

BILL

No. 96 of 1927.

An Act respecting the Compromise of Outstanding Seed Grain and Relief Indebtedness, and the Consolidation of Arrears of Taxes.

(Assented to _____, 1927.)

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. This Act may be cited as "*The Tax Consolidation Act, 1927.*"

2. In this Act, unless the context otherwise requires—

- (a) "Local authority" shall include the council of a municipality, the Minister in respect of an improvement district, and the board of trustees of a school district;
- (b) "Minister" shall mean the Minister of Municipal Affairs;
- (c) "Resident" shall mean a person who is an actual resident of the Province and personally *bona fide* engaged in farming operations;
- (d) "Taxes" shall include all taxes within the meaning of *The Tax Recovery Act, 1922*, except such as may be excluded from the operation of this Act by order of the Lieutenant Governor in Council.

3. There shall be a board to be styled "The Tax Consolidation Board," to be composed of not more than three members, to be appointed by the Lieutenant Governor in Council, one of whom shall be appointed as chairman.

4. The members shall receive such remuneration, conduct such investigations, make such reports and perform such other duties in addition to the duties assigned to them by this Act, as may be determined by the Lieutenant Governor in Council.

5. In the case of any municipal district which has become indebted to the Government by reason of the non-payment of notes guaranteed by it under the provisions of any of the Acts in schedule A hereof, any such council may apply to the director having the general supervision and administration of *The Debt Adjustment Act*, to investigate and report upon the ability of such municipal district to dis-

charge its indebtedness and to recommend, in the event of his being satisfied that the municipal district is unable to discharge its entire indebtedness, the sum upon the payment of which, the indebtedness of the said municipal district should be cancelled.

6. Any such recommendation shall be made to the board, which shall thereupon by order confirm such recommendation, or lessen or increase the amount to be paid by the municipal district in discharge of its indebtedness:

Provided, however, that no such order shall be made in any case where the Government of the Dominion of Canada is pecuniarily interested therein by reason of payments made to the Government of Alberta, except with the consent of the said Government of Canada.

7. Any such order shall be binding upon the municipal district concerned and the Government.

8. Any payment directed to be made by a municipal district may be made from its general revenue or out of the sums collected from its residents owing money under the provisions of the Acts set out in schedule A hereto.

9. No compromise made under the provisions of this Act shall in any way affect the liability of the persons to whom any municipal district has lent money under the provisions of the said Acts.

10. In making the recommendation or order hereinbefore referred to, the director and the board respectively shall take into consideration the amount of money already paid from its general revenue by the municipal district concerned.

11. The council of any municipal district or the Government, as the case may be, upon the direction of the director, may make any similar compromise with residents with respect to money owing by them to the Crown or the municipal district under the provisions of any of the Acts in schedule A or schedule B hereto, or give a complete discharge of such moneys:

Provided, however, that wherever any such resident owes any money to the Dominion Government under the provisions of chapter 14 of the Statutes of Alberta, 1915, no such arrangement shall be effected unless and until an agreement has been reached with the said Government as to a similar arrangement as between the resident and the said Government.

12. Any resident, who, at the date of the coming into force of this Act, owes two years or more tax arrears within the meaning of *The Tax Recovery Act, 1922*, in respect of

the land upon which he carries on farming operations, may at any time prior to the first day of April, 1928, apply to the local authority or local authorities, to whom such tax arrears are due, to enter into a tax consolidation agreement, for the consolidation of taxes due by such resident to, or collectable from such resident by, the said local authority or authorities, and for an extension of time for the payment of such consolidated debt and for the payment thereof to the local authority concerned.

13. Every local authority shall have the power with the approval of the director to enter into, or join in entering into, a tax consolidation agreement with the applicant, which agreement shall provide for—

- (a) interest at seven per cent;
- (b) the instalments in which the consolidated debt is to be payable and the dates whereon such instalments are to be payable;
- (c) the period within which the consolidated debt must be paid, not exceeding ten years;
- (d) the conditions upon which advance payments may be made;
- (e) a covenant on the part of the resident not to transfer his interest in the land affected during the subsistence of the agreement and to duly pay all taxes accruing due in respect of such land during such subsistence;
- (f) conditions for the defeasance of the agreement;
- (g) a notification to the director by the applicant of any act of party or operation of law, whereby the interest of the resident in the said land is affected.

14. Upon the completion of any such agreement, the local authority concerned shall notify the registrar of land titles of the district within which any land affected thereby is situated.

15. Upon the receipt of such notification, the registrar shall place a memorandum thereof on the certificate or certificates of title to the lands mentioned therein, and such memorandum shall be in the following form:

“By virtue of a tax consolidation agreement, dated theday of....., 19..., the interest ofin these lands is protected by the provisions of *The Tax Consolidation Act, 1927.*”

16. As long as the said agreement subsists—

- (a) no transfer of any land affected thereby shall be made by the Crown, a local authority or the resident, and if so made, either before or after the making of the said agreement, shall not be registered nor shall any certificate of title based upon any such transfer be issued, but every local authority

and registrar of land titles shall do all acts prescribed by *The Tax Recovery Act, 1922*, which are not expressly forbidden by this section;

- (b) no proceedings outside the provisions of *The Tax Recovery Act, 1922*, shall be taken or maintained for the recovery of the consolidated debt or any part thereof.

17. At any time when it is made to appear to the director by any local authority affected, that any resident who has entered into a tax consolidation agreement, has made default in carrying out any of the provisions thereof, or that he has ceased to be entitled to the possession of the lands affected thereby, the director may notify the resident that the said agreement has ceased to have any operation with respect to the matters subsequent thereto, and immediately after such notification to the resident, he shall notify the said registrar, who shall cancel the said memorandum, and thereafter the prohibitions contained in the previous section shall cease to operate and any proceedings may be taken by any resident or local authority to recover any tax, rate or assessment or other debt or sum of money, and the penalties that would have accrued in respect thereof but for the provisions of this Act, less such part thereof as may have been discharged while the agreement was subsisting, and as if such agreement had not been entered into:

Provided, however, that in any case where proceedings have to be taken within a limited time, the period of the subsistence of the agreement shall be excluded in the computation of such time.

18. When the resident has completely carried out the terms of the said agreement, the director shall notify said registrar thereof, who shall thereupon cancel the said memorandum.

19. Any person becoming entitled upon the intestacy or under the will of the said resident, may make application to the local authority or authorities concerned, for a continuance of the said agreement, for such period as the applicant may be entitled to the possession of the said lands, and any such local authority or authorities may, with the consent of the director, grant any such application, and thereupon shall notify the registrar, who shall continue or restore the said memorandum, as the case may be.

20. The Minister shall have power to make regulations prescribing the form and contents of the tax consolidation agreement, hereinbefore provided for, and any other regulations which are calculated to effect the intent of this Act, and shall also have power to relieve any resident from any provision of any tax consolidation agreement which he is

of opinion is unduly onerous, and give directions to the registrar of any land titles office touching the mode in which his duties under this Act are to be carried out.

21. This Act shall come into force on.....

SCHEDULE A.

1. *An Act respecting Seed Grain*, being chapter 21 of the Statutes of Alberta, 1908.
2. *The Municipal Districts Seed Grain Act*, being chapter 10 of the Statutes of Alberta, 1918.
3. *The Municipal District Relief Act*, being chapter 31 of the Statutes of Alberta, 1920.

SCHEDULE B.

1. *An Act respecting Seed Grain, Fodder and other Relief*, being chapter 14 of the Statutes of Alberta, 1915.
2. *The Seed Grain Act, 1917*, being chapter 8 of the Statutes of Alberta, 1917.
3. *The Seed Grain Act, 1918*, being chapter 21 of the Statutes of Alberta, 1918.
4. *The Seed Grain Act, 1919*, being chapter 10 of the Statutes of Alberta, 1919.
5. *The Seed Grain Act, 1920*, being chapter 34 of the Statutes of Alberta, 1920.
6. *An Act respecting Advances for the Purchase of Feed and for Assistance to Farmers, and the Securities for Repayment thereof*, being chapter 35 of the Statutes of Alberta, 1920.
7. *The Seed Grain Act, 1921*, being chapter 44 of the Statutes of Alberta, 1921.
8. *An Act respecting Advances for the Purchase of Feed and Assistance to Farmers, and the Securities for Repayment thereof*, being chapter 45 of the Statutes of Alberta, 1921.
9. *The Seed Grain Act, 1922*, being chapter 65 of the Statutes of Alberta, 1922.
10. *An Act respecting Advances for the Purchase of Feed and for Assistance to Farmers, and the Securities for Repayment thereof*, being chapter 66 of the Statutes of Alberta, 1922.
11. *The Live Stock Encouragement Act*, being chapter 65 of the Revised Statutes of Alberta, 1922.

No. 96.

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Outstanding Seed Grain and Relief
Indebtedness, and the Consolida-
tion of Arrears of Taxes.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. REID.

EDMONTON:
W. D. McLEAN, ACTING KING'S PRINTER *
A.D. 1927