



The Corporation of The Township of Joly

Tax Collection Policy 2025

Policy Statement

The Township of Joly collects taxation levies on behalf of the Municipality and school boards and is responsible to ensure that all taxation revenues are collected. The policy is to ensure prompt, consistent and effective collection of municipal taxes within requirements of all applicable legislation. The policy ensures that all taxpayers are treated fairly and equitably.

Purpose

The purpose of this policy is to provide procedures to staff for guidance and a basis for decision-making in the fair and equitable billing and collection of realty tax, tax penalty and interest, and amounts added to the tax roll. The guidelines serve to supplement the provincial legislation that governs this area, especially for situations where legislation provides a choice allowing for Treasurer's discretion, and for issues when the legislation is silent.

Scope

The billing and collection of municipal taxation levies on a timely basis is an important tool to support the efficient cash management of the Municipality. This policy covers aspects of billing and collection of property taxes and any amounts added as taxes for collection, up to and including the initiation of Tax Sale proceedings. All procedures related to a Municipal Tax Sale are carried out in accordance with Ontario Regulation 181/03. This policy excludes the collection of payments-in-lieu of taxes and other accounts receivables.

The document will not incorporate "billing" policies as these are covered annually with the Interim Billing and Final Billing Collection By-Laws as well as under the Municipal Act, 2001.

Procedures

The Treasurer and Municipal Administrator are responsible to ensure that outstanding Property Tax collection processes are performed in accordance with this policy and all applicable legislation. In addition, the Treasurer or Municipal Administrator is responsible to:

- Ensure this policy remains consistent with current legislation;
- Ensure applicable staff are aware of and trained on this policy;
- Communicate any policy revisions to applicable staff;
- Assess overdue Property Tax accounts to ensure tax collection processes are performed in accordance with this policy.

Definitions

Cancellation Price – means an amount owing equal to all Tax Arrears, together with all current taxes owing, penalties and interest and cost incurred by the Municipality after the registration of a Tax Arrears Certificate under Section 373 of the Municipal Act.

Extension Agreement – means a contract between the Municipality and the Owner, spouse of the owner, a mortgagee, or a tenant in occupation to extend the period of time in which the Cancellation Price is to be paid. The contract entered into after the registration of a Tax Arrears Certificate and before the expiry of the one-year period following the registration date.

Municipal Tax Sale – means the sale of land for Tax Arrears according to the proceedings prescribed under the Municipal Tax Sales Act and Ontario Regulation 181/03.

Penalties and Interest – means amounts applied by the Municipality to unpaid Property Tax accounts, in accordance with Section 345 of the Municipal Act, 2001. Penalty refers to amount added to overdue current amounts owing. Interest refers to amounts added to previous period arrears.

Property Taxes – means the total amount of taxes for municipal, and school board purposes levied on a property and includes other amounts added to the tax roll as may be permitted by applicable Provincial Legislation.

Tax Arrears – means any portion of Property Taxes that remain unpaid after the date on which they are due.

Taxpayer – means a person whose name is shown on the tax roll as a property owner.

Procedure

Billing, Payments and Delivery of Tax Bills:

The authority to levy taxes is provided in Sections 311 and 312 of the Municipal Act. These sections state that Council shall, each year, pass a by-law levying a separate tax rate on the assessment in each property class in the municipality for the purpose of satisfying the financial obligations arising from the annual budget process.

A levying by-law passed by Council is required in advance of the Interim and/or Final Tax billing. A separate levying by-law is not required for supplementary tax billings.

Annual property taxes are billed in four installments, two included in the interim billing and two included in the final billing.

Tax bills will be prepared in a format that complies with legislated requirements under Ontario Regulation 75/01 of the Municipal Act.

Any outstanding arrears will be included in each tax billing's first installment due date amount. Installment due dates will be indicated on the payment stubs attached to the main tax bill.

The amount of the total bill will be collected in full on the first installment of each tax billing.

Billing – Interim

As provided in the Municipal Act each property owner, identified on the returned assessment roll, shall be mailed an interim tax bill. The interim bill shall represent up to fifty percent (50%) of the previous year's annualized taxes and may include up to fifty percent (50%) of other special charges as required under provincial legislation and be payable in two installments. This interim bill shall be mailed at least 21 days prior to the due date of the first installment. The two installment due dates will be the third last business day of April and June.

Participants in the pre-authorized payment program will still be mailed Interim and Final tax bills.

Billing – Final

After completion of the annual budget process no later than July 31st, and the setting of tax ratios and rates by means of municipal by-law, a final bill shall be mailed to each property owner identified on the returned assessment roll, as amended by MPAC throughout the year. The final tax bill shall be the levied taxes for the year less the amount previously issued via the interim bill and be payable in two installments. This final bill shall be mailed at least 21 days prior to the due date of the first installment. The two due dates will be the third last business day of August and October.

Penalty and Interest Charges

In accordance with Section 345 of the Municipal Act, 2001, interest at a rate of 1.25% is added to previous years' arrears and Penalty at a rate of 1.25% may be added to over-due current taxes on the day after the due date; and is added on the first day of each month thereafter.

Penalty and Interest charges are adjusted only in accordance with the following situations:

Tax Adjustments made under section 357/358 of the Municipal Act, 2001.

Payments

Payment of taxes must be received in the Township of Joly administration office, on or before the due date. Payments not received on time are subject to Penalties and Interest. The following are the modes of payments available for the property owner's use:

- a) Internet Banking – using the nineteen digit roll number as the account number (please note: property owners must allow at least 2-3 business days in order for the payment to reach the Township of Joly's financial institution)
- b) Visa or Mastercard through Plastiq. This can be accessed online or in person at the Township of Joly Office located at 871 Forest Lake Road.
- c) Township of Joly Preauthorized Payment Plans (installment based or monthly or due dates as per interim and final billing).
- d) Post dated cheque(s)
- e) In person – at the counter by cash, cheque, debit, credit, or money order.
- f) In the secure drop box located at the 871 Forest Lake Road staff entrance door and is also accessible after hours for cheques only, no cash.
- g) Payments by a mortgage holder or other registered party.
- h) Other alternatives as approved by the Treasury Department

Taxpayers assume the responsibility for the late arrival of the payment when payments are made by mail, telephone/internet banking and payments made at financial institutions.

Receipts will be provided for all cash, debit, and in person credit payments and upon request by the registered owner for all other methods of payment.

****Note:** Partial payment is not accepted where a Tax Arrears Certificate has been registered against a property, except where the Municipality has entered into an Extension Agreement.

In accordance with the Municipal Act, 2001 Section 347 payments shall be applied as follows:

- 1) First to the oldest and all Penalty and Interest Charges
- 2) Then to the taxes starting with the oldest taxes up to the current taxes
- 3) Then to other charges that have been added to the roll (if any).

Returned Payments

Payments that are returned by the bank marked “insufficient funds or non-sufficient funds” will be subject to an NSF fee as set out in the Township of Joly User Fees and Charges By-Law.

Tax Arrears Collection

Realty taxes are a secured special lien on land in priority to any other claim (except a claim by the Crown). Taxes may be recovered (with costs) as debt to the Municipality from the registered owner and/or any subsequent owner of the property.

The Municipality will primarily use the following methods to collect Tax Arrears:

- a) By Mail – Notice of Property Tax Arrears will be mailed to taxpayers in default of payments in the month following the second instalment due dates and in January or February of the following year. The same procedure will be undertaken to those taxpayers in default approaching two years in arrears. Additionally, both Interim and Final Tax Bills will show past due balances in the summary section of the Tax bill.
- b) Verbal or email communications – The Treasurer and/or Municipal Administrator may attempt telephone contact or via email with Taxpayers in default in February of the year following to arrange for payment of arrears.
- c) By Interview – The Treasurer and/or Municipal Administrator may attempt to meet with Taxpayers in default in February of the year following to arrange for payment of arrears.
- d) Payment Arrangement – Enter into payment arrangement agreement, subject to Treasurer approval.
- e) Legal Action
- f) Municipal Tax Sale

Arranging a satisfactory term of payment that significantly reduces the previous and current taxes.

Year End Statement of Taxes

The Municipal Act requires that the Treasurer send a statement on or before February 28th of each year to any property owner who has arrears on their respective tax accounts. The statement must be the balance at December 31st. Property owners will be charged administrative fees in accordance with the Township of Joly Fees and Charges By-law for the preparation of this statement.

Legal Action

Municipal Tax Sale Proceedings

To remind property owners that their tax account is not in good standing the Treasury Department shall send a reminder notice to each property owner, whose account is over five dollars (\$5.00) in arrears. Arrear Notices shall be forwarded to the property owner on or before the fifteenth (15th) day of each month following a due date that the account is in arrears (May, July, October, December).

At least once per year the Municipality shall send a personalized reminder letter to the affected properties providing them with their options and giving them the opportunity to bring their

account into good standing. If the letter is a Final Notice, a deadline date will be given and no further notices will be sent after that date has passed.

Payment arrangements may be entered into by the Treasurer and with a property owner who is in tax arrears, prior to the file being forwarded to the solicitors to commence proceedings under the Municipal Tax Sales Act. However, payment arrangements must include all tax arrears, current taxes, accruing estimates of future taxes as well as Penalties and Interest and be sufficient to ensure payment in full is realized within a reasonable period of time. Penalties and Interest will continue to accrue during all such payment arrangements until full payment on the account has been made.

If acceptable payment arrangements are negotiated, the account will be monitored for compliance. If there are two consecutive returned payments, or two payments are returned or missed/not made within six months, the payment arrangement will be deemed void and the taxpayer will be advised that payment in full, by certified cheque or money order, is required or the account will be sent to the lawyers to commence the Tax Sale Proceedings.

Maximum Negotiable Payment Arrangement Term

Staff level of authorization	Residential	Non-Residential <i>(Seasonal Dwelling, Vacant, Industrial)</i>
Treasurer or Municipal Administrator	12 months	6 months

Municipal Tax Sale Proceedings

In accordance with Section 373(1) of the Municipal Act, a property tax account that has any part of two years or more of outstanding taxes as of January 1 of the current year is eligible for tax registration and tax sale proceedings.

Any property that begins the proceedings will follow explicitly the legislative steps outlined below without exception, until such time as the Treasurer deems the process paused or terminated. This is to maintain the Municipality's position and the legitimacy of the process should a subsequent legal matter arise later.

Supplemental and omitted billings are considered arrears based on the year billed, and not the year of the assessment and taxation included in the billing.

Properties that are owned by the Crown and charged payments in lieu of taxes (PIL) are not subject to the tax sale legislation contained in the Municipal Act. If acceptable payment arrangements are not negotiated prior to the deadline date provided in the Final Notice, then all properties in excess of two (2) years in arrears shall be subject to the Municipal Tax Sale Process.

The Township of Joly's Municipal Solicitors will be engaged to carry out the Tax Sale Process as outlined in the Municipal Tax Sales Act.

If a Tax Arrears Certificate has been registered against a property under the Municipal Tax Sales Act, no partial payments can be accepted by the Municipality. All correspondence regarding the account will be directly with the Township's appointed Lawyers. Should an extension agreement be discussed at this point with the property owner and the Township appointed lawyers, the extension agreement may be presented to the Township's Treasurer for review and approval. It is at the discretion of the Treasurer, their designate as to whether the extension agreement is accepted on behalf of the municipality.

Payment of the Cancellation Price will include all and any fees incurred by the Municipality during the collection process.

Failure to provide payment in full within 280 days of the registration of the Tax Arrears Certificate will result in the property being advertised for public sale. Properties will be advertised for sale containing the information prescribed in Ontario Regulation 181/03 under the Municipal Act.

Miscellaneous

From time-to-time property tax accounts may experience credit balances for various reasons such as reduction in assessment, tax class change, duplicate payment, or payment in error. Credit balances may be refunded as long as the owner makes a request in writing to the Municipality and as long as all installments billed have been cleared.

Delivery Address - Tax bills and notices are mailed to the address of the property as shown on the Municipality's database unless the taxpayer advises the Municipality, in writing, of an alternate mailing address.

Any bill or notice sent by standard letter mail is considered delivered to and received by the addressee unless the notice is returned by Canada Post and an error in the mailing address is evident. Taxpayers are responsible to notify the Municipality of any changes to a mailing address.

Failure to notify the Municipality of an address change in writing is not an error on behalf of the Municipality, and the resulting failure to receive a tax bill does not excuse a taxpayer from responsibility for payment of the taxes nor relieve liability for penalty due to late payment.

If an owner of a property fails to notify the Municipality of a change in mailing address, resulting in the return of their mail, no further action will be taken by the Municipality to locate the whereabouts of the owner. The owner must make the communication with the office for the Township to notify or new Ownership, sales, or changes in address via Deed Transfers, legal notice, of change of information forms found on the Municipal website at

www.townshipofjoly.com or by contacting the office by phone 705-384-5428, in person or email to office@townshipofjoly.com.

Amounts Added to the Tax Roll - Section 398(2) of the Municipal Act allows municipalities to add unpaid balances of other types to the tax roll for collection. The amounts that can be added include property-related types of billings including utilities, property standards, Building Code related items or any other type of charge related to the property or incurred by the property owner. It is the Municipality's intention to utilize this section as needed and will, without notice, transfer amounts to the property roll that are past due for the purposes of collection. These amounts, once transferred, are then treated the same as property taxes for the purposes of collection, arrears, and tax sale proceedings.

The Municipality may also choose to add amounts not described as above to the tax roll for collection purposes and acknowledges that if the amount was not related to the property, that ultimately the collection of the amount outstanding may not be recoverable using this method.

Privacy of Information – The Municipality maintains the physical register of properties referred to as the returned tax roll. The physical roll records are available to view by the public and contain the following information:

- roll number
- location and description of the property
- assessed property value
- name and mailing address of the legal owner(s)
- tenants (if provided by property owner or tenant) and
- school support

Information about a specific property owner's tax account is generally confidential. Details may be shared as follows based on the circumstance:

a) Registered Property owners – may have access to assessment and tax information on their property including assessment, taxes levied and arrears.

b) Non-property owners, including lawyers, real estate agents and brokers, appraisers – May access the information contained in the public roll book only unless written authorization is provided by the registered property owner:

- a) Assessment
- b) Lot size
- c) Legal description
- d) Taxes

c) Third party inquiries – may have access to the Assessment Roll book only

d) Mortgage companies – may request in writing the taxes levied and arrears on properties they collect taxes through a landowner's mortgage. If the mortgage company does not hold an

interest in the landowner's property taxes, tax information will only be given at the property owner's request.

See Attachments*

- Tax Arrears Notice
- Payment Agreement

Township of Joly
P.O. Box 519
Sundridge, Ontario P0A 1Z0
705-384-5428
www.townshipofjoly.com



**Township of Joly
Final Tax Bill 202***

Owner name and address:

Billing Date:
Roll No.:
Civic Address:
Legal Description:

Assessment		Municipal Levy		Educational Levy		Total Levy
Class	Amount	Rate	Amount	Rate	Amount	Amount
RTEP-Residential Taxable: Full, English Public		0.01388268		0.00153000		

Total Taxes Levied
Tax Cap Adjustment
Less Interim Tax Levy
Arrears

0.00

Total Due

A penalty of 1.25% per month will be added to all unpaid taxes after the due date. Cheques should be payable to Township of Joly. Please record your roll number on your cheque and return stub with payment.



**Township of Joly
Final Tax Bill 202*
Installment: 1**

Roll #:
Owner:
Due Date:
Amount Due:

Detach and return with payment.

**Township of Joly
Final Tax Bill 202*
Installment: 2**

Roll #:
Owner:
Due Date:
Amount Due:

Detach and return with payment.

