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**TITLE: REVENUE COLLECTION POLICY**  
**SECTION: FINANCIAL MANAGEMENT**  
**POLICY NO: 03800-01**

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**APPROVAL DATE:** September 23, 2024

**CAO Signature:** 

## **POLICY STATEMENT**

To establish a policy for effective and efficient collection of tax and other accounts receivable.

## **PURPOSE:**

The purpose of the Revenue Collection Policy is to:

1. Ensure municipal tax revenues are collected in a timely and effective manner;
2. Ensure that all taxpayers are treated fairly and equitably; and,
3. Provide staff with guidance for informed and sustainable decision making, consistent with organizational values of excellence and fiscal responsibility.

## **1. BILLINGS, NOTICES AND REMINDERS**

1. The town will issue an interim tax bill each year. They are to be calculated in accordance with the Town's Instalment Billing Policy, #03800-03.
2. Following the setting of the tax rate, final tax bills shall be issued, due no earlier than 30 days from the date of issue.
3. Statements of account shall be issued periodically throughout the year for all amounts due.
4. Discretion is exercised by the person fulfilling the duties of Revenue Officer, who may suppress the dispatch of notice on certain accounts because of special circumstances or smallness of balance.

## **2. COLLECTION LIMIT**

If the amount of taxes, including interest, is below one hundred dollars (\$100.00), then, in accordance with Section 134(4)(b) of the *Municipal Government Act*, the property may not be put up for tax sale.

## **3. PRELIMINARY TAX SALE NOTICE**

The time period for payment of overdue taxes to be set forth in the preliminary notice described in Section 138 of the *Municipal Government Act* shall be between 14 and 21 days.

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**4. FEE FOR EXECUTION OF WARRANT**

In the event that services of an outside agency are used, staff are authorized to pay the fee charged by that agency for execution of the warrant.

**5. FEE FOR ISSUING OF TAX DEEDS**

Deeds for property purchased at tax sales shall be prepared and registered by the Town Solicitor and it shall be the responsibility of the purchaser to refund the Town for the full cost of having the deed prepared and registered, in accordance with Section 155 of the *Municipal Government Act*.

**6. SURVEYS FOR PROPERTIES TO BE SOLD AT TAX SALE**

Included in the documentation of the tax sale file shall be the PID number and map showing the location of the property and its boundaries, and any buildings that appear on the property. This policy shall permit the Treasurer, if he or she deems it necessary, to engage a survey firm to perform work on a property which may include a survey of the property which has been sold or will be sold at tax sale. In exercising this discretion, the Treasurer shall take into account the work to be performed by a survey firm in relation to the overall benefit to the Town and all of the circumstances of the particular case.

**7. TAX CERTIFICATES**

The fee for a Tax Certificate shall be set out in the User Fee Policy # 03470-03

**8. INTEREST ON ALL TOWN OVERDUE ACCOUNTS**

Simple interest at the rate of one percent (1%) per month, twelve percent (12%) per annum, shall be added to each account for which taxes or charges have not been paid in full by the due date.

**9. INTEREST ON OVERPAYMENTS/APPEALS**

Where an overpayment of taxes has been made, or where an assessment appeal is pending, the Town shall pay interest on the excess taxes paid at the rate of 0% per annum from the date of overpayment.

(For greater clarity, Section 114(1) of the *Municipal Government Act* states: "Taxes on property may be collected or recovered even if the assessment of the property is under appeal.")

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**10. TAX ARREARS PAYMENT ARRANGEMENTS**

The Town of Amherst hereby delegates to the Treasurer or a person whom the Treasurer delegates, the power to enter into tax arrears payment agreement with the taxpayer, pursuant to Section 134(4)(e) of the *Municipal Government Act*.

**11. MISCELLANEOUS ACCOUNT ADJUSTMENTS/WRITE OFFS**

Principal and interest amounts totalling \$250 or less can be written off for miscellaneous accounts (excluding taxes, water and sewer) receivable at the discretion of the CAO upon recommendation from the Treasurer after 120 days.

No account will be considered for write off unless:

1. All reasonable efforts have been exhausted by staff in its collection.
2. The internal and external costs to pursue collection of an account would reasonably be expected to exceed the amounts to be successfully collected.
3. Where a customer has been discharged from their responsibilities under bankruptcy
4. Where the customer cannot be located, despite reasonable efforts to do so.

**12. MISCELLANEOUS ACCOUNT INTEREST – OTHER GOVERNMENTAL AGENCIES**

Any miscellaneous receivable interest charges may be reversed for other municipalities and federal or provincial government agencies, where payment may be late but ultimately paid in a reasonable amount of time at the discretion of the CAO upon recommendation from the Treasurer.

**ROLES AND RESPONSIBILITIES**

Title/Role	Responsibilities
Director of Finance	Ensure policy content is relevant and accurate. Ensure policy is being followed by staff.
Employees	Notify their manager of changes to be considered in the policy or if the policy becomes out of date or obsolete. Ensure policy is being followed.

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For Administrative Use Only:

**VERSION LOG**

Amendment Description	Policy Owner	Approved By	Approval Date
<b>Policy review – update wording, clarify interest calculations and add miscellaneous account adjustments</b>	Manager of Financial Services	Council	September 23, 2024

Minutes Reference Dates: 24 February 2003; 19 December 2005; 6 April 2009; 23 September 2024