



## DISTRICT OF SOOKE

### BYLAW No. 369

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#### CONSOLIDATED FOR REFERENCE

*March 2, 2009*

Bylaw No. 369, *Tax Prepayment Plan Bylaw, 2008*  
Bylaw No.390, *Tax Prepayment Plan Amendment Bylaw (369-1)*

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A bylaw to authorize a tax prepayment plan.

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The Council of the District of Sooke, in open meeting assembled, enacts as follows:

1. This Bylaw is cited as *Tax Prepayment Plan Bylaw, 2008*.

#### **EQUAL MONTHLY INSTALLMENTS:**

2. Any person being liable to the District of Sooke for property tax may apply to the Collector of the District of Sooke to pay taxes on an equal monthly installment basis in a total amount not greater than the most current tax amount levied by the Collector.
3.
  - a) The payment of property taxes on equal monthly installment basis commences upon the execution by the taxpayer of a form substantially as set forth in Schedule A of this Bylaw authorizing automatic deduction from the taxpayer's bank account to the credit of the District of Sooke of monthly payments equal to the monthly payment calculated pursuant to this Bylaw and the form must be deposited with the Collector of the District of Sooke.
  - b) Monthly payments are based on an estimate only and are not a warranty or guarantee of the amount of taxes to be levied.
4.
  - a) Equal payments due under the monthly installment basis are processed and collected on the 1st day of each calendar month commencing in August of the year preceding the tax due date and ending in May of the year in which the taxes are due.
  - b) An additional payment will be withdrawn on the tax due date to pay in full the year's net taxes. (*amended by Bylaw No. 390 March 2, 2009*)

- c) The Collector must, on the last day of each month, credit interest on the amount paid to that day to the benefit of the taxpayer participating in the monthly installment system at a rate equal to Prime Rate less 2%, as prescribed by the Lieutenant Governor in Council under the provisions of section 239 of the *Community Charter*. Interest is calculated and credited to the taxpayer's benefit based upon the daily balance in the taxpayer's account during the current month.
5. The Collector must indicate on each annual tax bill to any participating taxpayer, the total of all payments received plus interest earned and show the amount required to pay the balance of the taxes due on the due date of that year and such annual tax bill is calculated on the basis that amounts due on the tax prepayment plan are paid as scheduled.
6.
  - a) A participating taxpayer may give notice in writing ten (10) days prior to the installment date, to discontinue participation in the monthly installment system but no monies paid into the plan will be returned or refunded and the Collector must continue to pay interest as set out in the Bylaw on those monies previously paid.
  - b) In the event of sale of the property, tax prepayments are to remain on the property's account and responsibility for adjustment is between the vendor and purchaser.
  - c) The Collector may cancel the privilege of continuing in the monthly installment system if two installments fail to be honoured.
7. Participation in the monthly installment system must continue until terminated.
8. The District of Sooke must automatically recalculate the monthly installments to start each August. The District of Sooke must notify all participants each May on the current year tax notice as to the new monthly amounts that will start each August.

## **RANDOM PREPAYMENTS**

9. In addition to the monthly installment system authorized by this Bylaw the Collector is also authorized to accept and to hold monies to be applied at a future date in payment of taxes upon the following terms and conditions:

*Sections 9.(a), (b) and (c) Deleted entirely (Bylaw No. 390 March 2, 2009)*

## **PRECLUSION FROM PREPAYMENT**

10. In the event that there are taxes in arrears or delinquent chargeable on the property in question, the taxpayer is precluded from participating in the tax prepayment plan.

Introduced and read a first time the 23<sup>rd</sup> day of June, 2008.

Read a second time the 23<sup>rd</sup> day of June, 2008.

Read a third time the 23<sup>rd</sup> day of June, 2008

Rescinded third reading the 28th day of July, 2008

Amended the 28th day of July, 2008

Read a third time the 28th day of July, 2008

Adopted on the 25<sup>th</sup> day of August, 2008.

## **CONSOLIDATED FOR REFERENCE**

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Janet Evans  
Mayor

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Evan Parliament  
Chief Administrative Officer

Schedule A

**PERSONALLY APPROVED PAYMENTS SERVICE**

The undersigned hereby authorize(s) the DISTRICT OF SOOKE on the first day of each month to draw monthly cheques or prepare debits, by paper or electronic entry, covering payments due by the undersigned to District of Sooke for tax payments in the amount of \$\_\_\_\_\_ per month to cover property taxes for the current tax year. This amount can be changed in subsequent years by mutual consent.

SUBJECT PROPERTY: \_\_\_\_\_  
Address Property Tax Folio Number

DESCRIPTION OF TAXPAYER AND ACCOUNT

\_\_\_\_\_  
FIRST NAME INITIALS FAMILY NAME  
(or corporate name if applicable)

\_\_\_\_\_  
ADDRESS CITY PROVINCE

\_\_\_\_\_  
POSTAL CODE

AUTHORITY:

THE UNDERNOTED FINANCIAL INSTITUTION:

\_\_\_\_\_  
NAME OF FINANCIAL INSTITUTION BANK # BRANCH BRANCH #

\_\_\_\_\_  
ADDRESS CITY PROVINCE

\_\_\_\_\_  
POSTAL CODE

is hereby authorized to pay and debit the account of the undersigned all amounts payable to DISTRICT OF SOOKE drawn on or directed to you by a chartered bank on behalf of the undersigned.

Your treatment of each debit must be the same as if the undersigned has personally directed you to pay as indicated and to charge the amount specified to the account of the undersigned. This authorization may be cancelled at any time upon written notice.

Any delivery of this authorization to you constitutes delivery by the undersigned.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**Note:** To ensure accuracy, please enclose a specimen cheque marked "VOID"

\_\_\_\_\_  
Signature (Joint account, all depositors must sign if more than one signature is required on cheques issued against the account)

## **CONDITIONS**

Interest will be calculated at the end of each month and credited to the taxpayers tax account.

Interest will be calculated at a rate equal to Prime Rate less 2%, as prescribed by the Lieutenant Governor in Council under the provisions of section 239 of the *Community Charter* as of the last day of each month.

Payments will be processed and collected on the first day of each calendar month commencing in August of the year preceding the tax due date and ending in May of the year in which the taxes become due.

There will be an additional payment to be withdrawn on the due date of that tax year in the amount payable to fully pay the year's net taxes. This amount will be calculated on the basis that the May 1st payment will be met.

*THE HOMEOWNER GRANT MUST BE CLAIMED AFTER RECEIPT OF THE TAX NOTICE AND PARTICIPATION IN THE TAX PREPAYMENT PLAN IS NOT A SUBSTITUTE FOR CLAIMING THE GRANT.*

Monthly payments are based on an estimate only and are not a warranty or guarantee of the amount of taxes which may be levied.

This agreement is valid until terminated by either party in writing. The amount of deductions taken by the District of Sooke may vary in subsequent years. The amount will be agreed by mutual consent of both parties in a statement mailed in May of each year to each participant showing the monthly payment suggested for the next year.

The taxpayer may, in writing, cancel this arrangement at any time but there will be no refund of any payments made prior to the cancellation and the District of Sooke will continue to pay interest on any amounts paid.

The Collector may cancel the privilege of continuing in the monthly installment system if two installments fail to be honoured.

A participating taxpayer may give notice in writing ten (10) days prior to the installment date, to discontinue participation in the monthly installment system but no monies paid into the plan will be returned or refunded and the Collector must continue to pay interest as set out in the Bylaw on those monies previously paid.

In the event of sale of the property, tax prepayments are to remain on the property's account and responsibility for adjustment must be between the vendor and purchaser.

Under paragraph 14 of Revenue Canada Interpretation Bulletin IT-396/R of May 29, 1984, the interest earned and applied to taxes is considered as a reduction of the amount payable, and is not income for income tax purposes.