

THE CORPORATION OF THE VILLAGE OF SALMO

BYLAW # 592

A BYLAW TO ESTABLISH A TAX AND UTILITIES PREPAYMENT PLAN

WHEREAS Part 7, Division 10 of the *Community Charter* (SBC Chapter 26) authorizes the Council of the Village of Salmo to establish an alternative municipal tax collection scheme,

NOW THEREFORE, the Council of the Village of Salmo, in open meeting assembled, hereby ENACTS AS FOLLOWS:

SHORT TITLE

1. (1) This Bylaw may be cited as the "Tax And Utilities Prepayment Plan Bylaw."

PLAN REGULATIONS

2. (1) The Council hereby establishes a monthly preauthorized Tax and Utilities Prepayment Plan (hereinafter referred to as "the Plan").
 - (2) The Plan shall be renewable annually, and the plan cycle shall commence on July 1st of each year.
 - (3) Council shall establish the payment date for installments under the Plan.
3. (1) Subject to the limitation of this section, taxpayers may subscribe to the Plan by submitting an application in a form prescribed by the Village from time to time.
 - (2) A tax account must be paid up in full before a Plan may be subscribed to for the property.
4. (1) Monthly installments payable under the terms of the Plan shall be determined individually for each participating taxpayer in the following manner:
 - (i) one twelfth of the last invoiced property taxes, net of Home Owners Grant (where applicable), plus
 - (ii) one twelfth of the last invoiced utility user rates, plus
 - (iii) a percentage addition, to be determined by Council, to compensate for an anticipated increase in taxes and/or user fees.
 - (2) The schedule of Plan installments shall consist of eleven (11) equal payments calculated pursuant to this section and one (1) final installment, being the outstanding balance remaining on the tax account at the time current taxes are invoiced.
5. (1) The Collector may accept a new subscription to the Plan at any time. Where the Collector accepts a new subscription after the start of a Plan cycle, the number of installments and amount of each installment shall be

calculated pursuant to the formula established in this Bylaw and in proportion to the number of months remaining in the current Plan cycle.

6. (1) The Collector shall cancel participation in the Plan by any taxpayer if two consecutive installments fail to be honored by a financial institution.
- (2) When a Plan account is cancelled pursuant to this section, the balance held in the account at the time of cancellation shall be applied as a prepayment to the tax account for which the Plan was established.

PAYMENTS AND INTEREST

6. (1) Payments under the Plan may be made by:
 - (i) preauthorized direct transfer to a Village account, or
 - (ii) postdated cheques deposited with the Village.
 - (2) Monthly installments shall not be less than ten dollars (\$10.00).
 - (3) Monthly installments shall not be more than the amount determined by the formula established in this Bylaw.
7. (1) The Collector shall establish a prepayment account for each participant in the Plan for the purpose of accumulating all payments and all interest credits.
 - (2) The Collector shall draw from each participant's prepayment account the amount necessary to pay his/her utility user account in full and shall indicate the transfer on the participant's utility invoice.
 - (3) The Collector shall draw the full balance of each participant's prepayment account and apply that amount as a prepayment to the participant's tax account immediately prior to the date of invoicing property taxes.
8. (1) The rate of interest payable on prepayment accounts shall be two tenth of one percent (0.2%) per month (2.4% per year) credited to each tax based on the balance of the account prior to the addition of the monthly contribution.

WITHDRAWAL FROM THE PLAN

9. (1) A participant may, for any reason and on written request to the Village, terminate participation in the Plan at any time.
 - (2) Where the Collector receives a written request of cancellation, the Collector shall apply the full balance of the prepayment account to the tax account of the participant.
10. (1) Notwithstanding section 9(2) of this Bylaw, where a participant submits a written request for termination on the grounds that the property has been sold, and proof is provided with the request that the sale is completed, the Collector shall refund to such participant the full balance of the prepayment account, including accrued interest.

ENACTMENT

- 11. (1) If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held to be invalid by the decision of any court of competent jurisdiction, the invalid portion(s) shall be severed, and the part(s) that is (are) invalid shall not affect the validity of the remainder of this Bylaw.
- (2) This Bylaw shall come into full force and effect on the final adoption thereof.

READ A FIRST TIME	this 12 th day of June, 2007
READ A SECOND TIME	this 10 th day of July, 2007
READ A THIRD TIME	this 10 th day of July, 2007
RECONSIDERED AND FINALLY ADOPTED	this 11 th day of September, 2007

Mayor

Clerk

Certified a true copy of Bylaw #592, as adopted.

Clerk