

Request for Decision

Title	Request for Cancellation of Property Tax Arrears – Roll #3704002
Proposed Motion	That Council refuse the request to cancel the 2019 property tax arrears for Roll #3704002.
Administrative Recommendation	Administration recommends that Council refuse the request to cancel the 2019 property tax arrears for Roll #3704002.
Previous Council Direction	<p><u>September 10, 2019</u> Tayla McHugh presented a request for the cancellation of her property tax arrears which are resulting from a penalty imposed after not paying 2019 property taxes on time.</p> <p><u>April 23, 2019 – Motion 1434/19:</u> That Council give third reading to Bylaw 1434/19 - 2019 Taxation Rates.</p> <p><u>October 23, 2018 – Motion 302/18:</u> That Council give third reading to Bylaw 1422/18 - Penalties on Unpaid Municipal Taxes.</p>
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> • In accordance with Bylaw 1422/18, the Tax Penalty Bylaw, Sturgeon County municipal taxes are due on the last business day of June of each year. • Payments for 2019 were required to be postmarked on or before June 28 or received at Sturgeon County Centre before the end of business (4:30 p.m.) on June 28 to avoid penalty charges. • County residents were made aware of this date, as it was provided on their tax notices. Notice was also posted on Sturgeon’s County website. • Tax penalties are in place to ensure the timely payment of property taxes. Late penalty charges for the 2019 tax year are as follows: <ul style="list-style-type: none"> ○ 6% of current levy - June 29, 2019; ○ 6% of current levy - August 1, 2019; ○ 12% of total owing - March 1, 2020.



- The County offers a Tax Installment Payment Plan (TIPP) that allows property owners in Sturgeon County to pay their property tax in monthly installments throughout the year rather than a single payment. The intent is to break residents' property taxes into more manageable amounts, making it easier to budget and ensure taxes are paid on time.
- On July 15, 2019, Administration received a request from a taxpayer to make a presentation to Council requesting the cancellation of the tax penalty of \$294.73 applied to roll #3704002.
- The balance on the taxpayer's account reflects the outstanding penalty amount of \$294.73, as payment was received for taxes on July 12, 2019.
- The taxpayer took title in 2017. The taxpayer paid 2017 and 2018 taxes on or before the due date without penalty.
- On September 10, 2019, the taxpayer presented her request to Council to cancel penalties levied for 2019. Her presentation materials are included as Attachment 1.
- In accordance with section 347(1) of the *Municipal Government Act* (MGA), if Council considers it equitable to do so, it may cancel or reduce tax arrears. However, Administration recommends that Council refuse this request as it does not align with Council Policy ADM-Tax-2 and may set a precedent.

External Communication

- **Tax notices mailed** message:
 - Promoted on Sturgeon County Website Homepage and Facebook page May 16 – 31, 2019;
 - Advertising in the *Free Press* and *Redwater Review* on May 28, 2019;
 - Road Signs – week of May 26, 2019:
 - ◆ Cardiff Road and Highway 28, County-owned land and Highway 642.
- **Tax payment due** message:
 - Promoted on Sturgeon County Website Homepage and Facebook page June 15 – 28, 2019;
 - Advertising in the *Free Press* and *Redwater Review* on June 4, 11, 18 and 25, 2019, as well as a display ad at the front counter;
 - Road Signs – week of June 23, 2019:
 - ◆ Cardiff Road and Highway 28, County-owned land and Highway 642.
- Advertising on social media throughout May and June 2019.

	<p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> • Section 344 of the <i>Municipal Government Act (MGA)</i> provides for Council to impose a penalty for non-payment of taxes in the current year. • Section 347(1) of the MGA states that Council may, if it considers it equitable to do so, cancel or reduce tax arrears. • Bylaw 1422/18 - Penalties on Unpaid Municipal Taxes Bylaw. • Policy ADM-Tax-2: <i>Tax penalties will not for any reason be cancelled unless a proven human or machine error is made by Sturgeon County staff.</i>
<p>Implication of Administrative Recommendation</p>	<p><u>Strategic Alignment:</u></p> <p>Strong Local Governance & Regional</p> <p>The imposition of a penalty on owed taxes is consistent with legislation, policies and procedures and supports Goal 3.2 – <i>Sturgeon County is financially stable and fiscally responsible.</i></p> <p><u>Organizational:</u></p> <p>No additional work is required other than issuing a letter informing the taxpayer of Council’s decision.</p> <p><u>Financial:</u></p> <p>The penalty issued on June 29, 2019 (\$294.73) represents 6% of the total taxes levied on Roll #3704002 for the 2019 taxation year.</p>
<p>Alternatives Considered</p>	<p>Council could decide to waive tax arrears in the amount of \$294.73.</p>
<p>Implications of Alternatives</p>	<p><u>Strategic Alignment:</u></p> <ul style="list-style-type: none"> • A decision to waive tax arrears would not be consistent with Goal 3.2 – <i>Sturgeon County is financially stable and fiscally responsible.</i> <p><u>Organizational:</u></p> <ul style="list-style-type: none"> • Administration would remove the penalty from the tax account. <p><u>Financial:</u></p> <ul style="list-style-type: none"> • Does not materially impact budget but may set a precedent.
<p>Follow up Action</p>	<p>1. Administration will send a letter to the taxpayer informing them of Council’s decision (Financial Services, September 2019).</p>

Attachment(s)	<ol style="list-style-type: none">1. Request for Presentation Form2. Tax Penalties Policy ADM-Tax-23. Bylaw 1422/18 Penalties on Unpaid Municipal Taxes
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Report Reviewed by:	 Ed Kaemingh, Acting Director Financial and Strategic Services  Reegan McCullough, CAO – County Commissioner
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Strategic Alignment Checklist

Vision: *Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.*

Mission: *Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.*

Focus Areas	Not consistent	N/A	Consistent
Planned Growth and Prosperity			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan and MDP pg. 36)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Supports a strong thriving business environment to strengthen our economic foundation</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Plans for responsible growth through the MDP and regional growth plan.</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Manages growth for current and future developments through: <ul style="list-style-type: none"> ○ <i>transparent bylaws, policies and processes to enable responsible land development</i> ○ <i>targeting growth around existing and identified future growth areas</i> </i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Maintain and Enhance Strong Communities			
<i>We are committed to a safe and viable community, where our residents are provided with access to opportunities and quality of life. (Strategic Plan and pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Provides access to programs and services that have a positive impact on residents' quality of life</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Provides access to safe and reliable infrastructure assets</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Supports the safety of people and property</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Strong Local and Regional Governance			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan and pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Provides effective leadership and management consistent with Strategic Plan, MDP, master plans, bylaws, policies, community engagement</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • <i>Considers fiscal stability and sustainability</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> • <i>Fosters collaborative intergovernmental partnerships</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community Identity & Spirit			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan and MDP pg. 27)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Promotes and/or enhances residents' identification with Sturgeon County</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Support and/or collaborate with voluntary organizations in the region</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Environmental Stewardship			
<i>We foster a healthy environment and minimize our impact on ecosystems. (Strategic Plan and MDP pg. 27)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Plans and partnerships that minimize environmental impact on natural areas</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> • <i>Provides awareness of environmental issues impacting the County</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>