows:

1. This By-law may be cited as the "Tax Installment Plan By-law".

2. In this By-law:

"TAXES" shall mean and include all taxes which are levied by the Council on all assessed land and improvements situated thereon and shown on the general assessment roll of the Rural Municipality of Cornwallis including local improvement taxes, excepting thereout any or all business taxes.

3. Subject to the provisions of this by-law, annual realty tax levies may be paid to the Rural Municipality of Cornwallis in pre-authorized installments by those taxpayers who meet the following established criteria:
 - (a) The taxpayer completes an application for the Tax Installment Plan (T.I.P.), in the form attached hereto as Schedule "A" to this by-law, and submits that application to the Rural Municipality of Cornwallis.
 - (b) The application includes a pre-authorization for the taxpayer's financial institution to electronically debit the taxpayer's account in payment of monthly installments beginning on January 15th of the following year and continuing every month thereafter.
 - (c) The taxpayer's taxes are fully paid in the year prior to that in which the installments will commence.
 - (d) The taxpayer does not have any outstanding charges or adjustments added to taxes other than the supplementary billing not yet past its due date, if applicable.
 - (e) The taxpayer is not subject to payment of the taxes through a mortgage company under a PIT arrangement.
4. The Rural Municipality of Cornwallis shall review all applications for the Tax Installment Plan and may reject those applications that fail to meet the criteria set forth in Section 3 of this by-law.
5. The Rural Municipality of Cornwallis shall calculate the monthly installments payable by qualifying taxpayers on the basis of the taxes levied in the previous year. Acceptance of qualifying taxpayers will occur when the Rural Municipality of Cornwallis processes the pre-authorization for the first installment payment.

6. Immediately following the establishment of the annual tax levy in any year to which the Tax Installment Plan applies, the Rural Municipality of Cornwallis shall recalculate the monthly installments required to discharge the outstanding balance of the tax levy by equal monthly payments. After the final payment for the tax year is made, the Rural Municipality of Cornwallis will re-estimate the monthly instalments for the following year. Participants will be notified if changes to their monthly instalments are greater than \$10.00 per month.
7. A taxpayer who is accepted and participates in the Tax Installment Plan shall pay the monthly installments calculated by the Rural Municipality of Cornwallis on the 15th day of each and every month until the entire tax levy for that year is discharged.
8. A taxpayer who is accepted and continues on the Tax Installment Plan shall not be required to make payment of the annual tax levy by the due date specified under the Tax Penalty By-law and will not be liable for any corresponding penalties imposed thereunder.
9. Installment payments made under the provisions of the Tax Installment Plan will not be eligible for any form of interest or discount except as otherwise provided for herein.
10. The Rural Municipality of Cornwallis may remove a taxpayer from the Tax Installment Plan if the taxpayer fails to make payment of a tax installment on the due date.
11. Notice of removal of a taxpayer from the Tax Installment Plan by the Rural Municipality of Cornwallis shall be sent to the taxpayer by ordinary mail to the address listed on the property tax roll.
12. The Rural Municipality of Cornwallis shall remove a taxpayer from the Tax Installment Plan upon receiving two (2) weeks written notice that the taxpayer wishes to withdraw from the plan.
13. Where a taxpayer is removed or withdraws from the Tax Installment Plan prior to the due date for payment of taxes as fixed under the provisions of the Tax Penalty By-law, the Rural Municipality of Cornwallis shall:

- (a) retain all installment payments made by the taxpayer; and
- (b) apply the sum represented by such prepayments against the current year's taxes that will be levied against the said land;

and such prepayment of taxes shall be made at the applicable discount rate established by the Tax Prepayment Discount By-law in effect on the date of the removal or withdrawal from the said plan. All provisions of the Tax Penalty By-law shall then apply to the taxpayer for any and all outstanding taxes that remain unpaid for that year.

- 14. Where a taxpayer is removed or withdraws from the Tax Installment Plan after the due date for payment of realty taxes as fixed under the Tax Penalty By-law, the Rural Municipality of Cornwallis shall retain all installment payments made by the taxpayer, and all unpaid taxes shall immediately become due and payable and be subject to the provisions of the Tax Penalty By-law.
- 15. Any amounts other than the Municipality's annual tax levy which are added to the tax roll, other than supplementary taxes but including any taxes levied pursuant to Section 252 (2) of The Municipal Act, shall remove the taxpayer from the Tax Installment Plan and shall be payable by the taxpayer outside the Tax Installment Plan and be subject to the provisions of the Tax Penalty By-law.
- 16. The Application for Tax Installment Plan (T.I.P.) attached hereto as Schedule "A" and the terms and conditions contained therein shall form part of this by-law.

DONE AND PASSED by the Council of The Rural Municipality of Cornwallis in Council duly assembled, this 17th day of November, A.D., 2009.

THE RURAL MUNICIPALITY OF CORNWALLIS

DEPUTY REEVE

CHIEF ADMINISTRATIVE OFFICER

RECEIVED first reading this 20th day of October, 2009.

RECEIVED second reading this 17th day of November, 2009.

RECEIVED third reading this 17th day of November, 2009.

Schedule "A"

RURAL MUNICIPALITY OF CORNWALLIS

APPLICATION FOR TAX INSTALLMENT PAYMENT PLAN

ROLL NO.	LEGAL ADDRESS:		
APPLICANT NAME:	HOME PHONE:	CELL PHONE:	

APPLICANT NAME:	HOME PHONE:	CELL PHONE:
APPLICANT(S) ADDRESS		
EMAIL ADDRESS:		

I/We the applicant(s) authorize my/our financial institution to electronically debit my/our account as shown on the attached VOID cheque, for the monthly tax installment payment payable to the Rural Municipality of Cornwallis on the 15th day (or the next business day) of each month as payment in part of the taxes for the above named property. The treatment of each payment shall be the same as if the undersigned had personally issued a cheque.

I/We acknowledge the right of the Rural Municipality of Cornwallis to cancel my/our participation in the payment plan if any debits are not honoured by my/our financial institution. Unpaid taxes as of the date of termination of participation in the plan are subject to penalties as per the penalty by-law.

I/We agree to adhere to the policies of the TIPP program, and terms and conditions as outlined in Schedule A of the TIPP By-law.

APPLICANT'S SIGNATURE _____ Day ____ Mo. ____
 ____ Yr. ____

APPLICANT'S SIGNATURE _____ Day ____ Mo. ____
 ____ Yr. ____

RETURN APPLICATION AND SAMPLE VOID CHEQUE TO

Rural Municipality of Cornwallis

Site 500 Box 10 R.R.#5

Brandon, MB R7A 5Y5

For Office Use Only:

NET PRIOR/CURRENT		
TAXES: $\div 12$ MONTHS = \$ (MONTHLY INSTALLMENT AMOUNT)		
PRIOR MISSED INSTALLMENTS RECEIVED:	MONTHLY PAYMENT:	
AMOUNT \$ X MONTHS = \$	\$	
MONTHLY PAYMENTS WILL BEGIN:	APPROVED BY:	INPUT DATE:
15 TH DAY OF _____, 20_____.		

Schedule "A"

Rural Municipality of Cornwallis

Site 500 Box 10 RR #5

Brandon, MB R7A 5Y5

Ph. 204-725-8686 Fax. 204-725-3659

Website: www.gov.cornwallis.mb.ca

Email: info@gov.cornwallis.mb.ca

TAX INSTALLMENT PAYMENT PLAN (T.I.P.P.)

T.I.P.P. is a monthly tax installment payment plan by which taxpayers may make consecutive monthly payments for taxes rather than a single annual payment.

YOU CAN JOIN T.I.P.P. IF:

- Your tax account is not in arrears.
- You have chequing privileges at a financial institution (bank, trust company, treasury branch or credit union)
- Your taxes are not presently paid through a mortgage company (P.I.T.).
- Your application is received prior to December 15, or application is received prior to June 30 with an initial payment of the missed installments paid at the time of application.

MONTHLY PAYMENTS ARE CALCULATED AS FOLLOWS:

Your most recent annual tax levy is divided by 12 installments to establish a monthly payment. Payments begin January 15 of each year, or the next banking day, and continue each consecutive month until the account is paid. Payment amounts will be adjusted in June to compensate for changes in taxes resulting from the annual tax levy. The tax bill, usually issued in May each year, will show a total amount of installments to date. **Neither prepayment discounts nor late payment penalties apply to payments made while enrolled in this plan.**

Payments may only be made by automatic withdrawal from an account with chequing privileges at a financial institution. You must give written permission before the withdrawal will begin. The Rural Municipality of Cornwallis does not charge for this, however, normal bank service charges may apply.

If you change bank accounts, it is your responsibility to inform the Rural Municipality of Cornwallis of the change at least two weeks in advance of the next payment.

PROPERTY TAX ADJUSTMENTS AND T.I.P.P PAYMENTS:

Any changes or adjustments, other than the annual tax levy and the supplementary billing, will automatically terminate T.I.P.P and all unpaid taxes become payable on the original due date, and are subject to penalties in accordance with the Tax Discount and Penalty By-law.

A supplementary tax bill is issued when a building is renovated or residence is completed in the current tax year and the assessed value of the building was not included in the annual tax bill issued in May.

Supplementary bills will be billed separately and must be paid in full by the due date. The T.I.P.P installment amount will not be adjusted until the following year.

As per Rural Municipality of Cornwallis TIPP By-Law we are required to notify customers if there is a change in the monthly amount of \$10.00 or more.

WITHDRAWAL/CANCELLATION:

You may withdraw from the plan by giving notice, in writing, at least two weeks before the next payment date.

NOTE: If you withdraw or your plan is cancelled, all unpaid taxes become due and payable as originally billed, and are subject to penalty in accordance with the penalty by-law.

SELLING PROPERTY DURING THE YEAR?

If the property is sold or title is transferred, it is your responsibility to inform the Rural Municipality of Cornwallis Office, in writing, at least two weeks in advance of the next payment. All unpaid taxes become due and payable and are subject to penalty in accordance with the penalty by-law. T.I.P.P. payments are non-transferable. If you move to a new location you may re-apply for plan eligibility and payments would commence the following January or sooner if application is received before June 30.