

BYLAW 6482

**A BYLAW OF THE CITY OF LETHBRIDGE TO
PROVIDE FOR A PRE-AUTHORIZED TAX
INSTALMENT PRE-PAYMENT PLAN**

WHEREAS pursuant to section 339 of the *Act*, Council by Bylaw, may provide for incentives for payments on account of property Taxes made before a date or dates to be fixed in the bylaw;

AND WHEREAS, pursuant to section 340 of the *Act*, Council may by Bylaw permit Taxes to be paid by instalments;

AND WHEREAS pursuant to section 346 of the *Act*, Penalties in respect of unpaid Taxes imposed by Council are part of the tax;

AND WHEREAS pursuant to section 347 of the *Act*, only Council can cancel a tax when it considers it equitable to do so;

AND WHEREAS Council desires to establish a pre-authorized tax payment plan in the City of Lethbridge;

NOW THEREFORE, THE COUNCIL OF THE CITY OF LETHBRIDGE ENACTS AS FOLLOWS:

PART I – TITLE, PURPOSE, AND DEFINITIONS

1 (1) This Bylaw may be cited as the "Tax Instalment Pre-payment Plan Bylaw".

Purpose

2 (1) The purpose of this Bylaw is to establish:
(a) an option for Taxpayers to pre-pay their Taxes by monthly instalments under TIPP;
(b) the rate of incentive to be applied on the prepayment of Taxes on the TIPP; and
(c) an opportunity to waive current Penalties by enrolling in TIPP.

Definitions

3 (1) In this Bylaw, unless the context otherwise requires:
(a) "**Act**" means the *Municipal Government Act*, R.S.A. 2000 c. M-26 as amended or replaced from time to time;
(b) "**Additional Charges**" are charges that are added to the Tax Roll in accordance with provincial legislation;
(c) "**Agreement**" means an Agreement under this Bylaw to pay taxes through TIPP by automatic bank withdrawal;
(d) "**Assessed Person**" means the person recorded on the assessment and tax rolls in accordance with parts 9 and 10 of the *Act*;
(e) "**City**" means the City of Lethbridge;
(f) "**City Tax Collector**" means the City Assessor, a designated officer appointed by City Council pursuant to the provisions of the *Act*;
(g) "**Council**" means the Municipal Council of the City of Lethbridge;

- (h) "**Current Taxes**" means Taxes imposed in the current year;
- (i) "**Penalties**" means Penalties on unpaid Taxes pursuant to Bylaw 6470 – 2025 Incentives for Prepayments, Penalties and Tax Deferral Bylaw;
- (j) "**Taxes**" includes annual and supplementary property, business improvement area, special, amended, partial year, and local improvement levies, amounts deemed by law to be Taxes due to the event of non-payment, dishonoured cheque fees, and all other taxes or Additional Charges lawfully imposed pursuant to the *Act* or any other applicable legislation;
- (k) "**Taxpayer**" is the person liable to pay Taxes as defined in Sections 331 and 373 of the *Act* and includes an entity that has been authorized by a Taxpayer to pay Taxes to the City on their behalf, monthly or otherwise, and includes a mortgage holder;
- (l) "**Tax Instalment Pre-Payment Plan**" or "**TIPP**" means a plan for Taxpayers to pre-pay their Taxes by monthly instalment as described in s. 4(1);
- (m) "**Year**" means calendar year.

PART II – OPTION OF PREPAYMENT OF TAXES BY AUTOMATIC INSTALMENTS

- 4 (1) A Taxpayer, shown on the Tax Roll or on a Business Improvement Area (BIA) assessment roll, is hereby granted the right to enter into an Agreement in a form acceptable to the City Tax Collector to prepay their Taxes for current and future taxation years, on such land and improvements or businesses within a BIA, in 10 monthly instalments commencing on the first day of August of the Year prior to the Year in which the Taxes will become due, and continuing on the first day of each and every month thereafter to and including the first day of May in the Year in which the Taxes are due.
- (2) The amount of each monthly instalment herein provided shall be 1/10 of the Taxes levied on the said land and improvements or business within a BIA in the Year in which the first monthly instalment is made.
- 5 (1) All payments made hereunder shall be made by way of pre-authorized payments.
- (2) A person desiring to make prepayments pursuant to this Bylaw shall execute and deliver to the City a pre-authorized payment application in the form authorized by the City Tax Collector.
- (3) Applications for the TIPP received on or before July 21st will be enrolled in accordance with section 4 of this Bylaw.
- 6 (1) The City Tax Collector may accept applications for the TIPP at any time after July 21st. The monthly instalment amount may be adjusted by the City Tax Collector having regard to:
 - (a) the number of months remaining before the May 1st final instalment;
 - (b) other matters the City Tax Collector considers reasonably advisable to ensure completion of the TIPP by the last business day in June in the Year the Taxes are due.

- 7 (1) No person may enter TIPP with the City when the municipal Taxes upon the land or improvements or business thereon are the subject of overdue payment Penalties past the last business day of June in any Year.
- 8 (1) An Agreement may allow a supplementary tax levy and or an amended tax levy, that is billed during the TIPP cycle to be incorporated in TIPP but must ensure the full collection of the supplementary tax levy and or amended tax levy, are paid no later than December 31 of the Year in which Taxes were levied or amended.
- (2) Monthly payments under TIPP may be recalculated so that the future year estimated Taxes incorporate any supplementary assessment increase. Any increase in the monthly payment will take effect one month after the supplementary tax levy notice is issued and will remain in effect until May 1 of the following year.
- 9 (1) Any balance of Taxes remaining unpaid upon any land and improvements or BIA, after computing all prepayments of Taxes and applying the discount allowed pursuant to Part III of this bylaw, shall be payable to the City not later than the last business day of June of the Year in which such Taxes are due and payable.
- (2) Payments will be automatically debited from the Taxpayer's bank account on the last business day of June to cover any remaining tax balance.
- 10 (1) Any balance of Taxes remaining as a credit upon any land and improvements or BIA, after computing all prepayments of Taxes and applying the incentive allowed pursuant to Part III of this bylaw, shall be carried forward and applied to reduce the monthly TIPP prepayments commencing on the first day of August of the Current Year to the Future Year in which the Taxes will become due unless:
(a) the Taxpayer cancels TIPP; or
(b) the City Tax Collector receives a request in writing from the Taxpayer for a refund of the credit.
- 11 (1) Once a Bylaw of the City has been approved establishing tax rates for the current Year, the new TIPP cycle shall be adjusted to collect for the following Year in which Taxes are due. The formula is:

$$\text{Adjusted TIPP for new TIPP cycle} = (\text{current year Taxes less any credit balance on the account}) / \text{number of remaining months on the TIPP cycle}.$$
- (2) The Assessed Person shall be sent information about the adjusted TIPP payment as calculated in subsection (1) on the annual tax notice. It is the Assessed Person's responsibility to forward the adjusted TIPP calculation to their authorized agent if they have one, which may also be the Taxpayer.
- (3) A Taxpayer's TIPP payment may be adjusted periodically to reflect other Taxes, Additional Charges or payments that are applied to the Tax roll.
- 12 (1) A Taxpayer's TIPP Agreement shall be cancelled immediately if:

- (a) any prepayment is not remitted to the City in accordance with the TIPP;
or
- (b) any two installments are not honoured by the Taxpayer's bank; or
- (c) the Taxpayer formally requests the cancellation; or
- (d) the bank account has been compromised or closed.

- 13 (1) An Agreement cancelled in accordance with section 12 shall be subject to:
- (a) any applicable penalties under Bylaw 6470 - 2025 Incentives for Prepayments, Penalties and Tax Deferral Bylaw, including any retroactive penalties that would have been applied had the Agreement not been in place; and,
 - (b) any bank returned item fees under Bylaw 4933 Property Assessment and Taxation Fee Bylaw.

PART III – INCENTIVE DISCOUNT FOR PREPAYMENT OF TAXES BY INSTALMENTS

- 14 (1) The City shall allow an incentive discount on the amount of the prepayment of Taxes at the rate of 1.00% per annum subject to the following conditions:
- (a) the incentive will be calculated from the date of each prepayment to the last business day of June in the Year when the Taxes are due; and
 - (b) the incentive will be applied at the end of each month and will only be applied to the TIPP credit balance remaining on the Tax roll of the Taxpayer account until the 2026 tax notices are levied.

- 15 (1) Notwithstanding anything herein contained where:
- (a) an Agreement is cancelled under s. 12(1); or
 - (b) the land and improvements thereon are sold at any time during the period of prepayment and the TIPP instalments have not been transferred to the purchaser;
- no incentive discount shall be given or allowed by the City on any Taxes levied and all instalment prepayments shall be credited to the property or business improvement area Tax account.

- 16 (1) Nothing herein shall prevent any person from prepaying all or any portion of the estimated Taxes for an Assessed Person in one or more payments as set out in the Bylaw 6470 – 2025 Incentives for Prepayments, Penalties, and Tax Deferral Bylaw.

PART IV – PENALTY CANCELLATION

- 17 (1) Should a Taxpayer, whose property or business is subject to overdue payment Penalties on Current Taxes, make an application to enter TIPP not later than September 15th in the current tax Year in accordance with Part II of this bylaw, City Council authorizes the City Tax Collector to cancel the current year Penalties when the following conditions are met:
- (a) all Taxes are paid in full by September 15th in the current tax Year; and
 - (b) all monthly installments are paid in full each month commencing no later than on the first day of October of the Year prior to the Year in which the Taxes are due and continuing the first day of each and every month thereafter to and including the first day of May in the Year in which the Taxes are due or until property has been sold.

PART V – GENERAL

18 (1) Bylaw 6434 is hereby repealed.

19 (1) This Bylaw shall come into force and effect on July 1, 2025.

READ A FIRST TIME this 15 day of April, A.D. 2025



MAYOR

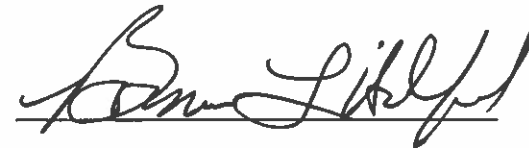


CITY CLERK

READ A SECOND TIME this 29 day of April, A.D. 2025




MAYOR



CITY CLERK

READ A THIRD TIME this 29 day of April, A.D. 2025



MAYOR



CITY CLERK



WE'RE HERE TO HELP:

You may be eligible to have your current year penalties waived by following these two steps before **September 15th**:

- 1) Make **FULL PAYMENT** of outstanding taxes; **AND**
- 2) Apply for the Tax Instalment Pre-payment Plan (TIPP) to prepay next years' taxes.

If your TIPP application is approved your penalties will be waived. For information about TIPP visit lethbridge.ca/TIPP.