



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Donna White
DATE: 15/01/2018
SUBJECT: Tax Arrears Certificate Registration
ATTACHMENTS: N/A

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receives the report of the Director of Finance dated January 15, 2018 regarding tax arrears certification registrations;

AND FURTHER, that the Council of the Township of North Huron hereby approves the Director of Finance's recommendation to reduce the time for registration of tax arrears certificates from three years to two years;

AND FURTHER, that the applicable property owners be sent notification of the change in legislation.

EXECUTIVE SUMMARY

Bill 68, Modernizing Ontario's Municipal Legislation Act, 2017 came into effect on May 30, 2017. This Act resulted in changes to tax registrations and tax sales. Previously a tax arrears certificate could be registered if there were tax arrears owing on January 1 of the third year following that in which the taxes became owing under the Municipal Act, 2001, s.373 (1). Under the new legislation (Bill 68), a tax arrears certificate can be registered if there are arrears owing on January 1 of the second year following that in which the taxes became owing.

DISCUSSION

Despite a variety of payment methods to encourage prompt payment, the total tax arrears in North Huron has increased by \$42,502.27 since December 31, 2016. The ability to register a tax arrears certificate against properties that are in arrears for two years rather than three years will encourage payment and improve cash flow to the municipality.

FINANCIAL IMPACT

The total tax arrears as at December 31, 2017 have increased by \$42,502.27 as follows:

Total Tax Arrears	Taxes	Penalty & Interest	Total
2017	\$623,869.81	\$37,096.63	\$660,966.44
2016	\$581,680.44	\$36,783.83	\$618,464.17
Increase			\$42,502.27

FUTURE CONSIDERATIONS

Tax arrears are monitored and arrears notices are sent on a monthly basis.

RELATIONSHIP TO STRATEGIC PLAN

Goal #4: Our administration is fiscally responsible and strives for operational excellence.

A handwritten signature in cursive script that reads "Donna White".

Donna White, Director of Finance

A handwritten signature in cursive script that reads "Dwayne Evans".

Dwayne Evans, CAO