

## Town of Redcliff - Recovery of Taxes Related to Land

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The Municipal Government Act (MGA) regulates the tax recovery process for municipalities. Within the MGA, Part 10, there are three divisions that outline the tax recovery process for different types of property:

- Division 8 – Recovery of Taxes Relating to Land;
- Division 8.1 – Recovery of Taxes Relating to Designated Manufactured Homes; and
- Division 9 – Recovery of Taxes Not Relating to Land

For this section, the tax recovery process will be specifically for the recovery of taxes relating to land (Division 8):

1. Each year, Town of Redcliff must, not later than March 31, prepare a list of all parcels of land that are more than one year in arrears and forward to the Registrar at the Land Titles Office. A Tax Recovery Notification will be registered on the Certificate of Title. A Tax Notification Fee will be added to the tax roll account. Section 326 (c) of the MGA defines “tax arrears” as “taxes that remain unpaid after December 31 of the year in which they are imposed.” Taxes are in arrears if they are unpaid as of January 1 of the year following the year in which they were imposed. Section 332 states that taxes imposed are deemed to have been imposed on January 1.
2. Once a Tax Recovery Notification has been endorsed on the Certificate of Title, the person who is liable to pay the taxes must not remove any improvements for which taxes can be levied and for which that person is responsible without the approval of the municipality. Anyone can pay the tax arrears owing against the property and Town of Redcliff will discharge the Tax Recovery Notification.
3. No later than the August 1 following receipt of a copy of the tax arrears list, the Registrar must, in respect of each parcel of land shown on the tax arrears list, send a notice to the owner of the parcel of land, to any person who has an interest registered against the parcel, and to each owner of an encumbrance as shown on the Certificate of Title. The notice must state that if the tax arrears are not paid by March 31 of the following year the municipality will offer the parcel for sale at public auction, and the municipality may become the owner of the parcel if it is not sold at public auction.
4. If the tax arrears are not paid by March 31 of the following year, Town of Redcliff will offer the parcel for sale at public auction and may become the owner of the parcel if it is not sold at public auction.
5. Town of Redcliff must offer for sale at a public auction any lands with tax arrears that are shown on its tax arrears list. Discharge of Tax Recovery Notification will not be sent to Land Titles until the arrears and penalties are paid in full.
6. Town of Redcliff must establish a reserve bid before it can auction a property. The reserve bid is set at a level that is as close as reasonably possible to the market value of the parcel.
7. Town of Redcliff must advertise the public auction in the Alberta Gazette and one local newspaper. The information in the advertisement must specify the date, time and location of the auction and a description of each parcel of land to be offered for sale. The advertisement must also include any terms and conditions of the sale. Up to the date of the public auction anyone can pay the tax arrears owing against the property and Town of Redcliff will discharge the Tax Recovery Notification.

8. Town of Redcliff holds a public auction on the date set by Council, in which, any parcels of land included in the listing that have not been discharged from the Tax Recovery Notification will be available for public auction with the set reserve bid.
9. Should the parcels of land not be sold at the public auction, Town of Redcliff may cancel the existing title for the parcel of land and issue a certificate of title in the name of the Town. A Tax Forfeiture will be registered on the Certificate of Title. The Town will then have the ability to sell the parcel of land at any time after being registered on Title.
10. The following is a timeline of the tax recovery process relating to Land (*How a property with tax arrears has progressed to the 2018 auction sale*):  
*MGA 332 states that taxes imposed under Part 10, other than a supplementary property tax or a supplementary business tax, are deemed to have been imposed on January 1.*

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Tax Recovery Process	Tax Notices Mailed out	Tax Due Date	Becomes Tax Arrrears (for 1 yr)	Becomes Tax Arrrears for 2 yrs (more than 1 yr)	Tax Notification Registered with Land Title (tax arrears for more than 1 year)	Registrar Sends Notifications to Landowner and any interested parties on the Title	Parcel available for public auction	Council sets the Reserve Bids	Advertise in Albeta Gazette (between 40-90 days prior to Auction)	Advertise in Commentator (between 10-20 days prior to Auction)	Public Auction
Timeline	May 19-24/15	June 30/15	Jan 1/16	Jan 1/17	Before Mar 31, 2017	Before Aug 1/2017	After Mar 31/18	In April/18	In May/18	In July/18	July 31/18
					2017 Tax Arrears List						Auction properties with unpaid arrears on 2017 tax arrears list