

Tax sale proceedings to come earlier for property owners

By Sarah Sobanski

People in Hastings Highlands may be more behind on their taxes than they suspect.

Treasurer David Stewart told council Aug. 23 he and staff had sent out more than 250 courtesy tax sale proceedings letters to property owners whose taxes are coming up to two years of arrears. His report suggested changes to section 373 of the Municipal Act have shaved a year off when municipalities can begin processing tax sales.

"We're reaching out to residents that are approaching the new legislation mark in the tax sale process," said Stewart. "Just informing them that they are approaching the two years mark, that the legislation had changed [and] encouraging them to reach out with us in advance before any legal proceedings were to start on the properties."

Stewart said property owners could be looking at an average \$5,000 legal bill if their proceedings move forward. The municipality files about 20 to 30 tax sales a year.

Prior practice was to warn people four to five months before tax sale proceedings would move forward, but some property owners don't even realize they're behind, he said. Seasonal residents sometimes pay their permanent residence bills and forget about their other properties.

"We've had an overwhelming rate of responses. We're very busy with a lot of messages with people calling concerned and becoming more educated with the process itself. It's really helped as something new this year by reaching out that far in advance."

The report noted the municipality had one property eligible for tax sale procedures set for Aug. 31 this year and 11 registered for 2018.

The municipality was owed more than half a million dollars in outstanding taxes from 2016 alone, as of Dec. 31, 2016. It was still owed a little more than \$300,000 from 2015 and \$164,000 from 2014. Added to the \$665,000 accumulated in years prior to that, the municipality is owed \$1.7 million in total. That's \$380,000 in penalty and interest per the Municipal Act.

"The municipality's outstanding tax arrears are down from around \$2 million reported at year-end in 2014,"

Stewart later told *Bancroft This Week*. "This is significant considering the total levy - municipal, county and school board - has increased [more than] \$700,000 during that same period of time. So in short, we've decreased arrears \$300,000 during a period of time where over \$700,000 was added to the tax bills." Sometimes this is overlooked when we get used to looking at just one bottom line."

Following his report, Stewart recommended council apply for a Federation of Canadian Municipalities' Municipal Asset Management Program grant. The grant would see \$20,000 from the federal government and \$5,000 from the municipality to complete the Hastings Highlands Buildings and Facilities Strategy. The study would determine if more than 30 buildings in the municipality need accessibility upgrades and identify a list of reasonable tactics to comply with provincial disability legislation. Council also proceeded with implementing a 2018 budget ad hoc committee. Mayor Vivian Bloom, Deputy-mayor Gregg Roberts and Councillor Alex Walder were put on the committee as council's representatives. It will prepare with periodic consultation with all of council and present the draft municipal budget to council and members of the public before final council approval."