
TOWN OF LADYSMITH

BYLAW NO. 1851

A bylaw to establish a Property Tax Prepayment Plan.

WHEREAS it is desirable to encourage the prepayment of property taxes and implement a monthly payment system for the convenience of taxpayers;

NOW THEREFORE the Council of the Town of Ladysmith, in open meeting assembled, enacts as follows:

1. This Bylaw may be cited for all purposes as the “Property Tax Prepayment Plan Bylaw 2014, No. 1851”.
2. For the purpose of this or other bylaws pertaining to the Property Tax Prepayment Plan, unless the context otherwise requires, the following terms will have the meanings hereinafter assigned to them:
 - a) “Town” means the Town of Ladysmith, or the area contained within the boundaries of the said Town;
 - b) “Collector” means any person given authority by the Town to collect monies for property taxes on behalf of the Town.
 - c) “Tax Due Date” is the date that the assessed property taxes must be paid by each year in accordance with Section 234 of the *Community Charter*.
3. Property owners may prepay their property taxes for the following year by making monthly payments, in accordance with the provisions of this bylaw.
4. Property owners wishing to pay their property taxes under the Property Tax Prepayment Plan must, no later than fifteen (15) days before their 1st payment,
 - (a) pay all their outstanding property taxes, and
 - (b) give the Collector a void cheque and written authorization, in the manner the Collector requires, to automatically withdraw monthly tax payments from the property owner’s bank account.
5. The amount of the equal payments that will be withdrawn on the 1st of each month (except June and July) from the property owner’s bank account by the Town will be calculated by dividing the previous year’s gross taxes, less the Provincial Homeowner grant, if claimed, by ten (10). The monthly payment will be recalculated every year. Minimum monthly withdrawals will be \$10.00.
6. If the amount of property taxes paid exceeds the amount of property taxes owed (on the parcel of real property for which the prepayment has been made), the Collector will apply the excess amount towards the property taxes for the following year, unless the property owners requests a refund in writing to the Collector.
7. A property owner may discontinue the property tax prepayment plan arrangement by providing the Collector with written notice no less than fifteen (15) days before the next payment is scheduled.
8. Interest will be paid on prepayment monies received by the Collector. Interest will be calculated at a rate of three percent (3%) below the prime rate of the Town’s principal bank. For payments made from August 1st to Dec 31st, the rate established on December 31st will be used. For payments made from January 1st to May 1st, the rate established on April 30th will be used and will be calculated to June 30th. Interest will be credited to the owner’s property tax account.
9. If in the property tax prepayment year a property owner’s bank account does not contain sufficient funds to cover the amount of the two (2) monthly payments, the Collector may immediately disqualify the property owner from the property tax prepayment plan arrangement. All returned payments will be subject to a service charge as set out by the Town of Ladysmith’s Fees and Charges Bylaw.
10. It is the property owner’s responsibility to ensure the correct information is provided to the Town for the purposes of processing payments.
11. The Collector shall indicate on the annual Property Tax notice, to all participating taxpayers, the total of all payments received plus interest earned and show the property tax amount required to be

paid by the tax due date of that year. It is still the owner’s responsibility to pay any remaining amounts and claim their homeowner grant, if eligible, before the due date to avoid the penalty levy.

- 12. Property owners are required to keep their property tax account balance up to date. Payments must be applied as set out in Section 244 of the *Community Charter*. In the event that there are property taxes in delinquent or arrears on the property in question, the Collector may immediately disqualify the property owner from the property tax prepayment plan arrangement.
- 13. In the event of a sale or transfer of the property, property tax prepayments are to stay on the property tax account and the responsibility for the adjustment shall be between the vendor and purchaser. It is the responsibility of the property owner to notify the Collector, in writing no less than fifteen (15) days, prior to the sale if they wish to withdraw from the property tax prepayment plan to ensure payments do not continue after the sale.
- 14. This bylaw maybe cited as “Property Tax Prepayment Plan Bylaw 2014, No. 1851”.

READ A FIRST TIME	on the	8 th	day of	May, 2014
READ A SECOND TIME	on the	8 th	day of	May, 2014
READ A THIRD TIME	on the	8 th	day of	May, 2014
ADOPTED	on the	12 th	day of	May, 2014



Mayor (R. Hutchins)

Corporate Officer (S. Bowden)