

**THE RM WEST ST. PAUL**

**ADMINISTRATION**

**On-line Payments - Penalties imposed for late payment of taxes**

**Subject:** On-line Payments - Penalties imposed for late payment of taxes

**Policy:** ADM 2015-01

**Effective Date:** Immediately

**Replaces Policy:** No Previous Policy

**Resolution No.:** 2015-16

**Review Date:** January 2016

**Resolution Date:** Jan 26/15

**PURPOSE**

The purpose of this policy is to confirm that property and business owners who pay their taxes on-line shall be charged a penalty at the rate of 1.25% if the payment is not received in the Rural Municipality of West St. Paul's bank account by 4:30 p.m. on the last working day of September each year.

**STATEMENT OF GENERAL INTENT**

**WHEREAS** subsection 346(2) of *The Municipal Act*, S.M. 1996, c. 58 provides that:

“A council may by by-law

- a) Set a rate, subject to any limitation prescribed by the minister by regulation, at which penalties may be imposed in respect of tax arrears; and
- b) Impose penalties at that rate.”

**AND WHEREAS** subsections 4 and 5 of the Tax Levy By-Law that is passed each year of the Rural Municipality of West St. Paul provides that:

4. All taxes and rates imposed and levied in the Rural Municipality of West St. Paul for the said year shall be deemed to have been imposed and to be due and payable prior to 4:30 p.m. on the last business day of September of the said year.
5. Upon any and all taxes remaining unpaid after the last business day of September A.D. of said year there shall be added a penalty on the first day of each month and every month thereafter, an amount calculated at the rate of 1.25% per month until such taxes are paid or the land sold at public auction for arrears of taxes and costs.

**AND WHEREAS** each day the municipality receives an electronic data interchange endlist indicating all property owners that have submitted an on-line payment;

**AND WHEREAS** The Rural Municipality of West St. Paul offers the following payment options to residents to pay their taxes:

- Cash/debit in person at the Municipal Office;
- Cheque – post-dated cheques which must be dated for the due date or earlier;
- On-line Payments;
- After hours night deposit box which is checked daily at 8:30 a.m. and at 4:30 p.m. on the tax due date.
- Pre-Authorized Payment Program – TIPP (Tax Installment Payment Plan)

**NOW THEREFORE BE IT RESOLVED THAT** the following shall be the guidelines which shall apply to processing on-line tax payments received after the tax payment due date.

### **POLICY GUIDELINES**

Residents who choose to make on-line payments must allow sufficient time for the payment to be processed by their financial institution to ensure that the payment is received in the municipal bank account by 4:30 p.m. on the tax payment due date. It is the taxpayer's responsibility to check with their financial institution to determine the number of business days that will be required to process the payment. Generally, this is 4-5 business days.

Any Electronic Data Interchange Endlist received by the Municipality dated on the last day of each month will be processed without penalty.

Any Electronic Data Interchange Endlist received by the Municipality dated on the first day of the month will be subject to penalty.

In compliance with the above noted authority, the existing policy of imposing the 1.25% penalty for late payments will continue, and any payments received by the municipal office after the due date will be subject to this penalty.