

Tax news from Tudor and Cashel

Aug. 14, 2020

By Mike Riley Local Journalism Initiative Reporter

At the Aug. 4 Tudor and Cashel Township council meeting, council passed a motion to defer any interest on tax payments owed by residents of the township until Sept. 30. Also, at this meeting, Councillor Bob Bridger brought forth a motion to suspend the sale of tax properties until a further discussion could be had on the timing of their sale and the way that they are sold to the public.

During the council meeting, council discussed an idea put forth by Tudor and Cashel township clerk Nancy Carrol to defer any interest on tax payments for Tudor and Cashel residents to help give them a reprieve if they are dealing with any financial hardships due to COVID-19.

Councillor Bob Bridger objected to the respite, feeling that if you tell people there is no interest being charged, they'll have no incentive to make the payments.

"Seeing as how we budget accordingly, I'm not sure we should extend it at this time, but if a situation arises, it gets dealt with as it arises, on a case by case basis, versus a blanket statement. I'm concerned we'll get people not wanting to pay and prefer to keep the money in their account versus paying it and having it in the township's account," he said.

Councillor Reilly was all for the deferment however, saying that it should be extended to Sept. 30. Deputy Mayor Ronald Carroll also favoured offering a respite on the interest.

"I think we should extend it. We have a lot of seniors and I think they would appreciate that, and a lot of other people out of work, and a lot of other people just out of work and getting back to work now. I'd like to see it extended," he said.

A motion was put forth by Councillor Noreen Reilly to extend no interest on the tax payments until Sept. 30, which was seconded by Councillor Roy Reeds. The only holdout was Councillor Bridger, but the motion was passed by all the other members of council.

"This will give those that are struggling a couple of months grace," says Carrol, "Interest will begin to be accrued at the normal rate again on any outstanding balance as of September 30," she says.

On another tax issue, council discussed tax sale properties. Councillor Bob Bridger would like to see these properties advertised for sale in the summer versus when they are traditionally advertised in the fall, as he feels that in addition to year round residents, there would be more seasonal residents here to potentially buy them, and he would like to see the cost benefit analysis between continuing to sell them internally through the township or outsourcing the sale of these tax properties to an outside company.

Carrol says that although the township has done tax sales internally in the past, there are regulations and legislation that guide the process and its timing. She also explains how the tax sale process works.

"In the past, timing has allowed us to have the final stages of the sale take place in the fall. It is felt by some members of council that there might be more interest in the property if the tax sale took place in the summer. The tax sale process does not generate revenue for the township anymore. The purpose of tax sales is for the municipality to collect the taxes that are in arrears and fees incurred due to outstanding taxes. In the past, the township has done the final stage in the fall due to the timing of the process and the township staff availability to organize and run the sale. Council has passed a resolution to defer any tax sales until the end of the emergency declaration for the township. Outsourcing the process should not cost the rate payers anything, unlike doing it internally as there is a large amount of time involved in the process.

Carrol admitted that last year there were a few properties that had gone up for tax sale and some residents were not pleased as they were not aware that they had been up for sale. She says it is important to be consistent with processes and procedures and Tudor and Cashel Township made a point of following the regulations set out for the sale of tax arrear properties. She says advertisements are put into the local paper, the town's website, their Facebook page, and there's a posting at the municipal office. A listing is also put into the Ontario Gazette. She says the township tries to remain as consistent as possible in the way they handle tax arrears sales.

Councillor Bridger brought up this motion due to a specific incident that arose from a recent tax sale on an island on Gunter Lake.

Carrol says that this property had been in the name of a corporation that had been dissolved. With the amendments to the act, the property was able to go for tax sale to get the outstanding taxes.

?The residents around the property were under the impression that the property was public lands. Unfortunately, this was not the case according to land titles,? she says.

Bridger says that after the sale went through, he was contacted by a group of residents on the island who were under the impression that the original developer of the island had deemed this parcel to be left as a greenspace.

?After looking into the situation, I informed them that it appears that the township did its due diligence with regards to this property. The buyer of the property applied to the township for a variance in order to build on the property. He has requested that he be allowed to build within 0.73 metres of the property line (I believe), which is less than three inches, due to the fact that most of the property is wetlands. Obviously, his neighbours have some concerns about the variance being okayed and attended the council meeting where this item was on the agenda. The council deferred the variance application as approval to build is required from the conservation authority. The residents of the island that I talked to told me that if they'd known this parcel of land was coming up for sale, they probably would have joined together and made an offer on said property to preserve it as it has been since the 1960s. I talked to Carrol regarding the advertisement of tax sale properties and she told me that historically they were always done in the fall. So, while I believe that we, as a township, have done nothing legally wrong, I believe we could do better,? he says.

Bridger feels that by advertising tax sale properties at a time of the year when potentially affected residents of Tudor and Cashel Township have greater access to the tax sale information, it would minimize situations like those on Gunter Island. While he knows the township does what is required by law in the advertising of said properties, he thinks that these sales should be timed and advertised in the local paper and elsewhere, when the greatest possible readership is present, in the summer.

?This sale [on Gunter Island] was sort of a ?one-off? situation and most of the times it's not an issue, but occasionally it is,? says Bridger.