

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 10, 2013**

Item 23, Report No. 52, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on December 10, 2013.

23

#### **PROPERTY TAX SALE REGISTRATION**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Director of Financial Services, dated November 26, 2013:

##### **Recommendation**

The Director of Financial Services in consultation with the Manager of Property Tax & Assessment recommends:

1. That Council receive this report for information purposes.

##### **Contribution to Sustainability**

Services provided by the City are primarily funded through Taxation. An effective property tax collection strategy is essential and contributes to sustainability by ensuring funds are available to deliver program offerings to the community.

##### **Economic Impact**

The property tax sale registration process provides an effective tool in the collection of outstanding property taxes as the City must still meet its financial levy obligations to the Region of York and the Province of Ontario for education purposes.

##### **Communications Plan**

Owners of these properties and all interested parties (mortgagees or lien holders) will be notified by registered mail of their property being eligible for registration of a tax arrears certificate.

##### **Purpose**

The purpose of this report is to provide Council with information relating to properties that have tax arrears in excess of three years and therefore are eligible to come under the authority of the property tax sale legislation of the Municipal Act.

##### **Background - Analysis and Options**

The tax sale process is commenced under the authority of Part XI of the *Municipal Act, R.S.O 2001, as amended* for properties in all classes that have tax arrears in excess of three years. Staff utilize the tax sale process as part of an ongoing collection strategy.

For the most part, the City receives satisfactory payment plans or full payment on most property tax accounts with arrears through various collection efforts including, but not limited to, letters and telephone cold-calling. When these collection practices are no longer effective, the next step is to identify properties as eligible for registration of a tax arrears certificate. This is the first step in the tax sale process. The owners of these particular properties and all/any interested parties (mortgagees or lien holders) will be notified by registered mail of the initiation of this process.

Once a tax arrears certificate is registered on title, the property owner has one year to pay the tax account in full. Failing that, the owner, the spouse, a mortgagee or a tenant occupying the land may enter into an extension agreement with the City. An extension agreement allows additional time for payment of the property tax arrears. The terms of the agreement must be satisfactory to the City Treasurer and approved by Council through a by-law.

**CITY OF VAUGHAN**

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Item 23, CW Report No. 52 – Page 2

If payment in full or a satisfactory extension agreement is not processed during the 1-year period, the City is in a position to proceed with a tax sale to recover outstanding property taxes, late payment charges and costs incurred relating to the tax sale process. Council will be informed if any of the listed properties reach that point.

**Relationship to Vaughan Vision 2020**

In consideration of the strategic priorities related to Vaughan Vision 2020, an effective ongoing collection strategy will enhance:

- Organizational Excellence: Ensure Financial Sustainability

**Regional Implications**

There are no Regional implications.

**Conclusion**

Finance staff will continue to contact and/or meet with the property owner(s) in an effort to negotiate acceptable payment arrangements.

**Attachments**

None – Council will be provided with the confidential list of properties under separate cover

**Report prepared by:**

Maureen E. Zabiuk, A.I.M.A., CMTP  
Manager, Property Tax & Assessment  
Ext. 8268

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Respectfully submitted,

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Barry E. Jackson, CGA  
Director of Financial Services