

## **Town of Portugal Cove-St. Philip's**

### **Collections By-Law**

Pursuant to the authority conferred in sections 7 and 8 of the *Towns and Local Service Districts Act, 2025*, the Town Council of Portugal Cove-St. Philip's has adopted the following By-Law on the 22<sup>nd</sup> day of April, 2025.

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#### **1.0 TITLE**

1.1 This document shall be known and cited as the Town of Portugal Cove-St. Philip's Collections By-Law.

#### **2.0 PURPOSE**

2.1 This by-law outlines the framework and procedures for collecting taxes and fees as imposed by the Town of Portugal Cove-St. Philip's.

#### **3.0 INTERPRETATIONS**

3.1 "Act" shall mean Towns and Local Service Districts Act, 2025.

3.2 "Council" shall mean the Town Council of Portugal Cove-St. Philip's.

3.3 "Fees" shall mean the charge for services provided by the Town such as but not limited to Water and Sewer fees.

3.4 "Fiscal" shall mean January 01 to December 31 of the current calendar year.

3.5 "Taxes" shall mean Business Taxes, Property Taxes, Gross Revenue Tax, Tourist Accommodation Tax and any other taxes imposed by the Town.

3.6 "Town" shall mean the Town of Portugal Cove-St. Philip's.

#### **4.0 APPLICATION**

4.1 This By-Law applies to the collection of all taxes and fees, including interest applied, on residential, multi-residential, commercial and business accounts.

## **5.0 PROCEDURE**

### **5.1 CURRENT YEAR**

The Town will post the annual tax levy by January 31 each year.

#### **5.1.1 Payment of Taxes**

- (a) Tax Invoices will be sent out no later than January 31 of every fiscal year. Property owner(s) are responsible to ensure the Town has their current mailing address on file.
- (b) It is the responsibility of the property owner(s) to understand their tax, fee and interest obligations regardless of any error in the issuance of notification from the Town.
- (c) Taxes and fees imposed by Council are due to be paid on or before March 31 of the fiscal year, unless changed by a Council motion.

#### **5.1.2. Payment Methods**

Payments can be made by any of the following means:

- (a) In-person at the Town Hall.
- (b) Electronically via online banking.
- (c) Over the phone.
- (d) By pre-authorized payment plan.
- (e) Paid by your mortgage provider (property owner must arrange with their bank.)

#### **5.1.3. Payment Plans**

- (a) Payment plan applications must be received in January (available online). Upon approval of the payment plan, payments must commence as per the approved application. Balances must be paid in full by December 31 of the fiscal year.
- (b) Payment plans for prior year's taxes will be considered on a case-by-case basis.
- (c) Should a payment be rejected and/or returned as insufficient funds, the property owner(s) will be subject to a \$45 admin fee. The property owner(s) will have five (5) days to resubmit the payment.
- (d) Defaulting on a payment plan will be considered as cancellation of the plan. Cancelled payment plans are then subject to retroactive interest.

## **5.2. INTEREST**

**5.2.1** Taxes not paid in full by the due date are subject to a one percent (1%) simple interest rate which will be applied on the first day of every month thereafter.

**5.2.2** Applied interest will not be removed.

**5.2.3** Interest shall be waived only if a payment plan is in place prior to the due date and is maintained as agreed.

## **5.3. COLLECTION ACTIONS**

### **5.3.1. Accounts Over One Year**

Accounts that have a balance forward in January for the prior year's taxes that do not have a payment plan in place will be issued a final warning that collection measures, recovery and legal action may follow.

### **5.3.2. Legal Action**

Where the property owner(s) have not made payment arrangements or payment arrangements have not been satisfactorily maintained, the Town may initiate legal action, as follows:

- (a) Rental Seizure - If there is a tenant in the property, rental seizure will commence as per Section 159 of the Act. A rental seizure letter will be sent to the property owner(s) notifying that if no contact is made within five (5) business days to make payment arrangements, rental seizure will begin immediately. The rental seizure will remain in effect until the outstanding tax balance is paid in full.
- (b) Water Disconnection – property owner(s) with water and/or sewer service will be advised that services will be shut off in accordance to Section 160 of the Act. A water/sewer disconnection letter will be hand delivered to the property owner(s) notifying them that if no contact is made within five (5) business days to make payment arrangements, service will be disconnected. The letter will include the date of disconnection.
- (c) Private Collection Agency – At the Town's discretion, any account in arrears can be sent to a private agency for collections.

- (d) Small Claims Court – Accounts in Collections with a balance of \$25,000 or less, can be sent to Small Claims Court for recovery, as per Section 161 of the Act.
- (e) Supreme Court - Accounts in Collections with a balance of \$25,001 or more, can be sent to Supreme Court for recovery, as per Section 161 of the Act.
- (f) Arrears Sale - In extenuating circumstances where all other legal actions are not effective, the account may be referred to the Town's legal service providers to commence an arrears sale procedure of the property. This course of action will be decided on a case-by-case basis and will be in accordance with the Town of Portugal Cove-St. Philip's Arrears Sale By-Law.

#### **5.4. TAX DISCOUNTS**

- 5.4.1 Annually, Council shall, by resolution, establish a discount with respect to imposed taxes, as per Section 112 of the Act.

#### **6.0 REPEALS**

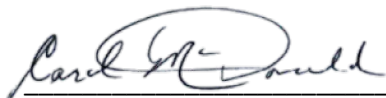
- 6.1 November 15, 2022. Motion #2022-352.

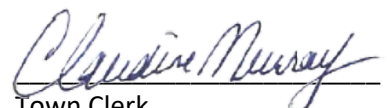
#### **7.0 AMENDMENTS**

- 7.1 March 23, 2023. Motion #: 2023-078.
- 7.2 April 22, 2025. Motion #: 2025-133.

#### **8.0 INITIAL EFFECTIVE DATE / RESOLUTION**

- 8.1 November 15, 2022. Motion #2022-352.

  
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Mayor

  
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Town Clerk