

**BYLAW NO. 22-01  
TOWN OF FALHER**

**BEING A BYLAW OF THE TOWN OF FALHER, IN THE PROVINCE OF ALBERTA, TO PROVIDE FOR  
THE PAYMENT OF TAXES BY INSTALMENTS AND THE IMPOSITION OF PENALTIES ON UNPAID  
TAXES**

**WHEREAS**, pursuant to section 340 of the *Municipal Government Act*, RSA 2000, Chapter M-26, as amended, Council may, by bylaw, permit taxes to be paid by instalments; and

**WHEREAS**, pursuant to sections 344 and 345 of the *Municipal Government Act*, RSA 2000, Chapter M-26, as amended, Council may impose penalties on unpaid taxes at the rates set out in the bylaws;

**NOW THEREFORE** the Council of the Town of Falher, in Council duly assembled, hereby enacts as follows:

1. **TITLE:** This Bylaw may be referred to as "Tax Instalment Payment and Penalty Bylaw"

2. **DEFINITIONS**

In this Bylaw,

- (a) **"Act"** means the *Municipal Government Act*, RSA 2000, Chapter M-26, as amended;
- (b) **"Arrears"** means Property Taxes that remain unpaid past December 31 of the year in which they were imposed;
- (c) **"CAO"** means the Chief Administrative Officer of the Town or their delegate;
- (d) **"Current"** means the year in which a Property Tax is imposed;
- (e) **"EFT Process"** means the electronic funds transfer process which will allow money to be electronically transferred from the Taxpayer's bank account to the Town's bank account;
- (f) **"Penalties"** means fees charged to a Tax Roll with Arrears, pursuant to this Bylaw;
- (g) **"Pre-Authorized Tax Payment Plan"** means an agreement between the Town and the Taxpayer authorizing the payment of Taxes in monthly instalments through the EFT process;
- (h) **"Taxes"** or **"Property Taxes"** include all property taxes, business improvement taxes, local improvement taxes and all other taxes or charges lawfully imposed against a property by the Town of Falher, pursuant to the Act or any other statute of the province of Alberta;
- (i) **"Taxpayer"** means a person liable to pay a tax to the Town of Falher, as defined by the Act;
- (j) **"Town"** means the Municipal Corporation of the Town of Falher.

3. **DUE DATE**

- 3.1. All Property Taxes, and local improvement taxes, shall be payable on the due date shown on the tax notice.

4. **INSTALMENTS**

- 4.1. All Taxpayers in the Town of Falher shall have the right to enter into a Pre-Authorized Tax Payment Plan agreement with the Town, to provide for the payment of Taxes by monthly instalments, if they so wish.
- 4.2. Taxpayers who wish to enrol on the Pre-Authorized Tax Payment Plan shall
  - (a) complete and sign a prescribed form provided by the Town Office;
  - (b) submit a "VOID" cheque or pre-authorized debit form from a financial institution;
  - (c) not be enrolled on the Plan, unless the Agreement is approved by the Chief Administrative Officer.
- 4.3. The Chief Administrative Officer may refuse to approve a Pre-Authorized Tax Payment Agreement for reasons set out in this Bylaw.
- 4.4. To qualify for the Pre-Authorized Tax Payment Plan, there must be no outstanding taxes, tax arrears or penalties pertaining to the property which is the subject of the Agreement.

- 4.5. An approved Pre-Authorized Tax Payment Agreement shall be deemed null and void, if all taxes due from the Taxpayer with respect to the property which is the subject of the Agreement are not paid in full up to December 31 of the year preceding the year in which the Agreement is to commence.
- 4.6. The Pre-Authorized Tax Payment Plan shall commence on January 1 of the current year and automatically renewed annually thereafter, where an Agreement has been approved by December 31 of the preceding year, unless the Agreement is terminated by breach or at the request of the Taxpayer.
- 4.7. The monthly instalments for the Pre-Authorized Tax Payment Plan shall be as follows:
- (a) for the first five (5) months of the current year, the taxpayer shall make a monthly payment equivalent to one twelfth of the immediate past year's tax levy;
  - (b) for the last seven (7) months of the current year, the taxpayer shall make a monthly payment equivalent to one seventh of the balance of the current year's tax levy, after the deduction of payments for the first five months.
- 4.8. Notwithstanding subsection 4.6, where a Pre-Authorized Tax Payment Agreement has been approved on or after January 1 of the current year, the Pre-Authorized Tax Payment Plan shall commence on the 1<sup>st</sup> day of the following month, and automatically renewed on January 1 annually thereafter, unless the Agreement is terminated by breach or at the request of the Taxpayer.
- 4.9. Subject to Subsection 4.8, where a Pre-Authorized Tax Payment Plan Agreement has been approved to commence after January 1 of the current year, the monthly instalments shall be as follows:
- (a) Up until May of the current year, the monthly instalments shall be equivalent to one twelfth of the immediate past year's tax levy, but the first instalment shall be equal to the total of any previous monthly instalment payments from January 1 to date;
  - (b) for the last seven (7) months of the current year, the taxpayer shall make a monthly payment equivalent to one seventh of the balance of the current year's tax levy tax levy, after the deduction of payments for the first five months.
- 4.10. At the time of notifying the Taxpayer of an approved Pre-Authorized Tax Payment Plan Agreement, the CAO shall advise the taxpayer regarding the payment date and monthly instalments to be transferred through the EFT Process.
- 4.11. Notwithstanding subsections 4.7, 4.9 and 4.10, at the sole discretion of the CAO, the monthly instalment payment amounts may be adjusted at any time to account for:
- (a) changes to the total amount of taxes payable in respect of the current year,
  - (b) any forecasted increase or decrease in municipal portion of the property tax amount, as deemed appropriate, or
  - (c) any other factor which may lead to an overpayment or underpayment of the total amount of taxes payable in respect of a property at the end of the current year.
- 4.12. In the event of an adjustment to the monthly payment amount, the CAO shall notify the Taxpayer, by ordinary mail, regarding the adjusted amount and the effective date no less than thirty (30) days before the commencement of the new instalment payment. The mail shall be sent to the last known address of the Taxpayer as listed on the Tax Roll and the date of notification shall be determined by the Canada Post marked mailing date.

## 5. BREACHES AND TERMINATION OF AGREEMENT

- 5.1. It is the responsibility of the Taxpayer to ensure that there are sufficient funds in their bank account for each pre-authorized instalment payment, and that their banking information remains valid and current.
- 5.2. Where the Taxpayer wishes to change the bank account from which funds are to be transferred, they shall notify the CAO, in writing, no less than fourteen (14) days in advance of the next payment date. Any notice of a change in bank account received less than fourteen (14) days prior to the next payment date shall be effective the following payment date.

- 5.3. Failure to honour any pre-authorized payment by the Taxpayer or their financial institution shall be deemed to be a breach of the Agreement by the Taxpayer, and a non-sufficient funds charge will be charged to the Taxpayers account which shall be due and payable immediately, in addition to the unpaid instalment amount.
- 5.4. Failure to honour two consecutive pre-authorized payments by the Taxpayer or their financial institution, or where one payment is outstanding for more than sixty (60) days, shall be deemed to be a breach of the Agreement by the Taxpayer, and a non-sufficient funds charge will be charged to the Taxpayers account which shall be due and payable immediately, and the Agreement shall be terminated.
- 5.5. A Taxpayer may request cancellation of the Tax Instalment Payment Plan Agreement at anytime subject to providing written notice to the Town of Falher, no less than ten (10) business days prior to the next instalment payment due date.
- 5.6. Upon termination of the Pre-Authorized Tax Payment Plan Agreement, either by breach or at the request of the Taxpayer:
  - (a) a notice of removal shall be sent by ordinary mail at the Taxpayer's last known address as listed on the tax roll;
  - (b) all taxes due and owing on the subject property shall become immediately payable under the provisions set forth in this Bylaw;
  - (c) the Taxpayer may not be admitted into another Pre-Authorized Tax Payment Plan Agreement within the current calendar year.
- 5.7. Where a property, which is subject a Pre-Authorized Tax Payment Plan Agreement, is transferred to a new owner, the new owner shall:
  - (a) enter into a new Agreement with the Town, if eligible, and assume the previous Ratepayer's payments for the current year, and renewed annually thereafter for subsequent years, or
  - (b) pay the remaining unpaid Taxes in full on or before the date of purchase, and switch to an annual payment plan for subsequently years.
- 5.8. Failure on the part of a new property owner to pay the taxes on the property pursuant to subsection 5.7 shall be deemed as defaulting Taxpayer and all the applicable penalties under section 6 of the Bylaw shall apply.

## 6. GENERAL PENALTIES FOR NON-PAYMENT OF TAXES

- 6.1. Annual payment plan Tax accounts which include any amount remaining unpaid after the due date shown on the Tax Notice with shall be issued correspondence on behalf of the Town of Falher notifying them as such. Correspondence will be sent within 21 days after the due date shown on a tax notice and in the month of November.
- 6.2. A penalty of 10% shall be imposed on the current taxes remaining unpaid after the due date shown on the tax notice. The penalty shall be added to and form part of the unpaid taxes.
- 6.3. A penalty of 15% shall be imposed on all taxes remaining unpaid after December 31st of the year in which it is imposed, and annually thereafter unless all the outstanding taxes and arrears are paid.
- 6.4. A tax payment that is sent by mail is deemed to have been received according to the postmark on the envelope.
- 6.5. A tax payment that is made through a financial institution is deemed to have been received on the date stamped by the receiving institution and not the initial payment date of the taxpayer.
- 6.6. Subject to section 340 of *Municipal Government Act*, no penalties shall be imposed on taxes remaining unpaid on accounts paid by instalments in accordance with a Tax Instalment Payment Agreement, provided the tax payer is not in breach of the Agreement.
- 6.7. Penalties shall not apply when the penalty is a result of an administrative error made by the Town of Falher.

**7. PANDEMIC RELIEF**

- 7.1. From time to time, the Town of Falher may enter into an agreement with a Taxpayer to defer the payment of taxes, in order to assist with financial hardship due to a global pandemic.
- 7.2. Any agreement entered into by the Town of Falher and a Taxpayer the under subsection 7.1 must be approved by CAO.
- 7.3. Notwithstanding section 3.1 of this Bylaw, the due date may be waved if the Taxpayer has entered into an agreement with the Town to defer property taxes due to financial hardship as a result of a global pandemic.
- 7.4. Notwithstanding any provisions of this Bylaw, no penalties shall apply where a Taxpayer has entered into an agreement with the Town to defer the payment of taxes due to financial hardship as a result of a global pandemic.

**8. SEVERABILITY**

- 8.1. If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion shall be severed.

**9. ENACTMENT**

- 9.1. Bylaw No.10-11 and 20-08 any amendments thereto are hereby repealed.

READ a first time this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

READ a second time this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

READ a third time and finally passed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CHIEF ADMINISTRATIVE OFFICER