



# MUNICIPAL DISTRICT OF GREENVIEW No. 16

## Tax Installment Payment Plan Information

### TAX INSTALLMENT PAYMENT PLAN

The Tax Installment Payment Plan (TIPP) offers MD of Greenview taxpayers a convenient plan that enables you to pay your property tax in 12 monthly payments (January-December) instead of one annual payment.

Your payment automatically comes out of your account **the last business day** of every month, making budgeting easier and eliminating late penalties.

Each year property taxes are typically billed in April or May. Non Residential taxes are due June 30; Residential/farmland taxes are due November 15. In 2020, the due date for Non-Residential taxes has been deferred until September 30.

If you pay through TIPPS, you don't need to worry about the payment deadline or late payment penalties. Your taxes are spread over 12 months, starting January 1, with your account being paid in full after your December 31 installment.

Monthly payments are calculated by dividing the annual tax levy from the preceding year by twelve (12) for the payment amount for January to May. The monthly payments from June to December will be amount owing after the new levy is calculated divided by seven (7) months. This will result in a zero balance at the end of the year. You will be notified of change in payment amount on your tax notice. TIPPS automatically continues from year to year; you only need to enroll once.

### HOW DOES TIPPS WORK?

- To enroll in TIPPS, your tax account must be paid in full.
- The application form must be completed, signed and submitted to a Greenview Administration Office accompanied by the appropriate banking information, no later than **January 31<sup>st</sup>** of the year in which the taxpayer wishes to enroll in the Tax Payment Plan. For 2020 only, the form must be submitted to Greenview before the tax due date.
- Any application received after the enrollment deadline of January 31<sup>st</sup> shall take effect the following calendar year.
- The TIPP agreement does not transfer from one property tax owner to a purchaser of the property in the event of a sale of a parcel of land.
- The plan follows the tax year and runs from January to December each year.

- January through May's payments are an estimated amount based on the previous year's tax levy.
- When the annual tax notice is mailed out, the notice shows the current year's taxes less any payments made. It will also show any change in the payment amount.

#### ONCE ENROLLED

- Your monthly payment will begin in January of each year.
- Your monthly payment will be adjusted on June 1 to take into account any change so the current years taxes will be paid in full by December 31.
- If you sell your property you must notify us, in writing, at least two (2) weeks prior to the next withdrawal date to arrange for cancellation of the plan.
- If you change your bank account you must notify us, in writing, at least two (2) weeks prior to the next withdrawal date to provide the new bank account information. Failure to notify us will result in a fee to have the payment returned.
- If you withdraw or your plan is cancelled, all unpaid taxes become due and payable and are subject to penalties in accordance with the penalty bylaw.

#### EXAMPLE OF MONTHLY PAYMENT CALCULATION:

Monthly payment calculation example:

Tax Levy in the prior year = \$3,000.00

Tax Levy in the current year = \$3,100.00

Monthly Payments	Monthly Payment Calculation	Payments	Tax Levy	Tax Roll Balance
January-May	$\$3000.00/12=\$250.00$	\$1,250.00		\$1,250.00 Credit
Current Year Tax Levy			\$3,100.00	\$1,850.00 Owing
June-November	$\$1,850.00/7=\$264.29$	\$1,585.74		\$ 264.26 Owing
December		\$ 264.26		\$0.00

The monthly payment from January to May of the following year will be \$258.33 ( $\$3,100.00/12$  months) and adjusted again on June 1 to take into account any change to the tax levy.

#### HOW TO APPLY FOR TIPPS

##### See Tax Payment Plan Agreement

The application form must be completed, signed and returned to a Greenview Administration Office accompanied by the appropriate banking information, no later than **January 31<sup>st</sup>** of the year in which the taxpayer wishes to enroll in the Tax Payment Plan.

- Any application received after the enrollment deadline of January 31<sup>st</sup> shall take effect the following calendar year.

## **CANCELLATION INFORMATION & CHANGE OF BANKING INFORMATION FORMS**

- You may withdraw or cancel from TIPPSs plan by giving written notice no later than the 20th of each month.
- Any payments returned by the bank, for any reason, are subject to a service charge. The charges shall be added on to the taxes owing for each affected tax roll.
- Once a participant is enrolled in TIPPS, such participant is automatically renewed each year and does not require a new application to be made every year to continue ongoing monthly tax payments.
- A participating taxpayer may, at any time, withdraw from TIPPS by giving not less than two (2) weeks' notice in writing. No monies paid into the plan will be returned, refunded or transferred to a Greenview utility account. The monies will remain on the tax roll.
- Greenview will cancel participation in TIPPS if an installment payment is returned for non-sufficient funds.
- If you, or Greenview cancels your TIPPS plan, all unpaid taxes become due and payable, and are subject to penalties in accordance with the current Tax Penalty By-Law.
- If a participant pays the tax balance owing on the tax/assessment notice issued, they will automatically be removed from TIPPS for the current taxation year.
- Any transfer of outstanding amounts to the applicable tax roll, in accordance with Section 553 of the Municipal Government Act, will automatically disqualify participation in the Tax Payment Plan and the property owner will be removed immediately from the Tax Payment Plan.
- Notice of removal from TIPPS may be sent to the taxpayer, by ordinary mail, to the taxpayer's last known mailing address as listed on the tax roll.
- If participation in TIPPS is cancelled by Greenview, the taxpayer shall not be eligible to participate in TIPPS until the taxation year following the cancellation, if the taxpayer chooses to re-enroll in the program. Completion of a new application form by the taxpayer is required.
- Upon sale of the property, the participant will be automatically removed from TIPPS.

## **IMPORTANT DATES**

As per Bylaw **No. 20-843**, the following dates are approved for 2020:

### **Tax due dates:**

- Non-residential Tax payments due September 30, 2020 (usually due June 30 annually)
- Residential Tax payments due November 15, 2020

### **Penalties**

- Non-residential penalty 8 % on October 1, 2020
- Residential penalty 8% on November 16, 2020

### **Penalties**

- January 1, 2021 -There is a 10% penalty on any taxes levied in 2020 that remain unpaid after December 31, 2020
- January 1, 2021 -There is an 18% penalty on any taxes levied in 2019 or earlier that remain unpaid after December 31, 2020

## **FAQ's**

### **Can I pick the day my payment comes out of my bank account?**

No. TIPP payments are withdrawn on the last business day of each month.

### **How long does it take to enroll?**

The enrollment process begins with your request to join.

- A TIPP agreement is sent to you after your request is received. During peak property tax periods, such as May through June, it may take up to 7 days to fulfill your request.
- The enrolment process is complete on your "start date" after we have successfully withdrawn your first monthly installment.

### **Can my monthly TIPP payment be withdrawn from any type of account?**

TIPP payments are withdrawn by direct debit from your account. Line-of-credit or credit card accounts may not be used.

### **What names do we record for TIPPS Participant(s) on TIPPS agreement?**

TIPPS participants are the names of ALL those who are entering into TIPPS agreement. At least one of TIPPS participants must be the bank account holder.

If a company is joining TIPP, TIPPS participant recorded should be the name of the company AND the name of the signing officer(s) for the company's bank account.

### **Who needs to sign the agreement?**

TIPPS Agreement should be signed by ALL TIPPS participants who are entering into the agreement. At least one of TIPPS participants must be the bank account holder.

If the monthly payment will come from a company bank account, the signing officer(s) for the bank account signs the agreement on behalf of the company.

NOTE: the signature must be your actual signature, not a digital or typed version of your signature

### **Do I have to be the property owner to join TIPP?**

Yes. The name on the tax roll must match the bank account information from where payments are being made.

**Do I need to sign up each year?**

No. The plan continues until cancelled by you or Greenview.

**Are there fees to join TIPP?**

No fees or penalties apply so long as the terms of the plan are maintained.

**For more information, please contact the tax department at:**

Phone: 780 524-7640

Email: [taxationdepartment@mdgreenview.ab.ca](mailto:taxationdepartment@mdgreenview.ab.ca)