

Bill No. 73 of 1934.

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

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NOTE.

This Bill makes provision for the consolidation of arrears of taxes in municipal districts and improvement districts in substantially the same manner as was provided by *The Local Tax Arrears Consolidation Act, 1933*.

A person desirous of consolidating must apply to the council in the case of a municipal district, or to the Minister in the case of an improvement district, not later than the first day of August, 1934, and the council or the Minister may in their or his discretion have a discretionary power to grant or refuse the application: in case an application is refused, provision is made for an appeal to the Tax Consolidation Board.

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. 73 of 1934.

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

(Assented to \_\_\_\_\_, 1934.)

**H**IS 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, 1934.*"

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

- (a) "Arrears of taxes" or "arrears" means taxes owing in respect of more than one year as at the first day of January, 1934, 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 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, 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 Consolidation Board" means the board established by *The Tax Consolidation Act, 1927*;

- (k) "Tax recovery proceedings" means any and all proceedings under *The Tax Recovery Act, 1929*;
- (l) "Treasurer" means the treasurer or secretary-treasurer of a municipal district, and in relation to an improvement district means the Minister.

**3.**—(1) This Act shall apply to every municipal district and improvement district.

(2) This Act shall apply only to cases where as at the first day of January, 1934, taxes for more than one year were then in arrears, and it shall not apply to taxes in respect of any parcel which contains less than five acres.

**4.**—(1) On or before the first day of August, 1934, any person who is the owner of any parcel containing not less than five acres which is subject to tax recovery proceedings may apply to consolidate the arrears of taxes in respect of every such parcel owned by him in the manner hereinafter provided, in case he so applies before the land is sold by the municipality and before the final acquisition thereof by the municipality.

(2) On or before the first day of August, 1934, any person who was the owner of any parcel of land finally acquired by a municipality under the provisions of *The Tax Recovery Act, 1929*, and also the personal representatives, son, daughter, and widow or widower of any such person, may apply to consolidate the arrears of taxes in the manner hereinafter provided in any case where—

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

**5.** Every application to consolidate taxes shall be made in writing to the treasurer of the municipality in which the land, the subject matter of the application, is situated, and shall be accompanied with a fee of one dollar, which shall be applied on the applicant's taxes in case the application is granted.

**6.** Upon the receipt of any application the treasurer shall obtain from the applicant and make a memorandum in writing of—

- (a) the name and address of the applicant;
- (b) the legal description of the land subject to tax recovery proceedings; and
- (c) a statement of the amount of taxes recoverable under the tax recovery proceedings.

**7.—**(1) In the case of land in a municipal district, the secretary-treasurer shall bring every application so received by him before the council at the next meeting thereof after the receipt of the application, and the council shall at that meeting or an adjournment thereof, but in any event before the first day of September, 1934, proceed to deal with the applications, and if after hearing whatever may be alleged with respect to the application and making such enquiry into the circumstances of the applicant as it deems proper, the council is satisfied that it is reasonable, convenient and proper so to do, it shall grant the application, otherwise the application shall be refused.

(2) A special meeting of the council shall be held at the call of the Reeve in the month of August for the purpose of dealing with any applications which have not been dealt with on the first day of August, 1934.

**8.—**(1) The secretary-treasurer shall notify the applicant in writing as to whether or not the application has been granted, and in case the application has not been granted, that the applicant is entitled to an appeal to the Tax Consolidation Board.

(2) In case the applicant desires to appeal from the council to the Board, he shall within seven days of the receipt of the notice from the secretary-treasurer as to the decision of the council, deliver to the secretary-treasurer a notice in writing to the effect that he desires to appeal and upon receipt of any such notice the secretary-treasurer shall transmit to the Tax Consolidation Board by mail a copy of that notice together with a copy of the memorandum made by him with reference to the matter under section 6 of this Act, and upon receipt thereof the Tax Consolidation Board shall appoint a place and time for the determination of the appeal and shall cause to be sent by registered mail to the applicant and the secretary-treasurer a notice of the place and time so appointed and shall proceed to hear and determine the appeal at the time and place so appointed and any adjournment thereof, and for that purpose may receive evidence in any manner it deems proper, either by writing or orally and either sworn or unsworn, and if it appears to the Board that in the circumstances the application ought to be granted, it shall allow the appeal, otherwise the appeal shall stand dismissed.

(3) Upon the determination of the appeal, the Tax Consolidation Board shall cause a notice in writing to be sent to the applicant and to the secretary-treasurer setting out the decision made by the Board of Appeal.

**9.—**(1) In the case of land in an improvement district, the Minister shall cause such enquiries to be made into the circumstances of the application as he deems proper by such person or persons as he may from time to time designate for that purpose, and if he is thereby satisfied that it is reasonable, convenient and proper so to do, he may grant the application, otherwise the application shall be refused.

(2) The applicant may appeal from the decision of the Minister to the Tax Consolidation Board by sending by mail to the Minister a notice in writing of his intention so to do within fourteen days after he has been notified of the decision of the Minister refusing the application; and thereupon the Minister shall cause a copy of the notice to be sent to the Tax Consolidation Board; and upon receipt of the notice the Board shall proceed in the same manner as is provided in the case of an appeal in respect of land in a municipal district for the hearing and determination of an appeal.

**10.**—(1) In case any application for a consolidation agreement is granted, either by the council or by the Tax Consolidation Board, on appeal, the secretary-treasurer in the case of a municipal district, or such person or persons as may be designated by the Minister for the purpose in the case of an improvement district, shall proceed to 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 a copy of the said agreement duly executed to the treasurer and upon payment being made on or before the fifteenth day of December, 1934, 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 unenforceable.

(2) In case the mortgagee of a parcel enters into a consolidation agreement as to the taxes payable with respect to that parcel, the mortgagee shall be under no greater or different liability for the payment of the consolidated taxes than he would have been under if he had not entered into the agreement.

(3) No consolidation shall have any force unless the first instalment payable thereunder and the current taxes are paid on or before the fifteenth day of December, 1934.

**11.** Upon the completion of every consolidation agreement, and upon payment being made on or before the 15th day of December, 1934, of the first instalment payable thereunder and the current taxes, 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.

**12.** 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.

**13.** 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 or 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.

**14.** 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.

**15.—(1)** There shall be paid on or before the fifteenth day of December, 1934, 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 1934 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, 1935  
 15% 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  
 20% of the said total on or before the 15th day of December, 1938  
 25% of the said total on or before the 15th day of December, 1939  
 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.

**16.—**(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, *The Local Tax Arrears Consolidation Act Amendment Act, 1932*, or *The Local Tax Arrears Consolidation Act, 1933*, 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, 1934, upon giving notice in writing to the treasurer of the municipality in which the land is situate on or before the first day of August, 1934, 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, 1935, 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 section 10 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 and the due payment of the first instalment of arrears and the current taxes 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.

**17.—**(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 on the unpaid balance on the proportionate part of the instalment attributable to each separate kind of tax comprised in the consolidation at the following rates:

Where the tax is in arrears for a period of six years	
or more .....	26%

Where the tax is in arrears for a period of less than six and more than four years.....	22%
Where the tax is in arrears for a period of less than five and more than three years.....	18%
Where the tax is in arrears for a period of less than four and more than two years.....	14%
Where the tax is in arrears 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.

**18.** 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, 1934, 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.

**19.** In case any taxes levied under *The Municipal Hail Insurance Act* are included in any consolidated taxes—

- (a) such taxes shall bear interest at the rate of five per centum per annum from and after the first day of January, 1934, until payment;
- (b) the treasurer shall allow such discount not in excess of ten per centum upon payments made in receipt of such taxes as may be from time to time fixed by the Hail Insurance Board.

**20.—**(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.

**21.** 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.

**22.** 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.

**23.** 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 and any current taxes 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, 1934, 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.

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

**25.**—(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.

**26.** 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.

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

28. 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.

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

THE SCHEDULE.

*The Local Tax Arrears Consolidation Act, 1934.*

An Agreement made the \_\_\_\_\_ day of \_\_\_\_\_, 1934.

Between:

OF THE FIRST PART,

—and—

OF THE SECOND PART,

pursuant to the provisions of *The Local Tax Arrears Consolidation Act, 1934*;

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, 1934, there were taxes in arrears in respect of the said parcel for more than \_\_\_\_\_ years, as follows:

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

*	
Supp. Rev.	\$.....
W. Lands	\$.....
Imp. Dist.	\$.....
Educ.	\$.....
Hosp.	\$.....
School	\$.....
Costs and Penalties	\$.....
Nox. Weeds	\$.....
Ind. Relief	\$.....
	\$.....

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 penal-  
 ties thereon by six annual instalments upon the days and  
 in the amounts as follows, namely:

On or before the	day of	, 1934,	N.B.—You can save considerable money by making full settlement this year. If your payment reaches THIS OFFICE by 15th December, 1934. \$.....will be accepted in full of all arrears outstanding. You must however pay the current Taxes also, amounting to an additional \$.....
the sum of \$	, being 10% of the said sum;		
On or before the	day of	, 1935,	
the sum of \$	, being 10% of the said sum;		
On or before the	day of	, 1936,	
the sum of \$	, being 15% 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	, 1939,	
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, other than Hail Insurance taxes, with an amount equal to †% of the amount of the instalment attributable to the arrears of taxes levied by the municipality, other than Hail Insurance taxes, 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.

4. This agreement shall have no force or effect unless and until payment has been made of the first instalment of arrears of taxes together with the current taxes on or before the 15th day of December, 1934.

Dated at . . . . . this . . . day of . . . . ., 1934.

† Supp. Rev. .... % Wild Lands. .... % Imp. Dist. .... % Educational .... % Hospital .... % Cost and Penalties. .... % Noxious Weeds. .... % Indigent Relief. .... %	Treasurer of the . . . . .  . . . . . The Taxpayer.
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FOURTH SESSION  
SEVENTH LEGISLATURE  
24 GEORGE V  
1934

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**BILL**

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

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Received and read the

First time .....

Second time.....

Third time.....

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HON. MR. REID

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EDMONTON:  
W. D. McLEAN, KING'S PRINTER  
1934