

<b>Property Tax Collection</b>	Policy	F4
	Effective Date	April 2002
	Revision Date	October 2023
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**What is the policy?**

This policy applies to all communities and outlines their responsibilities for property tax collection. The minister of Manitoba Municipal and Northern Relations (MNR), acting on behalf of the communities, levies property taxes and collects property and school taxes as required by legislation.

Non-payment of property taxes results in:

- a) loss of revenue to the community to assist in providing municipal services
- b) loss of ownership of the property in question through the tax sale process
- c) after tax sale, a new owner may evict tenant or prior owner from property

An assessment roll and property tax roll are required under provincial law and are completed by MNR. Councils of incorporated communities levy and collect their own property and school taxes. These school taxes are to be remitted to the appropriate school division.

Councils can, by resolution, request approval from the department to collect property tax payments locally, as a service to its residents.

Once approved by the department, the community administrative officer (CAO) must:

- o accept property and business tax payments during regular office hours and in accordance with this policy
- o issue interim tax receipts to residents
- o remit payments received with the second copy issued from the receipt book monthly, within five days of the end of the month, to the department’s property tax clerk
- o a nil receipts report must be submitted within the same five days of the end of the month
- o send entire receipt book to the department’s property tax clerk where no further receipts remain

Where residents cannot make large payments to bring taxes current, a monthly installment program for collection of outstanding taxes is possible. The department makes this option available to local residents. Taxpayers must request permission to pay taxes by monthly installments. Applicants complete the letter of agreement (see Appendix F4-A Letter of Agreement) at the council office.

## **Community responsibilities**

- Submit assessment roll revisions to the department.
- Participate in tax collection by providing a local tax collection service and remitting them to the property tax clerk.
- Post list of outstanding taxes received from the property tax clerk (excluding names of property owners/occupiers) only roll number, legal description and amount owing.
- Inform residents of the reasons for taxation and how property taxes benefit the community.
- The CAO can help applicants complete the letter of agreement to ensure understanding of the agreement and calculate the monthly payment due. Installment amounts must be sufficient to pay the entire amount owing within a reasonable time frame (12 to 18 months).
- Once the agreement is completed the CAO witnesses the applicant's signature. The original agreement is forwarded to the property tax clerk and a copy of the agreement is kept for council records.
- The CAO may receive monthly payments at the council office and report these amounts as part of the local collection of property taxes.

## **Department responsibilities**

- Provides the receipt book and information to allow the community to receive local tax payments upon receipt of a council resolution.
- Provides quarterly to the community council a list of the outstanding tax amounts.
- Works with communities to educate residents on the benefits of local tax collection.
- Manages tax sales in accordance with provincial legislation.
- Assists the councils in initiatives to collect outstanding taxes or to enforce collection.
- The property tax clerk retains the original letter of agreement and forwards copies to the applicant and the community confirming the agreement is in effect. If the taxpayer neglects to make a monthly payment, per the agreement, the department can initiate court action for the collection of the balance outstanding and any additional penalties or fees.

## **Other information**

- Appendix F4-A Letter of Agreement