

Bill No. 30 of 1933.

A BILL TO PROVIDE FOR THE CONSOLIDATION AND
PAYMENT OF INSTALMENTS OF CERTAIN
LOCAL TAXES.

NOTE.

This Bill makes provision whereby a taxpayer who is in arrears for more than one year in respect of taxes on land collectable by a municipality and taxes payable to a collecting school district (if any), may enter into a consolidation agreement whereby the arrears are payable by instalments over a period of six years.

The instalments are as follows:

For 1933, 10%; for 1934, 10%; for 1935, 15%; for 1936, 20%; for 1937, 20%; for 1938, 25%.

The instalments must be paid on or before the fifteenth day of December in each year and the current taxes must be paid on or before that date.

Upon payment of the instalments on or before the date fixed for payment, a discount by way of a credit is allowed on each instalment paid, which varies from 9%, if the taxes consolidated are for a period of less than three years and more than one year, to 26% if the consolidated taxes are for a period of six years or more. In case the arrears comprise any hail insurance rates, that proportion of the instalments which is attributable to those rates is not subject to discount.

The effect of a consolidation agreement is to stop all proceedings under *The Tax Recovery Act*.

In case default is made in the payment of any instalment or any current taxes on the due date, the agreement is cancelled and the arrears of taxes with penalties become payable as if the same had not been consolidated, and all proceedings under *The Tax Recovery Act* are revived.

Provision is made that upon payment in full of all consolidated arrears and current taxes prior to the sixteenth day of December, 1933, there shall be allowed a further discount of 4% on the amount required to make such payment after deducting the appropriate discount.

Provision is also made that upon payment of arrears of taxes for 1932 together with the current taxes before the sixteenth day of December, 1933, all previous taxes having been paid, a discount thereon of 9% shall be allowed.

The Bill applies to all municipal districts and improvement districts and to such cities, towns, and villages as by a resolution of the council passed not later than the fifteenth day of July, 1933, declares the Act to be applicable thereto.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 30 of 1933.

An Act to provide for the Consolidation and Payment of Instalments of Certain Local Taxes.

(Assented to _____, 1933.)

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 Local Tax Arrears Consolidation Act, 1933.*"

2. In this Act, unless the context requires a contrary meaning—

- (a) "Arrears of taxes" or "arrears" means taxes in arrears for more than one year as at the first day of January, 1933, and includes all penalties for the non-payment of any tax and also all costs and lawful expenses incurred by a municipality in respect of any parcel;
- (b) "Hail insurance tax" means any sum levied by way of a tax pursuant to *The Municipal Hail Insurance Act*;
- (c) "Land" includes the improvements thereon and minerals therein or thereunder;
- (d) "Minister" means the Minister of Municipal Affairs;
- (e) "Municipality" means every city, town, village, municipal district and improvement district;
- (f) "Owner" includes any person who has the right to become the owner of any parcel under the terms of any agreement for sale, any option to purchase or the provisions of any lease, and any mortgagee of a parcel;
- (g) "Parcel" means every parcel of land separately assessed on the assessment roll of a municipality;
- (h) "Registrar" means the Registrar of Land Titles of the Land Registration District in which a parcel is situate;
- (i) "Tax" means any tax collectible by a municipality and includes taxes levied and payable to a school district pursuant to *The School Assessment Act, 1931*;
- (j) "Tax recovery proceedings" means any and all proceedings under *The Tax Recovery Act, 1929*;

- (k) "Treasurer" means the treasurer or secretary-treasurer of a municipality other than an improvement district, and in relation to an improvement district means the Minister.

3.—(1) This Act shall apply to—

- (a) every municipal district and improvement district; and
 (b) every city, town and village which by resolution of the council passed not later than the fifteenth day of July, 1933, declares that this Act shall apply thereto.

(2) In any municipality to which this Act applies, it shall apply only to cases where as at the first day of January, 1933, taxes for more than one year were then in arrears, and in municipal districts and improvement districts it shall not apply to taxes in respect of any parcel which contains less than one acre and is not at the time of consolidation occupied by the owner thereof or some member of his family.

4.—(1) Subject always to the provisions of section 3 of this Act the owner of any parcel situated in a municipality to which this Act applies may on or before the first day of October, 1933, make application in writing to the treasurer of the municipality in which the parcel is situate to consolidate the arrears of taxes in respect of the parcel.

(2) In case the parcel is situate in a school district which collects its own taxes the applicant shall furnish the treasurer with sufficient evidence as to whether or not there were any taxes payable to the school district in arrears as at the first day of January, 1933, which are still unpaid, and the years in which those taxes were levied as well as a statement of the current taxes then owing to the district, and if there are any such arrears, the amount thereof.

(3) The treasurer shall proceed to prepare a statement showing the total amount owing in respect of the parcel—

- (a) for taxes collectible by the municipality, and the years in which those taxes or any part of them were levied;
 (b) for taxes payable on account of taxes levied by a school district which collects its own taxes, and the years in which those taxes or any part of them were levied; and
 (c) for taxes levied under *The Municipal Hail Insurance Act*—

and shall prepare in duplicate a consolidation agreement in the form in the schedule to this Act, and shall sign the same for and on behalf of the municipality, and shall deliver or send by registered mail the same to the applicant for execution, and upon the applicant returning copy of the said agreement duly executed to the treasurer and upon payment being made on or before the fifteenth day of December,

1933, of the instalments of consolidated taxes and the current taxes the said arrears of taxes and penalties shall be consolidated and shall be payable together with all taxes for the time being payable at the times, in the amounts, and in the manner prescribed by this Act, and so long as the said agreement remains in force, all proceedings under *The Tax Recovery Act, 1929*, in respect of all the consolidated taxes shall be suspended, and none of the provisions of the said Act shall apply thereto, and all powers and remedies for the collection of the consolidated taxes by distress or suit, or otherwise shall be suspended and unenforcible.

5. Upon the completion of every consolidation agreement, the treasurer shall—

- (a) make a notation on the assessment roll in respect of the parcel that arrears of taxes have been consolidated; and
- (b) file the agreement in his office, and make a record thereof in the tax consolidation record which shall be in such form as the Minister may prescribe; and
- (c) in case the parcel is liable to taxation in a collecting school district, notify in writing the secretary-treasurer thereof of the fact that the arrears of taxes owing in respect of the parcel have been consolidated.

6. After being notified that a tax consolidation agreement has been entered into in respect of any parcel, the secretary-treasurer of a school district which collects its own taxes shall notify the treasurer in writing of the amount of all taxes levied from time to time by the school district in respect of the parcel as soon as possible after the same are levied so long as the consolidation agreement remains in force.

7. Upon the due payment of the first instalment of the consolidated taxes as well as the current taxes, in case notification under *The Tax Recovery Act, 1929*, of the consolidated arrears of any part thereof has been made to the Registrar, the Treasurer shall notify the Registrar in writing under his hand that the taxes in respect of the parcel have been consolidated.

8. Upon the receipt by the Registrar of any notice from a treasurer that any taxes in respect of any parcel have been consolidated pursuant to this Act, he shall make an entry on the title to the parcel, and thereafter and until the said entry is cancelled or superseded pursuant to the provisions of this Act, he shall not register or give effect to any assurance of any kind affecting the title to the parcel which depends for its validity upon *The Tax Recovery Act, 1929*, or any proceedings previously instituted or commenced thereunder.

9.—(1) There shall be paid on or before the fifteenth day of December, 1933, an instalment on account of the taxes payable in respect of a parcel consolidated pursuant to this Act of an amount equal to ten per centum of the amount of the consolidated taxes, together with the taxes for the year 1933 payable in respect of the parcel.

(2) The balance of the consolidated taxes shall be payable by five annual instalments upon the days and consisting of the percentage of the total of the consolidated taxes next mentioned, namely:

10% of the said total on or before the 15th day of December, 1934
 15% of the said total on or before the 15th day of December, 1935
 20% of the said total on or before the 15th day of December, 1936
 20% of the said total on or before the 15th day of December, 1937
 25% of the said total on or before the 15th day of December, 1938
 and in each such year there shall be paid the current taxes payable for such year in respect of the parcel.

(3) In the case of any parcel situate in a school district which collects its own taxes, the treasurer may receive, together with the instalment and the current taxes collectible by him, the amount of the current taxes payable to the school district and upon so doing shall immediately thereafter remit the amount of the school taxes to the secretary-treasurer of the school district.

10.—(1) Where any taxes in respect of any parcel have been consolidated pursuant to *The Local Tax Arrears Consolidation Act*, being chapter 54 of the Statutes of Alberta, 1931, or *The Local Tax Arrears Consolidation Act Amendment Act, 1932*, the owner of the parcel shall be entitled to consolidate under the provisions of this Act so much of the said consolidated taxes and any taxes which have accrued in respect of the parcel since consolidation and were in arrears and unpaid as at the first day of January, 1933, upon giving notice in writing the treasurer of the municipality in which the land is situate on or before the fifteenth day of October, 1933, of his desire so to do, and for the purposes of this Act the taxes in arrear shall be computed as if the same had not been previously consolidated, and there shall be included therewith all sums by way of penalty which but for the previous consolidation agreement would have been added thereto up to the first day of January, 1933, and the amount to be consolidated shall be the amount computed as aforesaid less any sums paid in pursuance of the previous consolidation.

(2) Upon the receipt of any notice given pursuant to this section, the treasurer shall proceed to prepare and obtain an agreement in the manner prescribed by sections 5 and 6 of this Act and shall in addition notify the Registrar of the Land Registration District in which the parcel is situate that the taxes comprised in the previous consolidation agreement have been consolidated under this Act.

(3) Upon the completion of a consolidation agreement under this section the previous consolidation agreement shall cease to have any force or effect.

(4) Subject to the provisions of this section, an agreement made in pursuance thereof shall be subject to all the other provisions of this Act and shall have the same force and effect in every respect as any other agreement made pursuant to this Act.

11.—(1) Upon the payment of any instalment of consolidated taxes on or before the date fixed for the payment of that instalment the treasurer shall allow a discount which shall be credited against the unpaid balance of the consolidated taxes, except so much thereof as consist of arrears of hail insurance taxes, which discount shall be calculated upon the amount of the instalment paid as follows:

If the taxes consolidated are for a period of six years or more	26%
If the taxes consolidated are for a period of less than six years and more than four years.....	22%
If the taxes consolidated are for a period of less than five years and more than three years.....	18%
If the taxes consolidated are for a period of less than four years and more than two years.....	14%
If the taxes consolidated are for a period of less than three years and more than one year.....	9%

(2) In case the consolidated arrears comprise any taxes levied under *The Municipal Hail Insurance Act*, and penalties thereon, the same shall not be subject to any discount, and in such case upon the payment of any instalment, discount shall not be given in respect to that portion of the instalment which bears the same proportion to the whole as the arrears of hail insurance taxes bear to the whole of the consolidated arrears.

(3) In case the consolidated taxes comprise school taxes payable to a school district which collects its own taxes, the rate of discount in respect of those taxes shall be fixed having regard to the number of years for which the last mentioned taxes are in arrears, and upon the payment of any instalment of consolidated taxes, so much thereof shall be deemed to be and treated as paid on account of school taxes as bears that proportion to the whole which the amount of the consolidated school taxes bears to the total amount of the consolidated taxes.

12.—(1) In case the arrears of taxes in respect of a parcel have been consolidated, upon payment being made in full of the consolidated arrears and current taxes on or before the fifteenth day of December, 1933, there shall be allowed upon the amount then requisite to pay the amount of the arrears less the appropriate discount and the amount of any taxes levied under *The Municipal Hail Insurance Act* a further discount of four per centum.

(2) In case the taxes levied by a municipality in respect of a parcel for the year 1932 are unpaid and all such taxes previously levied have been paid, upon payment of the taxes levied in the year 1932 together with penalties to the first day of January, 1932, together with the current taxes on or before the fifteenth day of December, 1933, there shall be allowed upon the amount of such taxes less any taxes levied under *The Municipal Hail Insurance Act* a discount of 9 per centum.

13.—(1) Upon the occurrence of any default in the payment of any annual instalment payable on account of consolidated taxes in respect of any parcel as well as the current taxes, the treasurer shall, not later than the thirty-first day of March in the year following the year in which the default occurred notify in writing the Registrar to whom the notification was given of the fact that the arrears of taxes have been consolidated; and thereupon the Registrar on receipt of such notice shall enter upon the title to the parcel affected thereby a memorandum to the effect that the tax consolidation agreement has been cancelled and thereupon any tax recovery proceedings theretofore commenced shall be resumed as if the day upon which the last mentioned memorandum is made had been the same day as that upon which the first entry was made by the Registrar of the tax consolidation agreement.

(2) If the land in respect of which the default is made is situated in a school district which collects its own taxes, the treasurer of the municipality shall, upon default being made, notify in writing the secretary-treasurer of the school district thereof.

14.—(1) In case any parcel has been finally acquired by a municipality under the provisions of *The Tax Recovery Act, 1929*, the owner thereof or his personal representative or representatives or the son, daughter, widow or widower of the owner shall be entitled to consolidate under the provisions of this Act all sums owing in respect of the parcel for arrears of taxes including therein all taxes which would have been payable in respect thereof if the parcel had not been finally acquired by the municipality in case—

- (a) the municipality has not previously disposed of the same by sale;
- (b) the parcel contains not less than two acres; and
- (c) the applicant for consolidation is at the time of the application and has been for a period of twelve months immediately preceding the application a *bona fide* resident thereon.

(2) Upon the payment in full of all the arrears of taxes payable in respect of the parcel, together with all current taxes, the treasurer shall in case the municipality has not obtained a certificate of title thereto direct the Registrar to whom the notification under *The Tax Recovery Act, 1929*,

was given to remove the notification from the title, and in case a certificate of title has been issued to the municipality, shall notify the Registrar that in pursuance of a consolidation agreement the arrears of taxes under which the tax recovery proceedings were taken have been paid in full, and thereupon the Registrar shall cancel the original notification and the certificate of title to the municipality, and shall restore to the title any documents or entries which had been previously cancelled by him by reason of the tax recovery proceedings.

15. The Registrar shall, as soon as it conveniently may be done after making the last mentioned memorandum, mail to each person who appears upon the register as the owner or a first mortgagee of the parcel affected, a notice to the effect that the tax consolidation agreement affecting the parcel has been cancelled.

16. If any default is made in any year in the payment of the instalment payable in that year in respect of the consolidated taxes and the current taxes payable in that year, or either of them, all discounts theretofore given in respect of any instalment shall be cancelled and the current taxes together with the amount of the total unpaid balance of the consolidated taxes then remaining unpaid, together with all penalties which but for the consolidation have accrued thereon since the first day of January, 1933, shall become forthwith due and payable, and all remedies for the enforcement of payment shall be revived and shall have the same force and effect as if the taxes had not been consolidated, and shall become taxes in arrears as at the first day of January of the year following the year in which the default is made.

17. Every Registrar shall perform any act or thing which he is directed by this Act to perform without any fee.

18.—(1) In case the council of a municipality has borrowed on the security of any taxes consolidated pursuant to this Act, the council may pass a by-law providing for the issuing of debentures to the amount of such borrowings and for the purpose of repaying the same, such debentures to be for a term of not more than five years.

(2) The power to issue debentures under this section shall be in addition to all other powers for that purpose of the council of a municipality and shall not affect those powers as to the amount it is authorized to borrow or otherwise.

(3) For the purpose of borrowing on the security of current taxes, no account shall be taken of any amount included therein as instalments of taxes consolidated pursuant to this Act.

(4) Notwithstanding the provisions of any other Act to the contrary, it shall not be necessary to submit any by-law made pursuant to this Act to a vote of ratepayers, nor to obtain the approval of the Board of Public Utility Commissioners to any such by-law or to the issue of any debentures pursuant thereto.

(5) Every debenture issued pursuant to this section shall create in favour of the holder thereof a first charge upon so much of the consolidated taxes as was security for the money originally borrowed and interest thereon; and upon payment the treasurer shall place to the credit of a special debenture trust fund all sums paid on account of the taxes so charged, and the said fund shall be used for the purpose of paying off the sums secured by the debenture, and for no other purpose whatsoever so long as the debenture is unredeemed.

19. The treasurer shall, upon receiving any instalment of consolidated taxes, proceed to make a rateable distribution of the same amongst the various kinds of taxes comprised in the consolidated taxes: and the amounts so distributed shall be deemed to be the amounts then respectively paid to the treasurer on account of the various kinds of taxes comprised in the consolidation.

20. Every municipality which collects under a consolidation agreement any sums payable to a school district or the Hail Insurance Board shall be entitled to retain out of such sums five per centum thereof on account of the cost of collection.

21. The Lieutenant Governor in Council may from time to time make such regulations not inconsistent with this Act as may be deemed necessary to carry out the provisions of this Act according to their true intent or to meet cases which may arise and for which no specific provision is made by this Act.

22. Any city which has by resolution adopted the provisions of this Act may by by-law modify or vary the provisions of this Act for the purpose of adapting the same to its conditions and circumstances and to the extent that may be necessary to afford relief in respect of arrears of taxes payable to it not greater than the relief provided by this Act, and every by-law so made shall be submitted to the Minister for his approval; and upon being approved by him, but not sooner or otherwise, shall have the same force and effect as if it had been expressly enacted as a part of this Act.

23. This Act shall come into force on the day upon which it is assented to.

THE SCHEDULE.

The Local Tax Arrears Consolidation Act, 1933.

An Agreement made the _____ day of _____, 1933.
Between: (name of municipality)

OF THE FIRST PART,

—and—
(name of taxpayer) of
(address of taxpayer)

OF THE SECOND PART,

pursuant to the provisions of *The Local Tax Arrears Consolidation Act, 1933*;

Whereas the taxpayer has an interest (as registered owner, or under an agreement to purchase, or under an option to purchase or as a mortgagee) in a certain parcel of land, namely:

situate in the said municipality; and

Whereas as at the first day of January, 1933, there were taxes in arrear in respect of the said parcel for more than _____ years, as follows:

Taxes levied by the municipality other than taxes levied under <i>The Municipal Hail Insurance Act</i>	in the years 192 _____, - - - - -	\$ _____
Taxes levied by School District No. _____, in the years 192 _____, - - - - -		\$ _____
Taxes levied under <i>The Municipal Hail Insurance Act</i>	- - - - -	\$ _____
Total	- - -	\$ _____

and;

Whereas the taxpayer is desirous of consolidating the said arrears of taxes and penalties and paying the same in the manner prescribed by the said Act;

Now therefore, in pursuance of the said Act it is hereby agreed and declared as follows:

1. The taxpayer will pay the said sum of \$ _____ owing as aforesaid for arrears of taxes and accrued penalties thereon by six annual instalments upon the days and in the amounts as follows, namely:

- On or before the _____ day of _____, 1933,
the sum of \$ _____, being 10% of the said sum;
- On or before the _____ day of _____, 1934,
the sum of \$ _____, being 10% of the said sum;
- On or before the _____ day of _____, 1935,
the sum of \$ _____, being 15% of the said sum;
- On or before the _____ day of _____, 1936,
the sum of \$ _____, being 20% of the said sum;
- On or before the _____ day of _____, 1937,
the sum of \$ _____, being 20% of the said sum;
- On or before the _____ day of _____, 1938,
the sum of \$ _____, being 25% of the said sum.

2. Upon the payment of any instalment on or before the day fixed for the payment thereof, the municipality will credit the taxpayer on account of the unpaid balance of the said arrears and penalties with an amount equal to % of the amount of the instalment attributable to the arrears of taxes levied by the municipality, and % of the instalment attributable to the arrears of taxes payable to the school district.

3. This agreement is made subject to all the provisions of the said Act as to the suspension of tax recovery proceedings in respect of the said parcel, and as to the consequences of any default in making any of the payments aforesaid upon the dates fixed for the payment thereof, and shall be read and construed as if those provisions had been embodied herein.

Dated at.....this...day of....., 1933.

.....
(Signature)

Treasurer of The..... (name of municipality).

.....
(Signature)

The Taxpayer.

· THIRD SESSION
SEVENTH LEGISLATURE
23 GEORGE V
1933

BILL

An Act to provide for the Consolidation and Payment of Instalments of Certain Local Taxes.

Received and read the

First time.....

Second time

Third time

HON. MR. REID

EDMONTON:
W. D. McLEAN, KING'S PRINTER
1933